



To help you  
worry less  
and live more.

# BMO Insurance Building on Our Strength

BMO Insurance offers an extensive portfolio of innovative individual life, health insurance and annuity products. This breadth of products, combined with our exceptional expertise in meeting clients' needs, makes BMO Insurance the ideal partner to help you build stronger relationships – and a stronger business. With BMO Guaranteed Investment Funds (GIFs) to complement our income annuity options, you can offer your clients an even broader range of wealth management solutions. BMO Insurance shares the same values that have made our parent, **BMO Financial Group**, one of the most recognized and respected financial services organizations in Canada.

## About BMO Financial Group

Serving customers for 206 years and counting, BMO is a highly diversified financial services provider – the 8<sup>th</sup> largest bank, by assets, in North America. With total assets of \$1.4 trillion as at July 31, 2024, and a team of diverse and highly engaged employees, BMO provides a broad range of personal and commercial banking, wealth management and investment banking products and services to 13 million customers and conducts business through three operating groups: Personal and Commercial Banking, BMO Wealth Management and BMO Capital Markets.

### Insurer Financial Strength Rating

#### A.M. Best Company

BMO Life Assurance Company  
A (Excellent) as of December 15, 2023

### Credit Ratings<sup>1</sup> (Senior Debt/Outlook)

Moody's	A2 / Stable
S&P	A- / Stable
Fitch	AA- / Stable
DBRS	AA (low) / Stable

<sup>1</sup> BMO Financial Group ratings as of April 30, 2024.

# Table of contents

<b>Introduction to BMO Guaranteed Investment Funds (GIF)</b>	<b>1</b>
<b>Key Features</b>	<b>2</b>
<b>Key Markets</b>	<b>3</b>
<b>Highlighting GIF 75/75 and GIF 75/100</b>	<b>4</b>
<b>Highlighting GIF 100/100</b>	<b>5</b>
<b>Product Overview</b>	<b>6</b>
<b>Plan Types and Transaction Processing</b>	<b>6</b>
Available Plans	6
Contract Type	6
Lump Sum Deposits	6
Class A Prestige	6
Class F	7
Annuity Settlement Option	7
Pre-authorized Debit (PAD)	7
Dollar Cost Averaging (DCA)	7
Switches	7
Withdrawals	7
Transaction Processing	8
DSC-Free Amount	8
CB-Free Amount	8
Tax Reporting	8
Policyowner Statements	8
Transaction Confirmations	8
<b>Fees, Sales Charge Options and Commissions</b>	<b>9</b>
Management Expense Ratio (MER)	9
Sales Charge Options	9
Commissions	9
Death Guarantee Reset Option Fee (GIF 100/100 only)	10
Other Fees	10
<b>Guarantees</b>	<b>10</b>
Contract Maturity Date – GIF 75/75, 75/100, 100/100	10, 11, 11
Maturity Date – GIF 100/100	11
Maturity Guarantee – GIF 75/75, 75/100, 100/100	10, 11, 11
Death Guarantee – GIF 75/75, 75/100, 100/100	10, 11, 12
Reset of the Death Guarantee Amount – GIF 75/100, 100/100	11, 12
Reset of the Maturity Guarantee Amount – GIF 100/100	12
Maturity Date Renewal – GIF 100/100	12
Reset of the Death Guarantee Amount at Maturity Date Renewal – GIF 100/100	12
Annuity Payment – GIF 75/75, 75/100, 100/100	10, 11, 12
<b>Protect your Client's Retirement Savings and Lock-in Market Gains</b>	<b>13</b>
<b>Example of How Maturity Guarantee Resets Work</b>	<b>15</b>
<b>Case Studies – Putting It All Together</b>	<b>17</b>
<b>BMO GIFs Protect the Value of your Client's Estate for Future Generations</b>	<b>19</b>
<b>Maximizing the Value of your Client's Estate – Death Guarantee Resets</b>	<b>20</b>
<b>Fund Options and Portfolio Management</b>	<b>22</b>
<b>BMO ETF Portfolio GIFs – At a Glance</b>	<b>23</b>
<b>Highlights of BMO GIF Client and Fund Reporting</b>	<b>24</b>
<b>Glossary</b>	<b>25</b>

# BMO Guaranteed Investment Funds (GIF)

Saving for retirement has become a challenge for today's investors seeking better returns and less return volatility. Younger pre-retirees may be willing to take on more risk to get lower fees and higher potential returns. Retirees or those close to retiring may be looking for higher potential returns but also wanting greater capital protection. Older retirees planning to transfer their wealth on to the next generation may be less concerned with maturity guarantees and more interested in capital preservation in the event of death.

BMO Insurance offers a wide choice of maturity and death guarantee options and investment choice of funds to help you customize a BMO GIF solution to meet each of your client's unique needs.



## **BMO GIF 75/75 and 75/100**

offers you and your clients greater flexibility and choice

- 75% maturity guarantee on deposits<sup>2</sup>
- 75% death guarantee on deposits<sup>2</sup> or
- GIF 75/100: 100% death guarantee<sup>4</sup> on deposits, with automatic triennial resets<sup>6</sup>
- 75/75 funds have the lowest fees that provide the potential for higher returns
- More investment choice with greater equity content up to 100%, managed by BMO Global Asset Management
- Dollar cost averaging (DCA) on policy set-up
- Popular chargeback sales charge option



## **BMO GIF 100/100**

continues to offer an unbeatable combination of guarantees

- 100% maturity guarantee on deposits<sup>3</sup>
- 100% death guarantee on deposits<sup>4</sup>
- Automatic monthly resets of the maturity guarantee<sup>5</sup>
- Optional triennial resets of the death guarantee<sup>6,7</sup>

<sup>2</sup> Less a proportional amount for withdrawals.

<sup>3</sup> At Maturity: 100% of deposits made at least 15 years and 75% of deposits made less than 15 years from the Maturity Date, less a proportionate amount for withdrawals.


<sup>4</sup> At Death: 100% on deposits made before the Annuitant is age 80 (age 85 for GIF 75/100 Plus) and 75% on deposits made on or after age 80 (age 85 for GIF 75/100 Plus), less a proportionate amount for withdrawals.

<sup>5</sup> Automatic monthly resets of the Maturity Guarantee Amount occur up to and including 10 years from the Maturity Date.

<sup>6</sup> Automatic resets of the Death Guarantee Amount occur every 3<sup>rd</sup> policy anniversary up to and including the last policy anniversary before the Annuitant's 80<sup>th</sup> birthday.

<sup>7</sup> Additional fee applies.

# Key Features

	GIF 75/75 	GIF 75/100 	GIF 100/100 
<b>Maturity Date</b>	Age 100	Age 100	Client chosen: 15-25 years
<b>Maturity Benefit</b>	Maturity Benefit at Maturity Date is the greater of the Maturity Guarantee Amount or the Market Value of Contract.	Maturity Benefit at Maturity Date is the greater of the Maturity Guarantee Amount or the Market Value of Contract.	Maturity Benefit at Maturity Date is the greater of the Maturity Guarantee Amount or the Market Value of Contract.
<b>Maturity Guarantee Amount<sup>8</sup></b>	75% of deposits at Maturity Date	75% of deposits at Maturity Date	100% of deposits made at least 15 years and 75% of deposits made less than 15 years from the Maturity Date
<b>Maturity Guarantee Resets</b>	None	None	Automatic monthly until 10 years before Maturity Date
<b>Death Benefit</b>	Death Benefit at Death Benefit Date is the greater of the Death Guarantee Amount or the Market Value of the Contract.	Death Benefit at Death Benefit Date is the greater of the Death Guarantee Amount or the Market Value of the Contract.	Death Benefit at Death Benefit Date is the greater of the Death Guarantee Amount or the Market Value of the Contract.
<b>Death Guarantee Amount<sup>8</sup></b>	75% of deposits	100% of deposits made before age 80; 75% of deposits made on or after age 80 <b>75/100 Plus<sup>11</sup>:</b> 100% of deposits made before age 85; 75% of deposits made on or after age 85	100% of deposits made before age 80; 75% of deposits made on or after age 80
<b>Death Guarantee Resets</b>	None	<b>Standard feature:</b> Every three years up to and including the last policy anniversary before the Annuitant's 80 <sup>th</sup> birthday	<b>Optional feature:</b> Every three years up to and including the last policy anniversary before the Annuitant's 80 <sup>th</sup> birthday (the Death Guarantee Reset Option must be selected at policy issue; additional fee applies)
<b>Annuity Settlement</b>	Select the Annuity Settlement Option to distribute your death benefit over a series of payments under an annuity.		
<b>MER<sup>9</sup></b>	Class A: 1.95% to 2.92% Class A Prestige: 1.85% to 2.45% Class F: 0.85% to 1.89% Class F Prestige: 0.75% to 1.47%	Class A: 2.10% to 3.30% Class A Prestige: 2.00 % to 3.00% Class F: 1.00% to 2.20%	Class A: 2.50% to 3.29% Class A Prestige: 2.10% to 2.89% Class F: 1.40% to 2.18%
<b>Prestige Class<sup>10</sup></b>	Class A Prestige available on front-end Load and chargeback sales charge option. Class F Prestige available on 75/75 only.		

<sup>8</sup> Reduced proportionately for withdrawals.

<sup>9</sup> Based on estimates or actual MERs as of December 31, 2023; includes management fee, insurance fee, fixed administrative expenses (0.25%) plus applicable taxes. Excludes Money Market.





















<sup>10</sup> To qualify your client must hold at least \$250,000 in one or more BMO GIF Contracts issued in their name. Deposits qualifying for Class A Prestige will automatically be switched from Class A to corresponding Class A Prestige fund. Money Market fund not available in Prestige Class.

<sup>11</sup> Available only on Front-end load (FEL) at 0% deposit commission and Class F sales charge option and four ETF portfolio GIFs (Fixed Income, Income, Conservative, Balanced) and Money Market.



# Key Markets

Today's pre-retirees and retirees are becoming more cautious and conservative investors. With today's market uncertainty and volatile interest rates, it has become a challenge for many investors to meet their retirement income needs without taking on more risk to get higher potential investment returns. Furthermore, current market conditions have made investors even more sensitive to risk when it comes to their hard-earned retirement savings. BMO Guaranteed Investment Funds is the solution your clients have been looking for.

Ideal Customer	The BMO GIF Advantage
<p><b>Pre-retirement/Wealth Accumulation</b></p> <p>An attractive solution for 45 to 55 year old pre-retirees who are willing to take on some risk to get lower fees and higher potential returns, but want some downside market protection.</p> <p>Downside Protection  Fees  Equity Content  Potential Returns </p>	<p><b>Solution: GIF 75/75</b> </p> <ul style="list-style-type: none"> <li>• Lowest fees</li> <li>• More investment fund choice with greater equity content available</li> <li>• Invests in BMO ETFs and ETF Portfolios managed by BMO Global Asset Management</li> <li>• No less than 75% of investments paid to beneficiary in event of death</li> <li>• Popular chargeback sales charge option</li> </ul>
<p><b>Professionals/Business Owners</b></p> <p>Entrepreneurs looking for creditor protection and lower fees, while building funds that are fully accessible in case of emergencies or to assist in succession planning.</p> <p>Creditor Protection  Fees  Equity Content  Potential Returns </p>	<p><b>Solution: GIF 75/75</b> </p> <ul style="list-style-type: none"> <li>• Lowest fees</li> <li>• Creditor protection to protect personal assets from business liability<sup>17</sup></li> <li>• No less than 75% of investments paid to beneficiary in event of death</li> <li>• More investment fund choice with greater equity content available</li> <li>• Invests in BMO ETFs and ETF Portfolios managed by BMO Asset Management</li> <li>• Popular chargeback sales charge option</li> </ul>
<p><b>Retirement/Estate Preservation and Wealth Transfer</b></p> <p>Retirees and seniors age 65 to 90 looking for higher potential returns while preserving estate values and wanting to transfer assets to heirs in a timely, private and cost-effective manner.</p> <p>Estate Value Protection  Cost-effective Wealth Transfer  Equity Content  Potential Returns </p>	<p><b>Solution: GIF 75/100</b> </p> <ul style="list-style-type: none"> <li>• Lower fees leaving more to accumulate wealth</li> <li>• Estate protection: Up to 100% of investments paid to beneficiary in event of death<sup>13</sup></li> <li>• Automatic triennial death guarantee resets to build legacy value<sup>15</sup></li> <li>• No probate, executor or legal/administration fees maximizes wealth transfer<sup>18</sup></li> <li>• More fund choice with greater equity content available</li> <li>• Invests in BMO ETFs and ETF Portfolios managed by BMO Asset Management</li> <li>• Popular chargeback sales charge option</li> </ul>
<p><b>Pre-retirement/Protected Wealth Accumulation</b></p> <p>An attractive solution for 55 to 65 year old pre-retirees who are looking for higher potential returns while protecting their investment as they get closer to retirement.</p> <p>Capital Protection  Estate Value Protection  Resets  Potential Returns </p>	<p><b>Solution: GIF 100/100</b> </p> <ul style="list-style-type: none"> <li>• Highest level of guarantees: <ul style="list-style-type: none"> <li>» Capital protection: Up to 100% of investments returned in as few as 15 years<sup>12</sup></li> <li>» Estate protection: Up to 100% of investments paid to beneficiary in event of death<sup>13</sup></li> </ul> </li> <li>• Automatic monthly maturity guarantee resets<sup>14</sup> (automatically locks-in market gains)</li> <li>• Option for automatic triennial death guarantee resets<sup>15,16</sup></li> <li>• Balanced funds for reduced volatility, designed by BMO Asset Management</li> <li>• Popular chargeback sales charge option</li> <li>• Prestige Class pricing for high net worth clients<sup>19</sup></li> </ul>

<sup>12</sup> 100% on deposits made at least 15 years and 75% on deposits made less than 15 years from the Maturity Date, less a proportionate amount for withdrawals.

<sup>13</sup> At Death: 100% on deposits made before the Annuitant is age 80 (age 85 for GIF 75/100 Plus) and 75% on deposits made on or after age 80 (age 85 for GIF 75/100 Plus), less a proportionate amount for withdrawals.

<sup>14</sup> Automatic monthly resets of the Maturity Guarantee Amount occur up to and including 10 years from the Maturity Date.

<sup>15</sup> Automatic resets of the Death Guarantee Amount occur every 3<sup>rd</sup> policy anniversary up to and including the last policy anniversary before the Annuitant's 80<sup>th</sup> birthday.

<sup>16</sup> Additional fee applies.

<sup>17</sup> Creditor Protection rules depend on legislation and vary by province. It cannot be guaranteed. Your clients should consult a legal advisor for their specific situation.

<sup>18</sup> May vary by province. Probate fees may not apply in Quebec.

<sup>19</sup> To qualify your client must hold at least \$250,000 in one or more GIF Contracts issued in their name.

# Highlighting GIF 75/75 and GIF 75/100



## Scenario 1

**Your client is young (45-55) and saving for retirement but is willing to take on some risk for higher potential returns**

- GIF 75/75 provides the lowest fees, maximizing potential returns
- More fund choice with availability of up to 100% equity
- 75% maturity and death guarantees on deposits

## Scenario 2

**Your client runs a small business looking for creditor protection of personal assets**

- GIF 75/75 provides the lowest fees offering creditor protection
- 75% maturity and death guarantees on deposits
- Funds fully accessible in case of emergencies or to assist in succession planning

## Scenario 3

**Your client is retired (70+) and wanting to leave a legacy to their grandchildren; not as concerned with maturity guarantee as may not live to maturity date**

- GIF 75/100 provides greater estate protection for wealth transfer
- Automatic triennial death guarantee resets lock-in market gains to build legacy
- No probate, executor or legal/administrative fees<sup>20</sup>
- Select the Annuity Settlement Option to distribute your death benefit over a series of payments under an annuity

<sup>20</sup> May vary by province. Probate fees may not apply in Quebec.



# Highlighting GIF 100/100

## Choosing a Maturity Date... The long and short of it.

Helping your clients select a Maturity Date for their guarantees is an important part of the advice you give them. Here are some tips:

### Scenario 1

**Your client is young (under 50) and saving for retirement**

- Go for the longest Maturity Date of 25 years
- Maximize the monthly maturity guarantee reset benefit for 15 years (up to 10 years before the Maturity Date) to lock-in market gains and maximize the Maturity Benefit at renewal
- Client can make Subsequent Deposits for 10 years at 100% maturity guarantee
- Maturity Benefit is most important to your client

### Scenario 2

**Your client is 50+ and has already earmarked this non-registered investment to supplement their income once retired**

- Choose a maturity date to match your client’s expected retirement income start year
- This could be anywhere from 15-25 years
- This approach takes advantage of maturity guarantee resets to lock-in market gains and maximize the Maturity Benefit available to fund retirement income
- The Death Guarantee Reset Option provides the potential to lock-in market gains and protect these gains during market downturns
- At maturity, your client can decide to renew the investment or fund a retirement income vehicle

### Scenario 3

**Your client is retired (60+), does not need the money in the short term for retirement income but is concerned about preserving capital for the future**

- Go for the shortest Maturity Date of 15 years
- The Maturity Benefit with automatic monthly resets has value on the Maturity Date if the client is living
- Your client gets a 100% death benefit guarantee on all deposits made before age 80
- The Death Guarantee Reset Option provides the potential to lock-in market gains for your client’s beneficiaries in the event of death before maturity
- The Annuity Settlement Option offers the client a choice to distribute the Death Benefit over a series of payments under an annuity



Choosing a Maturity Date		
	Retirement Income need	Estate Preservation need
Young (< 50)	Long: 25 years	Long: 25 years
Mature (50-60)	Short to medium: 15-25 years	Short to medium: 15-25 years
Retired (60+)	Short: 15 years	Short: 15 years



# Product Overview

## Features Common to GIF 75/75, GIF 75/100, GIF 100/100 Guarantee Options (except where noted)

### Plan Types and Transaction Processing

Available Plans	<b>Savings Plans:</b> Non-registered, RSP, LRSP <sup>21</sup> , RLSP <sup>21</sup> , LIRA <sup>21</sup> , TFSA <b>Retirement Income Plans:</b> RIF, LIF <sup>21</sup> , RLIF <sup>21</sup> , LRIF <sup>21</sup> , PRIF <sup>21</sup> <sup>21</sup> Must complete and sign the applicable locked-in endorsement (forms are available in Administration and Regulatory Documents at <a href="http://www.bmoinsurance.com/advisor/GIF">www.bmoinsurance.com/advisor/GIF</a> ).			
Contract Type	<b>Latest age for new policy issue by Guarantee Option<sup>22</sup></b>			
	<b>GIF 75/75</b>	<b>GIF 75/100</b>	<b>GIF 75/100 Plus</b>	<b>GIF 100/100</b>
Non-registered, TFSA, RIF	90	<80 <sup>23</sup>	<85 <sup>23</sup>	85
RSP, LIRA, LRSP, RLSP	71 or other maturity date under the Tax Act	71 or other maturity date under the Tax Act	71 or other maturity date under the Tax Act	71 or other maturity date under the Tax Act
LIF, PRIF, LRIF, RLIF	90	<80 <sup>23</sup>	<85 <sup>23</sup>	85
	<sup>22</sup> All ages as of December 31 (unless otherwise noted). <sup>23</sup> Age as of actual date of birth.			

Lump Sum Deposits	Account Type	Latest Age to Deposit <sup>24</sup>		Latest Age to Hold Contract <sup>24</sup>	Minimum Initial Deposit Amounts	Minimum Subsequent Deposit Amounts
		GIF 75/75 GIF 75/100	GIF 100/100			
	Non-registered, TFSA	90	85	100	\$500 per Fund; or PAD \$50	\$500 per Fund; or PAD \$50
	RIF, LIF <sup>25</sup> , LRIF, PRIF, RLIF	90	85	100 <sup>26</sup>	\$10,000	\$500 per Fund
	RSP, LIRA, LRSP, RLSP	71	71	100 <sup>25</sup>	\$500 per Fund; or PAD \$50	\$500 per Fund; or PAD \$50
Withdrawals	<ul style="list-style-type: none"> <li>Minimum \$500 per fund for unscheduled withdrawals and \$100 per fund for scheduled</li> <li>No fees for withdrawals (subject to short-term trading fees and/or deferred sales charges)</li> </ul>					
Switches	<ul style="list-style-type: none"> <li>Minimum \$500 per fund (unlimited free switches)</li> <li>Transfers between different sales charge options, guarantee options or contracts are treated as a withdrawal and a deposit and may affect the maturity and death guarantees; in a non-registered Contract, this transaction may result in a capital gain or loss as it creates a taxable disposition</li> </ul>					
	<sup>24</sup> All dates are as of December 31 of the Annuitant's age shown. <sup>25</sup> For RSP, LIRA, LRSP or RLSP Contracts, subject to conversion to a RIF or locked-in income plan at age 71 or the latest age to own an RSP under the Income Tax Act (Canada) (the "Tax Act"). <sup>26</sup> Except where federal or provincial laws respecting LIFs require you to annuitize your LIF at age 80, the latest age to deposit is 65 and the latest age to hold the Contract is age 80.					

Prestige Class	<ul style="list-style-type: none"> <li>Class A Prestige available on all sales charge options: Front-end load (FEL) and Chargeback (CB). Class F Prestige available on 75/75 only.</li> <li>Available on all guarantee options</li> <li>To qualify for Prestige Class, your client must hold at least \$250,000 in one or more BMO GIF Contracts issued in their name</li> </ul> <b>Transaction processing:</b> Deposits qualifying for Prestige Class will automatically be switched from Class A or Class F into the corresponding Prestige Class Funds where available
----------------	--

Lump Sum Deposits	Account Type	Latest Age to Deposit <sup>24</sup>		Latest Age to Hold Contract <sup>24</sup>	Minimum Initial Deposit Amounts	Minimum Subsequent Deposit Amounts
		GIF 75/75 GIF 75/100	GIF 100/100			
Class F	<ul style="list-style-type: none"><li>• Available on all guarantee options</li><li>• F Class in Client Name available through FundSERV only. Maximum Advisor fee of 1.25%.</li></ul>					
Annuity Settlement Option	<ul style="list-style-type: none"><li>• We will pay the Death Benefit to one or more designated beneficiaries in a series of income payments under an annuity</li><li>• Available on all guarantee options</li><li>• For nominee accounts: Annuity Settlement Option is only available if the policy is held in a non-registered account and a beneficiary is designated</li></ul>					
Pre-authorized Debit (PAD) also known as Pre-authorized Chequing (PAC)	<ul style="list-style-type: none"><li>• <b>Minimum PAD amount:</b> \$50 per Fund</li><li>• Available on non-registered, RSP and TFSA plans</li><li>• Available one-time, weekly, bi-weekly (every two weeks), monthly, quarterly, semi-annually and annually</li><li>• PAD amounts can be level or increase annually by a fixed percentage or dollar amount</li></ul> <p><b>PADs are available only through a direct paper transaction request.</b></p>					
Dollar Cost Averaging (DCA)	<ul style="list-style-type: none"><li>• <b>Minimum DCA amount:</b> \$50 per Fund</li><li>• Available monthly, quarterly, semi-annually and annually</li></ul> <p><b>DCA is available only through a direct paper transaction request.</b></p>					
Switches	<p><b>Minimum amount per switch:</b> \$500 per Fund</p> <ul style="list-style-type: none"><li>• Unlimited free switches</li><li>• Maturity or Death Guarantee Amounts not impacted (may result in a capital gain or loss since it creates a taxable disposition)</li><li>• Transfers between different sales charge options, guarantee options or contracts are treated as a withdrawal and a Subsequent Deposit and may affect the maturity and death guarantees. In a non-registered Contract, this transaction may result in a capital gain or loss as it creates a taxable disposition.</li></ul> <p><b>Switches within the same sales charge option and from Class A to Class A Funds are available through FundSERV or direct paper transaction request. All other switches are only available through a direct paper transaction request.</b></p>					
Switches Between Classes	<p>A switch between Classes of the same Fund is processed as a reclassification of Units, except in the case below. A reclassification of Units does not affect maturity and death guarantees and is not a taxable disposition.</p> <p><b>Exception</b> – A switch is processed as a sell and a buy if the switch is from Class F to Class A under the chargeback or deferred sales charge option and is a taxable disposition in a non-registered Contract and may result in a capital gain or loss.</p> <p>A switch between Class A or Class A Prestige to Class F or Class F Prestige of the same Fund while treated as a reclassification of Units is subject to DSC charges and the CB commission chargeback where applicable.</p>					
Withdrawals	<p>Unscheduled or scheduled (Scheduled Withdrawal Plan – SWP) withdrawals are available.</p> <p><b>Minimum withdrawal amounts:</b></p> <ul style="list-style-type: none"><li>• Unscheduled: \$500 per Fund</li><li>• Scheduled (SWP): \$100 per payment</li><li>• RIF annual minimum amount</li></ul> <p><b>SWP frequencies:</b> weekly, bi-weekly (every two weeks), monthly, quarterly, semi-annually and annually</p> <p>Withdrawals from a specified Fund will be processed on a FIFO basis (oldest units first). Withdrawals of units from a Fund under the DSC sales option will be processed in this order:</p> <ol style="list-style-type: none"><li>1 DSC-free units</li><li>2 Mature DSC units not subject to DSC (oldest units first)</li><li>3 Units subject to DSC (oldest units first)</li></ol> <p><b>SWPs are available only through a direct paper transaction request.</b></p>					

## Plan Types and Transaction Processing continued >

Transaction Processing	<p><b>All transactions are processed every Valuation Day:</b></p> <p>Lump sum deposits, switches, withdrawals, PADs and SWPs.</p> <p>The transaction request must be received by 4:00 p.m. EST to be processed that day based on that day's closing Unit Value(s); otherwise, the transaction will be processed on the next Valuation Day.</p>
DSC-Free Amount	<p><b>The DSC-free limit for each Fund is the sum of:</b></p> <ol style="list-style-type: none"> <li>1 10% of the number of any DSC Units allocated to that Fund on December 31 of the previous calendar year; and</li> <li>2 10% of the number of any DSC Units allocated to that Fund from Deposits made in the current calendar year prior to June 1, 2023.</li> </ol> <p>The DSC-free withdrawal allocation is not cumulative and cannot be carried forward for use in future calendar years. After all Units under the DSC-free withdrawal allocation have been used, an additional number of Units can be redeemed by paying the applicable sales charge.</p> <p>The DSC-free amount does not apply to either the front-end load or chargeback sales options.</p> <p><b>GIF 100/100:</b> Withdrawal of DSC units to pay fees for the Death Guarantee Reset Option (if elected) will not impact the DSC-Free Amount.</p>
CB-Free Amount (RIF accounts)	<p><b>The CB-free limit for each Fund is</b> 10% of the number of any CB Units allocated to that Fund on December 31 of the previous calendar year.</p> <p>The CB-free withdrawal allocation is not cumulative and cannot be carried forward for use in future calendar years. After all Units under the CB-free withdrawal allocation have been used, an additional number of Units can be redeemed through claw back of commission.</p> <p><b>GIF 100/100:</b> Withdrawal of CB units to pay fees for the Death Guarantee Reset Option (if elected) will not impact the CB-Free Amount.</p>
Tax Reporting	<p><b>Non-registered policies:</b> Interest, dividends and capital gains must be included as taxable income in the year received. While the treatment of "top-up" payments under the Tax Act is not certain, we plan to report them as capital gains.</p> <p><b>Registered policies:</b> Withdrawals are fully taxable in the year withdrawals are processed. A top-up payment within a registered plan is deemed taxable income when withdrawn from the registered plan.</p>
Policyowner Statements	Annual and semi-annual statements are mailed to Policyowners with copies sent to advisors via their MGA.
Transaction Confirmations	Confirmations are mailed to Policyowners with copies sent to advisors via their MGA.


# Fees, Sales Charge Options and Commissions

## Management Expense Ratio (MER)

Each segregated fund has its own management and insurance fees, operating expenses, plus applicable taxes. They are deducted from the segregated fund.

The MER shows the percentage of the segregated fund used to pay for these fees and expenses in a calendar year. It is deducted daily from the net assets of the fund before the daily Unit Value is calculated.

BMO Insurance pays certain operating expenses including audit and legal fees and expenses; custodian and transfer agency fees; costs attributable to the administration of the segregated funds, including the cost of the record keeping system; costs of financial reports and other types of reports, statements and communications to policyholders; fund accounting and valuation costs and regulatory filing fees (collectively the "Administration Expenses"). In return, each Fund pays BMO Insurance an administration fee of 0.25% (the "Administration Fee"). This provides a more predictable level of Fund operating expenses for your clients. The Administration Fee is an annual percentage of the net asset value of the Fund.

Sales Charge Options															
Front-end load (FEL)	<ul style="list-style-type: none"><li>• Front-end load is negotiated between you and the Policyowner (0 to 5.0%). No redemption fees on withdrawals</li><li>• Maturity and Death Guarantee Amounts are based on the gross deposit amount (before FEL sales charges)</li></ul>														
	<div><div></div><div>Maturity and Death Guarantee Amounts are based on the gross Deposit amount (before FEL sales charges).</div></div>														
Chargeback (CB)	<p>No redemption fees on withdrawals, but:</p> <p><b>Chargeback (2)</b> – a uniform prorated 24 month commission chargeback to advisor</p> <p><b>Chargeback (5)</b> – The following charges apply to the gross commission paid at the time of purchase:</p> <table><tr><td>Year 1</td><td>100%</td><td>Year 4</td><td>40%</td></tr><tr><td>Year 2</td><td>80%</td><td>Year 5</td><td>20%</td></tr><tr><td>Year 3</td><td>60%</td><td>Year 6 and thereafter</td><td>0%</td></tr></table> <p>No advisor chargeback on annual RRIF withdrawals up to 10% or on any payment of a Death Benefit.</p>			Year 1	100%	Year 4	40%	Year 2	80%	Year 5	20%	Year 3	60%	Year 6 and thereafter	0%
Year 1	100%	Year 4	40%												
Year 2	80%	Year 5	20%												
Year 3	60%	Year 6 and thereafter	0%												

Commissions (Gross) Class A and Class A Prestige		Front-end load	Chargeback	
			Chargeback (2)	Chargeback (5)
	<b>Deposit</b>	0 – 5.0% negotiated with client	3.0%	5.0%
	<b>Trailer (paid monthly)</b>	1.00% <b>Class A</b> 1.00% <b>Class A Prestige (75/75 &amp; 75/100)</b> 0.85% <b>Class A Prestige (100/100)</b> of investment value starting in 1 <sup>st</sup> month 0% money market	1.00% <b>Class A</b> 1.00% <b>Class A Prestige (75/75 &amp; 75/100)</b> 0.85% <b>Class A Prestige (100/100)</b> of investment value starting in 25 <sup>th</sup> month 0% money market	0.50% <b>Class A</b> 0.50% <b>Class A Prestige (75/75 &amp; 75/100)</b> 0.35% <b>Class A Prestige (100/100)</b> of investment value starting in 25 <sup>th</sup> month 0% money market 1.00% <b>Class A</b> 1.00% <b>Class A Prestige (75/75 &amp; 75/100)</b> 0.85% <b>Class A Prestige (100/100)</b> of investment value starting in 73 <sup>rd</sup> month 0% money market



Death Guarantee Reset Option Fee (GIF 100/100 only)	If option is selected, fee for each fund is calculated daily and collected every 6 months <sup>27</sup> (June 30 and December 31) until age 80 by withdrawing units from each fund. <b>Fee rates applied to fund MV:</b>		
	<b>Fund</b>	<b>Annual Fee Rate</b>	<b>Annual Fee Rate Limit</b>
	Money Market	0.0%	0.0%
	Aggregate Bond Index ETF	0.15%	0.30%
	Asset Allocation	0.20%	0.30%
	Balanced ESG ETF	0.20%	0.30%
	Balanced ETF Portfolio	0.20%	0.30%
	Canadian Balanced Growth	0.20%	0.30%
	Canadian Income	0.15%	0.30%
	Concentrated Global Balanced	0.20%	0.30%
	Conservative ETF Portfolio	0.20%	0.30%
	Monthly Income	0.20%	0.30%
	North American Income Strategy	0.15%	0.30%
	Sustainable Global Balanced	0.20%	0.30%
	Sustainable Global Multi-Sector Bond	0.15%	0.30%
	U.S. Balanced Growth	0.20%	0.30%
<sup>27</sup> Collection of fees could be earlier on the date the entire or partial value of a fund is withdrawn or switched out of the fund.			
Other Fees	Fees may apply on certain transactions. <b>Fees include:</b> <ul style="list-style-type: none"> <li>• NSF charges;</li> <li>• Short-term trading fees; and</li> <li>• Recovery of expenses and investment losses.</li> </ul>		




## Guarantees



**GIF 75/75**




<b>Contract Maturity Date</b>	December 31 <sup>st</sup> in the year Annuitant turns age 100
<b>Maturity Guarantee</b>	<p><b>On the Contract Maturity Date, the Maturity Benefit your client will receive is the greater of:</b></p> <ul style="list-style-type: none"> <li>• the Maturity Guarantee Amount; and</li> <li>• the Market Value of the Contract</li> </ul> <p><b>Maturity Guarantee Amount:</b> 75% of deposits (reduced proportionately for withdrawals)</p>
<b>Death Guarantee</b>	<p>If your client dies before the Contract Maturity Date, we will pay the Death Benefit to their designated Beneficiary.</p> <p><b>The Death Benefit will be the greater of:</b></p> <ul style="list-style-type: none"> <li>• the Death Guarantee Amount; and</li> <li>• the Market Value of the Contract</li> </ul> <p><b>Death Guarantee Amount:</b> 75% of deposits (reduced proportionately for withdrawals)</p>
<b>Annuity Payment age 100</b>	At the Contract Maturity Date we will start making payments to your client unless they select another option.

## Guarantees continued >

<div>  <b>GIF 75/100</b>  </div>	
<b>Contract Maturity Date</b>	December 31 <sup>st</sup> in the year Annuitant turns age 100
<b>Maturity Guarantee</b>	<p><b>On the Contract Maturity Date, the Maturity Benefit your client will receive is the greater of:</b></p> <ul style="list-style-type: none"> <li>• the Maturity Guarantee Amount; and</li> <li>• the Market Value of the Contract</li> </ul> <p><b>Maturity Guarantee Amount:</b> 75% of deposits (reduced proportionately for withdrawals)</p>
<b>Death Guarantee</b>	<p>If your client dies before the Contract Maturity Date, we will pay the Death Benefit to their designated Beneficiary.</p> <p><b>The Death Benefit will be the greater of:</b></p> <ul style="list-style-type: none"> <li>• the Death Guarantee Amount; and</li> <li>• the Market Value of the Contract</li> </ul> <p><b>Death Guarantee Amount :</b></p> <ul style="list-style-type: none"> <li>• for 75/100 option, 100% of deposits made before age 80; 75% of deposits made on or after age 80 (reduced proportionately for withdrawals)</li> <li>• for 75/100 Plus option, 100% of deposits made before age 85; 75% of deposits made on or after age 85 (reduced proportionately for withdrawals)</li> </ul>
<b>Reset of the Death Guarantee Amount</b>	<p>The Death Guarantee Amount can be increased through resets. Resets occur automatically on every 3<sup>rd</sup> policy anniversary up to and including the last policy anniversary before the Annuitant's 80<sup>th</sup> birthday.</p> <div>  <p>This is a standard feature and is included as a benefit when your client selects this guarantee option.</p> </div>
<b>Annuity Payment age 100</b>	At the Contract Maturity Date we will start making payments to your client unless they select another option.

<div>  <b>GIF 100/100</b>  </div>	
<b>Contract Maturity Date</b>	December 31 <sup>st</sup> in the year Annuitant turns age 100
<b>Maturity Date</b>	<p>When your client applies for their BMO GIF policy, they must select the year of the Maturity Date. Once selected, this Maturity Date cannot be changed.</p> <p><b>The Maturity Date must meet all of the conditions below:</b></p> <ul style="list-style-type: none"> <li>• falls on December 31 of the year your clients select;</li> <li>• provides for a term of at least 15 years but not more than 25 years from the Effective Date of the Contract; and</li> <li>• is not after the Contract Maturity Date.</li> </ul> <p>Any Subsequent Deposits will have the same client-selected Maturity Date as the Initial Deposit.</p>
<b>Maturity Guarantee</b>	<p><b>On the Maturity Date, the Maturity Benefit your client will receive is the greater of:</b></p> <ul style="list-style-type: none"> <li>• the Maturity Guarantee Amount; and</li> <li>• the Market Value of the Contract</li> </ul> <p><b>Maturity Guarantee Amount:</b> 100% of deposits made at least 15 years and 75% of deposits made less than 15 years from the Maturity Date. Guarantee Amount will be reduced proportionately by any withdrawals your clients make with the potential to increase by resets.</p>

<b>Reset of the Maturity Guarantee Amount</b>	<p>The Maturity Guarantee Amount can be increased through resets.</p> <p>Resets occur automatically on the last Valuation Day of each month up to 10 years before the Maturity Date. Resets for the 100% and 75% guarantee level are performed separately with the potential to increase the Maturity Guarantee Amount to 100% or 75% of the Market Value of the Deposits, as applicable.</p> <p>Resets do not impact the client-selected Maturity Date.</p>
<b>Death Guarantee</b>	<p>If your client dies before the Maturity Date, we will pay the Death Benefit to their designated Beneficiary.</p> <p><b>The Death Benefit will be the greater of:</b></p> <ul style="list-style-type: none"> <li>• the Death Guarantee Amount; and</li> <li>• the Market Value of the Contract</li> </ul> <p><b>Death Guarantee Amount:</b> 100% of deposits made before age 80; 75% of deposits made on or after age 80.</p> <p>No sales charges will be applied on death. The Death Guarantee Amount will be reduced proportionately by any withdrawals your clients make.</p>
<b>Reset of the Death Guarantee Amount</b>	<p>The Death Guarantee Amount can be increased through resets. Resets occur automatically on every 3<sup>rd</sup> policy anniversary up to and including the last policy anniversary before the Annuitant's 80<sup>th</sup> birthday.</p> <div>  <p>This is an optional feature on this guarantee option. The Death Guarantee Reset Option must be selected at time of application. Additional fee applies (see Death Guarantee Reset Option Fee). The Death Guarantee Reset Option can be cancelled at any time; however, once cancelled cannot be elected again.</p> </div>
<b>Maturity Date Renewal</b>	<p>Your clients have the option to renew a Maturity Date and continue the Contract when a Maturity Date expires. We calculate guarantees for the new term based on an amount called the "Renewal Deposit". The Renewal Deposit is equal to the previous term's Maturity Benefit. Guarantee levels for the maturity and death guarantees for the new term follow the same rules as for the previous term, subject to the length of the new term and the age of the Annuitant at renewal.</p> <p>The new Maturity Date may be less than 15 years only in the event there would be less than 15 years to the Contract Maturity Date. This would reduce the guarantee level for maturity guarantees to 75%. Please consider selection of renewal Maturity Dates for your clients carefully.</p>
<b>Reset of the Death Guarantee Amount at Maturity Date Renewal</b>	<p>If a Maturity Date is renewed before the Annuitant turns 80, the Death Guarantee Amount for the new term has the potential to increase to the Renewal Deposit, which is the Maturity Benefit for the previous term.</p> <p>If the Annuitant is age 80 or older at time of renewal, the Death Guarantee Amount for the previous term will be carried over to the new term.</p>
<b>Annuity Payment age 100</b>	<p>At the Contract Maturity Date we will start making payments to your client unless they select another option.</p>

Certain restrictions and other conditions may apply. For full details on BMO Guaranteed Investment Funds, please consult the Information Folder and Policy Provisions.

# Protect your Client's Retirement Savings and Lock-in Market Gains

## Highlighting GIF 100/100

BMO's Guaranteed Investment Funds make it easier for you to manage your client's investments by taking a lot of the worry and work out of investing in the market.

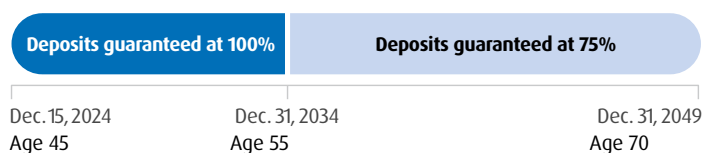
### Here's how:

- Your client's Maturity Guarantee Amount automatically resets every month up to 10 years before the Maturity Date, so if the market value of your client's investment goes up, so can your client's Maturity Guarantee Amount. This takes a lot of the work and worry out of monitoring your clients' investments. No other segregated fund offers this level of protection.
- If the market goes down, up to 100%<sup>28</sup> of your client's investment or higher reset Maturity Guarantee Amount is protected for the term your client selects.

### Maturity Date and Guarantee Levels

#### Example:

Amelie, age 45, establishes a GIF 100/100 Contract on December 15, 2023 and selects a term of 25 years with a Maturity Date of December 31, 2048 (when Amelie will be age 70). Any deposits that Amelie makes up to and including December 31, 2033 (when Amelie is age 55) will be guaranteed at 100%. Any Deposits made after December 31, 2033 will be guaranteed at 75%.



### Renewal of the Maturity Date

If the Maturity Date is renewed, a Renewal Deposit equal to the Maturity Benefit for the previous term will be re-allocated to your client's policy.

The Maturity Guarantee Amount for the new term will be set by: (a) 100% of the Renewal Deposit made at least 15 years before the Subsequent Maturity Date or the Contract Maturity Date, or (b) 75% of the Renewal Deposit made less than 15 years before the Contract Maturity Date. Upon renewal, your clients also enjoy the same Maturity Guarantee Amount reset benefits until 10 years before the Subsequent Maturity Date. Please ensure we receive your client's instructions at least 30 days before renewal.

### Maturity Guarantee Amount Resets

Maturity Guarantee Amount resets give your clients an opportunity to lock-in gains when markets rise so that at a future date (Maturity Date) your clients are guaranteed a certain return of funds that include these gains. It is a powerful and distinguishing feature of segregated fund products.

As an advisor, it can be difficult and confusing trying to understand, let alone remember, the ever-changing landscape and variety of choices of segregated fund products and their maturity resets.

#### For example:

- Some products don't have maturity guarantee resets at all.
- Some products (for an extra fee) offer automatic maturity resets but only once a year – what are the chances your clients' Maturity Guarantee Amount will reset at the right time?
- Other products offer limited client-initiated maturity resets, once, maybe twice a year – which means you need to make the right call at the right time... a stressful responsibility for you as an advisor.

<sup>28</sup> 100% on deposits made at least 15 years and 75% on deposits made less than 15 years from the Maturity Date.



BMO GIFs take the pressure off and the gamble out of annual resets with **automatic monthly resets**, so chances are your clients will get more out of market upswings. No action is required by you or your clients. It's that easy! You'll never need to second-guess whether you've picked the right time to lock-in market gains for your clients.

BMO GIFs with built-in **automatic monthly resets** have the potential to increase the policy Maturity Guarantee Amount on the last Valuation Day of each month ("Maturity Reset Date") up to and including **10 years** before your client's selected Maturity Date. Resets will not impact the client-selected Maturity Date.

Monthly reset calculations for Deposits guaranteed at 100% are performed separately from Deposits guaranteed at 75% (those made with less than 15 years to the Maturity Date). Each monthly reset calculation compares the current Maturity Guarantee Amount against 100% or 75% of the corresponding Market Value of the Deposits. Each Maturity Guarantee Amount is increased to the respective percentage of the associated Market Value if higher. The policy Maturity Guarantee Amount is then the sum of the Maturity Guarantee Amount for Deposits guaranteed at 100% and the Maturity Guarantee Amount for Deposits guaranteed at 75%.

## TIP

Avoid undue delay for policy issue, be sure your clients select the term to the Maturity Date in Section 2 of the application.

### Select the term of Maturity Date (one only)

☐ 15 years ☐ other \_\_\_\_\_ (no. of years)



# Example of How Maturity Guarantee Resets Work

In this example your client, Richard, age 50, establishes a GIF 100/100 Contract on December 15, 2024 with a Deposit of \$10,000 and a Maturity Date of December 31, 2044 (100% guarantee level since the Deposit is more than 15 years from the Maturity Date). Richard also makes a Subsequent Deposit of \$7,500 on November 15, 2030 (75% guarantee level since deposit is less than 15 years to the Maturity Date). Richard makes no withdrawals.

**Table 1** illustrates the operation of resets for deposits at the 100% guarantee level. The example assumes that in 2031, the Market Value of the \$10,000 Initial Deposit has increased resulting in a Maturity Guarantee Amount of \$14,000.

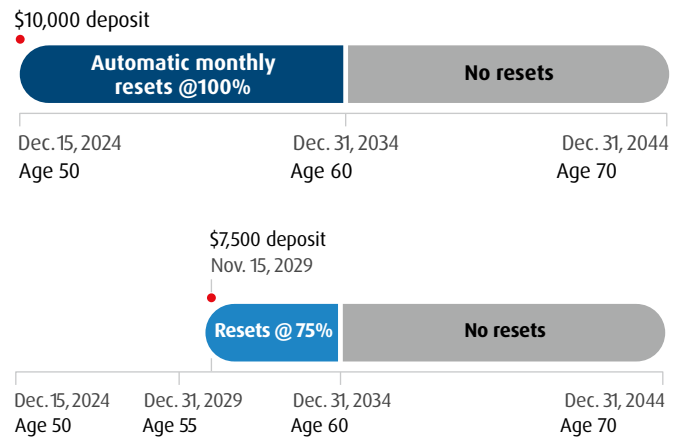
Maturity Reset Date (Year 2031)	Maturity Guarantee Amount before Maturity Reset Date	Market Value of Deposits on Maturity Reset Date	Maturity Guarantee Amount after Maturity Reset Date
Jan 31	\$14,000	\$14,200	\$14,200
Feb 28	\$14,200	\$14,100	\$14,200 <sup>29</sup>
Mar 31	\$14,200	\$14,600	\$14,600
Apr 30	\$14,600	\$15,300	\$15,300
May 31	\$15,300	\$15,000	\$15,300 <sup>29</sup>
Jun 30	\$15,300	\$15,400	\$15,400

<sup>29</sup> No reset is exercised as the Market Value is lower than or equal to the Maturity Guarantee Amount. The Maturity Guarantee Amount before the reset is maintained.

After the reset on June 30, 2031, the minimum amount Richard would receive at his selected Maturity Date (Maturity Guarantee Amount) would be \$15,400. Automatic monthly resets would continue to be performed until December 31, 2034 (10 years before Richard's selected Maturity Date):

Continuing with this example, since Richard's Subsequent Deposit of \$7,500 on November 15, 2030 was made with less than 15 years to the Maturity Date, it is guaranteed at 75% (Maturity Guarantee Amount =  $\$7,500 \times .75 = \$5,625$ ). Automatic monthly resets for deposits guaranteed at 75% will be performed separately until 10 years before the Maturity Date, or from Richard's ages 55 to 60.

Assuming that in January 2031 the Market Value of this \$7,500 Subsequent Deposit has increased to \$8,000, resulting in a Maturity Guarantee Amount of \$6,000 (75% of \$8,000), **Table 2** illustrates the operation of resets for Deposits at the 75% guarantee level.



**Table 2 – 75% Guarantee Level**

Maturity Reset Date (Year 2031)	Maturity Guarantee Amount before Maturity Reset Date (A)	Market Value of Deposits on Maturity Reset Date	75% of Market Value of Deposits on Maturity Reset Date (B)	Maturity Guarantee Amount after Maturity Reset Date Higher of (A) or (B)
Jan 31	\$6,000	\$8,000	\$6,000 (.75 x 8,000)	\$6,000 <sup>30</sup>
Feb 28	\$6,000	\$9,000	\$6,750 (.75 x 9,000)	\$6,750
Mar 31	\$6,750	\$8,000	\$6,000 (.75 x 8,000)	\$6,750 <sup>30</sup>
Apr 30	\$6,750	\$9,500	\$7,125 (.75 x 9,500)	\$7,125
May 31	\$7,125	\$9,500	\$7,125 (.75 x 9,500)	\$7,125 <sup>30</sup>
Jun 30	\$7,125	\$10,000	\$7,500 (.75 x 10,000)	\$7,500

<sup>30</sup> No reset is exercised as 75% of the Market Value is lower than or equal to the Maturity Guarantee Amount. The Maturity Guarantee Amount before the reset is maintained.

The Maturity Guarantee Amount for the policy would then be the sum of the Maturity Guarantee Amounts at both the 100% and 75% guarantee level as shown in **Table 3**:

**Table 3 – Sum of Maturity Guarantee Amounts**

Maturity Reset Date (Year 2031)	Maturity Guarantee Amount after Maturity Reset Date (100% Guarantee Level) (A)	Maturity Guarantee Amount after Maturity Reset Date (75% Guarantee Level) (B)	Contract Maturity Guarantee Amount after Maturity Reset Date (A) + (B)
Jan 31	\$14,200	\$6,000	\$20,200
Feb 28	\$14,200	\$6,750	\$20,950
Mar 31	\$14,600	\$6,750	\$21,350
Apr 30	\$15,300	\$7,125	\$22,425
May 31	\$15,300	\$7,125	\$22,425
Jun 30	\$15,400	\$7,500	\$22,900

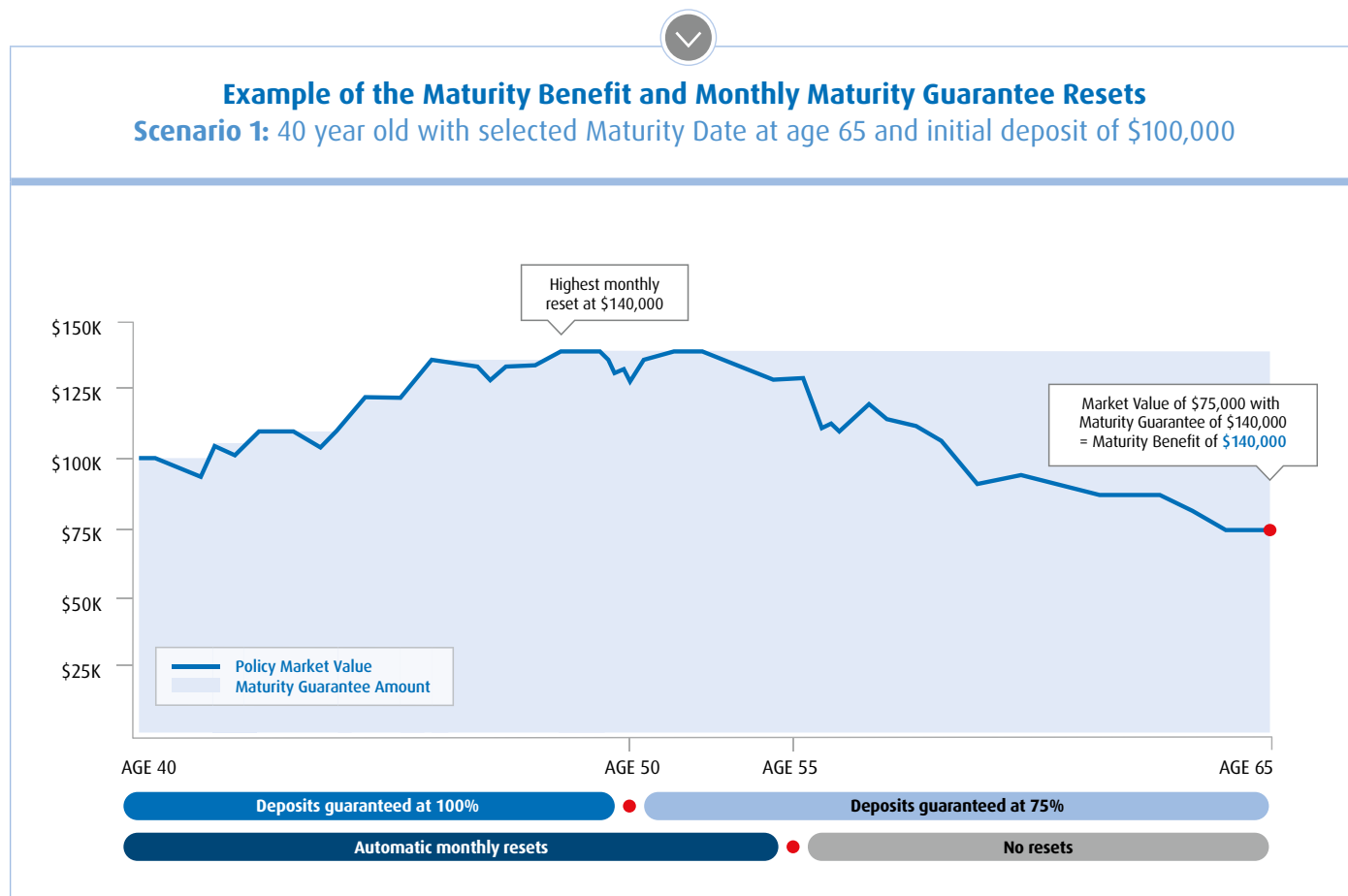
The last column in Table 3 (“Contract Maturity Guarantee Amount”) is important as these are the Maturity Guarantee Amounts that will show on your client’s semi-annual statements.



# Case Studies – Putting It All Together

## Scenario 1

Your client, John, age 40, contributes a single deposit of \$100,000 to a BMO Guaranteed Investment Funds 100/100 Contract and selects a Maturity Date term of 25 years to John's age 65. John does not make any Subsequent Deposits or withdrawals. In Scenario 1, the Market Value of John's policy is **less than** the Maturity Guarantee Amount at the Maturity Date.

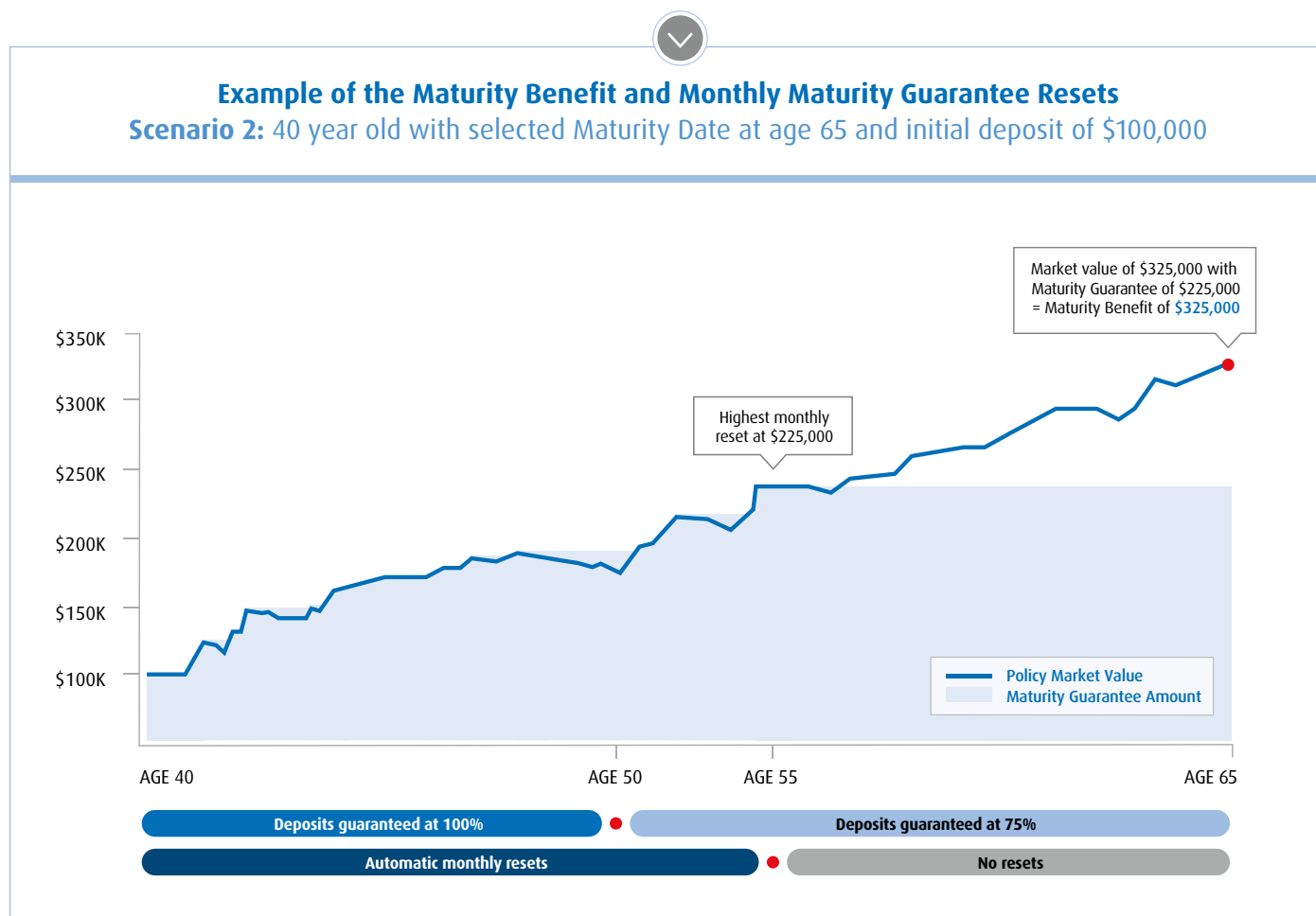


- Regardless of the Market Value of his investments, John is assured of receiving at least \$100,000 at the Maturity Date. John's beneficiary is assured of receiving at least \$100,000 if he were to die before the Maturity Date.
- Resets of the Maturity Guarantee Amount are automatically performed at the end of each month until 10 years before the Maturity Date. Since the term of the Maturity Date selected was 25 years, this means monthly resets are performed for the first 15 years (to John's age 55). The highest monthly reset increased the Maturity Guarantee Amount to \$140,000, effectively locking-in these market gains at the Maturity Date.
- At the Maturity Date, the Market Value at \$75,000 is less than the Maturity Guarantee Amount of \$140,000, so we would make a top-up payment of \$65,000 so that John's Maturity Benefit would equal \$140,000.
- At age 65, John decides to renew his BMO GIF 100/100 policy and selects a subsequent term of 20 years to John's age 85.
- The Renewal Deposit is \$140,000 (the previous term's Maturity Benefit). Since the new term selected is at least 15 years, the new Maturity Guarantee Amount is \$140,000 (100% of the Renewal Deposit). And since at renewal John is also under age 80, the Death Guarantee Amount is reset to \$140,000 (because the Renewal Deposit is higher than the original Death Guarantee Amount of \$100,000). If, however, John was age 80 or older at time of renewal, there would be no reset and the previous Death Guarantee Amount of \$100,000 would be carried over to the new term.



## Scenario 2

We continue with the same example as Scenario 1 (Initial Deposit of \$100,000), but with Scenario 2 the Market Value of John's policy is **greater than** the Maturity Guarantee Amount at the Maturity Date.



- There are no resets between John's ages 55 to 65 even if the market is going up because resets are only available until 10 years before the Maturity Date.
- Under Scenario 2, the highest monthly reset increased the Maturity Guarantee Amount to \$225,000, effectively locking-in these market gains in value at the Maturity Date.
- At the Maturity Date, the Market Value at \$325,000 is greater than the Maturity Guarantee Amount of \$225,000, so the Maturity Benefit would equal \$325,000 (no top-up payment would be made).
- At age 65, John decides to renew his BMO GIF 100/100 policy and selects a subsequent term of 20 years to John's age 85. The Renewal Deposit is \$325,000 (the previous term's Maturity Benefit). Since the new term selected is at least 15 years, the new Maturity Guarantee Amount is \$325,000 (100% of the Renewal Deposit). Since at renewal John is also under age 80, the Death Guarantee Amount is reset to \$325,000 (since the Renewal Deposit is higher than the original Death Guarantee Amount of \$100,000). If, however, John was 80 or older at time of renewal, there would be no Death Guarantee Amount reset and the previous Death Guarantee Amount of \$100,000 would be carried over to the new term.

# BMO GIFs Protect the Value of your Client’s Estate for Future Generations

With three GIF guarantee options, you have choice and flexibility in helping to create a plan that fits your clients’ needs, depending on their age and estate planning goals. Younger pre-retirees may prefer a 75% death guarantee on deposits, saving fees for higher potential returns. Those close to retiring or retirees may want greater protection of their capital and legacy on death. Older retirees planning to transfer wealth to the next generation may also want greater protection on their investment on death with up to 100% guarantee on deposits (100% on deposits made before age 80, age 85 for 75/100 Plus option, and 75% of deposits made on or after age 80, age 85 for 75/100 Plus option). Let’s look at an example to help explain the Death Benefit and how it works.

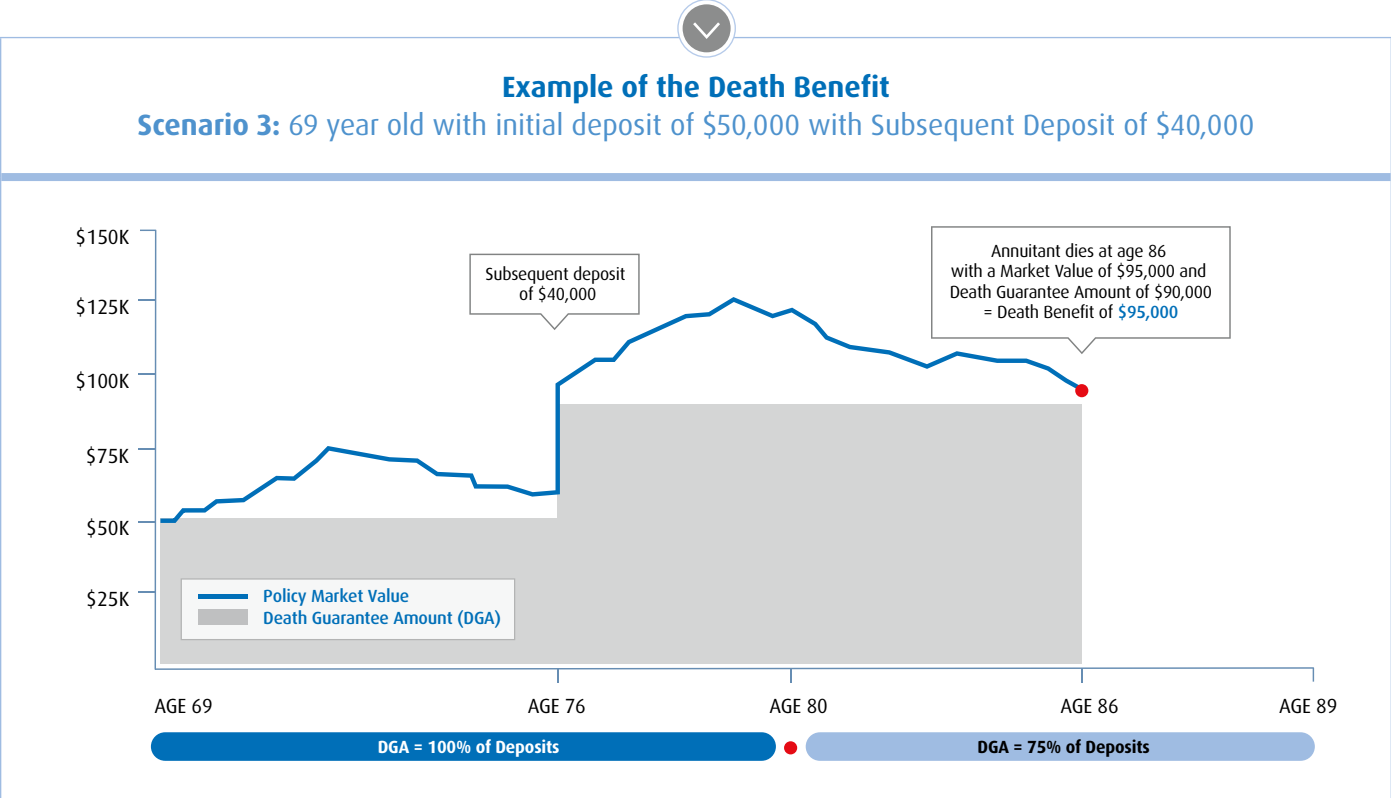
### Scenario 3

Evelyn, age 69, establishes a GIF 100/100 Contract (**without** the Death Guarantee Reset Option) with an Initial Deposit of \$50,000 on October 15, 2024. Evelyn makes a Subsequent Deposit of \$40,000 on October 15, 2031 (when Evelyn is age 76).

Evelyn dies at age 86. The Death Guarantee Amount and Death Benefit are shown in the following table and chart:

Deposit Date	Age at Deposit	Deposit Amount	Death Guarantee Amount Percentage	Policy Death Guarantee Amount
Oct. 15, 2024	69	\$50,000	100% <sup>31</sup>	\$50,000
Oct. 15, 2031	76	\$40,000	100% <sup>31</sup>	\$90,000

<sup>31</sup> Since deposits were made before age 80



- At the time of Evelyn’s death, her policy Market Value is \$95,000. Since the policy Death Guarantee Amount at \$90,000 is less than the Market Value of \$95,000, there would be no top-up payment and a Death Benefit of \$95,000 would be payable to Evelyn’s beneficiary.

# Maximizing the Value of your Client's Estate – Death Guarantee Resets

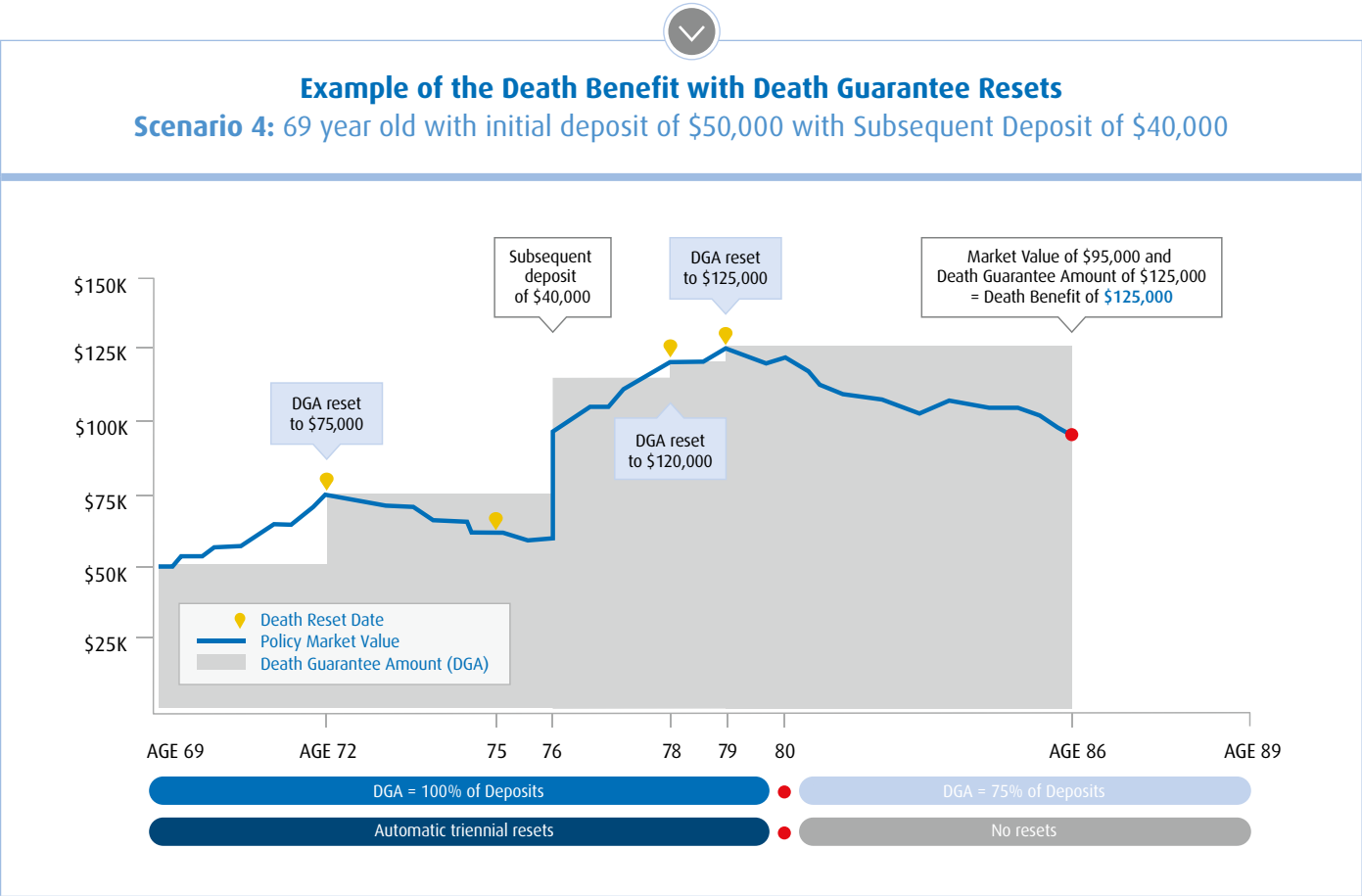
## Highlighting GIF 75/100 and GIF 100/100

Death Guarantee Resets offer your clients the opportunity to increase the Death Guarantee Amount by providing automatic resets every third policy anniversary up to and including the last policy anniversary before your client's 80<sup>th</sup> birthday. They essentially lock-in market gains for the benefit of your client's beneficiaries, helping to maximize the value of your client's estate.

Death Guarantee Resets are a standard feature and are included as a benefit in the GIF 75/100 Guarantee Option. Death Guarantee Resets are also available as an option with the GIF 100/100 Guarantee Option, but only if the Death Guarantee Reset Option is selected. This optional benefit must be selected at time of application and a separate fee is deducted semi-annually from the client's account (refer to Death Guarantee Reset Option Fee in Product Overview section for full details).

### Scenario 4

Evelyn, age 69, instead purchases a GIF 75/100 Contract (or alternatively a GIF 100/100 Contract **with** the Death Guarantee Reset Option) with an Initial Deposit of \$50,000 on October 15, 2024. Evelyn makes a Subsequent Deposit of \$40,000 on October 15, 2031 (when Evelyn is age 76). Evelyn dies at age 86.



- Initially, Evelyn's beneficiary is assured of receiving at least \$50,000 if Evelyn were to die before her selected Maturity Date (Death Guarantee Amount is 100% of the Initial Deposit since it was made before age 80).
- On Evelyn's 3<sup>rd</sup> policy anniversary at age 72, the Market Value of her Contract at \$75,000 is greater than the current Death Guarantee Amount of \$50,000; her Death Guarantee Amount is reset to \$75,000.
- On Evelyn's 6<sup>th</sup> policy anniversary at age 75, the Market Value of her Contract at \$65,000 is less than the current Death Guarantee Amount of \$75,000; the Death Guarantee Amount of \$75,000 is maintained.
- The Subsequent Deposit made at Evelyn's age 76 increased the Death Guarantee Amount by \$40,000 to \$115,000 (since the Subsequent Deposit was made before age 80 it is guaranteed at 100%).

- At Evelyn's 9<sup>th</sup> policy anniversary at age 78, the Market Value of her Contract at \$120,000 is greater than the current Death Guarantee Amount of \$115,000; her Death Guarantee Amount is reset to \$120,000.
- Evelyn's 10<sup>th</sup> policy anniversary at age 79 is the last policy anniversary before Evelyn's 80<sup>th</sup> birthday and a final Death Guarantee Reset is performed. The Market Value of her Contract at \$125,000 is greater than the current Death Guarantee Amount of \$120,000, so her Death Guarantee Amount is reset to \$125,000.

At the time of Evelyn's death (age 86), her policy Market Value is \$95,000. Since the policy Death Guarantee Amount at \$125,000 is greater than the Market Value of \$95,000, we would make a top-up payment of \$30,000 so that the Death Benefit payable to Evelyn's beneficiary would be \$125,000.

### A summary of the Death Guarantee Resets is shown in the following table:

Death Reset Date (Annuitant's Age)	Death Guarantee Amount before Death Reset Date	Market Value of Deposits on Death Reset Date	Death Guarantee Amount after Death Reset Date
72	\$50,000	\$75,000	\$75,000
75	\$75,000	\$65,000	\$75,000 <sup>32</sup>
78	\$115,000	\$120,000	\$120,000
79	\$120,000	\$125,000	\$125,000 <sup>33</sup>

<sup>32</sup> No Death Guarantee Reset is exercised as the Market Value is lower than or equal to the Death Guarantee Amount. The Death Guarantee Amount before the reset is maintained.

<sup>33</sup> This is the last policy anniversary before the Annuitant's 80<sup>th</sup> birthday. A final Death Guarantee Reset is performed even though the policy anniversary does not fall on the normal 3 year cycle.

## Fund Options and Portfolio Management

Working closely with our portfolio manager, BMO Asset Management Inc., BMO Insurance offers a wide choice of Guaranteed Investment Funds (GIFs). This breadth of funds offers you and your clients greater choice and flexibility, up to 100% equity or 100% fixed income with many options in between. Our popular BMO Low Volatility Canadian, U.S. and International Equity ETFs are also available in BMO GIFs.

Our portfolio manager, BMO Asset Management Inc., is part of BMO Global Asset Management, with over \$194 billion in combined assets under management for its Canadian operations (June 2024).



BMO Asset Management is one of Canada's leading issuers of ETFs with over \$99.5 billion<sup>34</sup> in ETF managed assets.

<sup>34</sup> June 2024

# BMO ETF Portfolio GIFs – At a Glance

GIF 75/75 and GIF 75/100



## BMO ETF Portfolio GIFs

BMO ETF Portfolio GIFs enable you to choose an equity/fixed-income split depending on your client's investment time horizon and goals, as well as their risk tolerance. These portfolios provide exposure to Canadian, U.S. and international fixed income and equity securities.

BMO ETF Portfolio GIFs invest in select BMO ETF Portfolios that combine several individual BMO ETFs to build a well-diversified portfolio in a single segregated fund, where professional money managers strategically allocate money across various investment solutions.

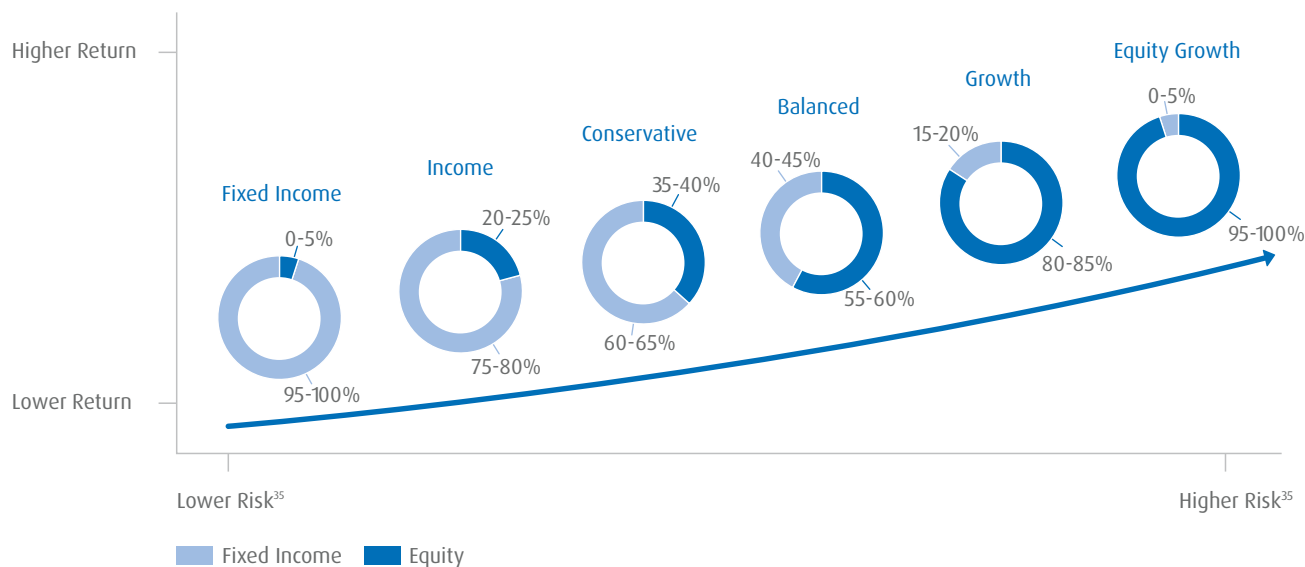
BMO ETF Portfolio GIFs are comprised of BMO ETFs managed by BMO Asset Management's world class investment team. The investment team combines active fund management with passive ETF solutions to create innovative portfolios. These portfolios are core investments that deliver returns based on your client's risk profile. BMO Asset Management uses leading edge proprietary techniques to carefully manage the risk of each ETF portfolio to offer participation when markets are moving higher and downside protection when markets are in decline.

### Investor benefits

- All-in-one investment solutions
- Targets a maximum potential return based on risk profile
- Offers a diversified portfolio of ETFs combined in a single segregated fund
- Provides professional portfolio management with ongoing monitoring
- Can be used as a core holding in a portfolio
- Highly competitive fees

### All-in-one Investment Solutions

Find the right portfolio to meet your needs.



<sup>35</sup> Risk is defined as the uncertainty of a return and the potential for capital loss in your investment.

Refer to Fund Profiles for full and current details of each Fund at [bmoinsurance.com/advisor/GIF](https://bmoinsurance.com/advisor/GIF)



# Highlights of BMO GIF Client and Fund Reporting

## What information will my clients receive?

We will mail your clients the following over the term of their Contract:

- Confirmations for most financial transactions (including the guarantee option)
- Statements as at June 30 and December 31
- Required updates affecting their Contract

Copies of all communications to your clients will be mailed to you via your MGA.

Audited financial statements and semi-annual unaudited financial statements for the segregated funds can be accessed on our websites by advisors at [bmoinsurance.com/advisor/GIF](http://bmoinsurance.com/advisor/GIF) and by clients at [bmoinsurance.com/GIF](http://bmoinsurance.com/GIF), or upon request by contacting our BMO GIF Administrative and Services Office.

## What documents must I provide my clients at point of sale?

Below are the documents that must be provided to the client before purchasing BMO Guaranteed Investment Funds:

- Information Folder including Policy Provisions and Fund Facts (Form 602E)
- Application Form (Form 592E)

BMO GIF "Investor Kits" are available in electronic form on our website at [bmo.com/insurance/advisor/gif-investor-kit/](http://bmo.com/insurance/advisor/gif-investor-kit/), and can also be ordered through your MGA. These kits contain all of the disclosure you require for your client.

## How can I get the status of my client's account?

In addition to copies of client statements, you can apply for and get access online to your client's account information. You can apply for online access by going to [BLA.wealthlinkadvisor.com](http://BLA.wealthlinkadvisor.com)

## Where can I get more information about the Funds and their returns?

Fund profiles are available online at [digital.lipperweb.com/bmoinsurance](http://digital.lipperweb.com/bmoinsurance)

## Where can I get information about the underlying ETFs?

More information about BMO ETFs is available online at [bmoetfs.com](http://bmoetfs.com)

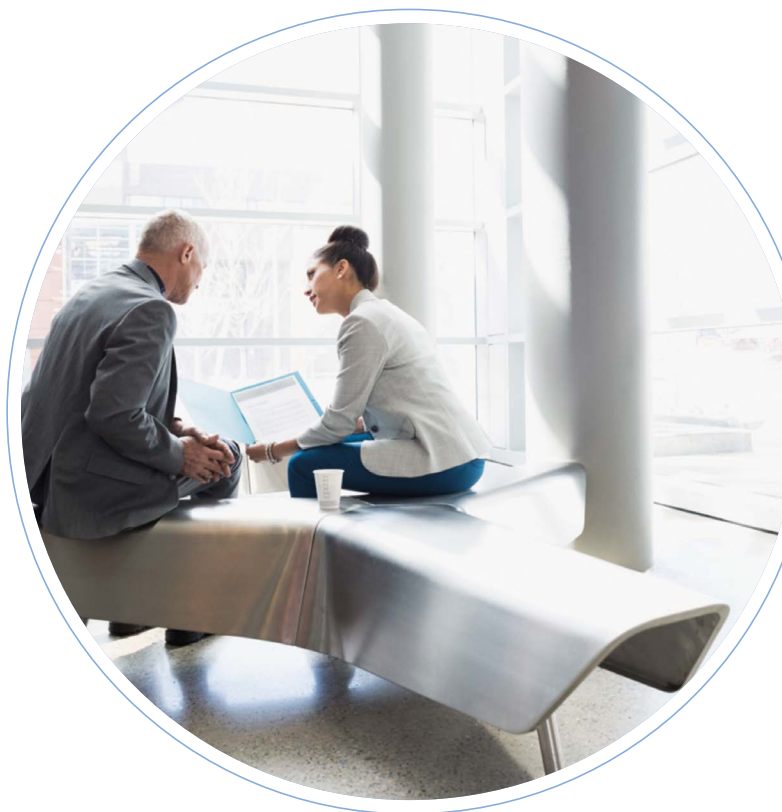
## Who can I contact with questions about the administration of BMO GIFs?

BMO GIF Administrative and Services Office:  
250 Yonge Street, 9<sup>th</sup> Floor Toronto, Ontario M5B 2L7

Telephone: 1-855-639-3867

Fax: 1-855-747-5613

E-mail: [ClientServices.BMOLifeGIF@bmo.com](mailto:ClientServices.BMOLifeGIF@bmo.com)



# Glossary

In this Glossary, “you” and “your” refer to the *Policyowner of the Contract*. “We”, “us”, “our” and “BMO Insurance” refer to BMO Life Assurance Company.

**Administrative Rules** means internal rules, policies and procedures that apply to the administration of the Contract and the segregated funds. They are in addition to terms outlined in the Policy Provisions, Information Folder and Fund Facts and can be changed from time to time, without notice. The applicable Administrative Rules are those in effect at the time the Administrative Rules are being applied.

**Annuitant** means the person on whose life the Maturity Benefit and Death Benefit are determined.

**Beneficiary** means the person or entity entitled to receive the Death Benefit.

**Class or Fund Class** means the notional division of Funds for the purposes of determining the management fee and compensation to the advisor.

**Contract Maturity Date** means the last day this Contract can be in force. The Contract Maturity Date is December 31 of the year the Annuitant turns 100. If December 31 of that year is not a Valuation Day, the Contract Maturity Date will be the last Valuation Day of the year.

**Death Benefit** is the greater of: i) the Death Guarantee Amount; and ii) the Market Value of the Contract.

**Death Benefit Date** means the date we receive satisfactory notification of the death of the Annuitant or the last surviving Annuitant according to our Administrative Rules.

**Death Guarantee Amount** is the minimum amount that will be paid to the designated Beneficiary on death of the Annuitant.

**Death Guarantee Reset** means if at a Death Reset Date the Market Value of Deposits (guaranteed at 100%) is greater than the Death Guarantee Amount, the Death Guarantee Amount will be increased to the Market Value (GIF 75/100 and GIF 100/100 only).

**Death Reset Date** is every 3<sup>rd</sup> policy anniversary up to and including the last policy anniversary before the Annuitant's 80th birthday (GIF 75/100 and GIF 100/100 only).

**Deposit(s)** means the amount you pay into the Contract to be allocated to the Fund(s). The term “Deposit” includes the “Initial Deposit”, the “Subsequent Deposit” and the “Renewal Deposit”.

**Effective Date** means the date the Contract comes into force and it is the date when we allocate the Initial Deposit to a Fund(s).

**Fund(s)** means the segregated funds offered under the Contract.

**Initial Deposit** means the first deposit paid into the Contract that sets the Contract into force, subject to meeting all requirements under our Administrative Rules for a Contract set up.

**Joint Owners** means two persons who are Policyowners of the Contract.

**Market Value** means the basis under which the value of the Contract, a transaction or a Fund is calculated.

**Maturity Benefit** is the greater of: i) the Maturity Guarantee Amount and ii) the Market Value of the Contract.

**Maturity Date** means the date the Maturity Benefit is payable. A Maturity Date can coincide with the Contract Maturity Date.

**Maturity Guarantee Amount** is the minimum amount that will be paid to the Policyowner at the Maturity Date.

**Maturity Guarantee Reset** means if at a Maturity Reset Date the proportionate Market Value of Deposits at their respective guarantee level is greater than the Maturity Guarantee Amount, the Maturity Guarantee Amount will be increased to its proportionate Market Value (GIF 100/100 only).

**Maturity Reset Date** means the last Valuation Day of each month, up to and including 10 years from the Maturity Date (GIF 100/100 only).

**Policyowner (“you” or “your”)** means the person or entity that may exercise all rights and privileges under the Contract. If the Contract is held jointly, the term “Policyowner” refers to either persons or entities. The Policyowner must be a Canadian resident for income tax purposes when the Contract is issued.

**Primary Annuitant** means the original Annuitant.

**Renewal Deposit** means a deposit that is notionally paid to your Contract on the renewal of a Maturity Date. It is the Maturity Benefit for the previous term (GIF 100/100 only).

**Spousal RIF** means a RIF purchased with money transferred from a Spousal RSP.

**Spousal RSP** means a RSP owned by you and into which your spouse pays Deposits.

**Subsequent Deposit** means a deposit made after the Initial Deposit or Renewal Deposit (GIF 100/100 only).

**Successor Annuitant** means the person you name to become the Annuitant when the Primary Annuitant dies.

**Successor Owner** means the person you designate to become the Owner when you die (referred to as a subrogated policyholder in Quebec).

**Tax Act** means the Income Tax Act (Canada), as amended from time to time.

**Unit** means the notional measurement used to determine your insurance benefits and to record your interest in the Contract.

**Unit Value** means the notional measurement to calculate the value of a Unit of a Fund. It is calculated by dividing the net asset value of a Fund (market value less liabilities) by the number of Units in that Fund on a Valuation Day.

**Valuation Day** means any day that the Toronto Stock Exchange is open for trading and a value is available for the applicable Underlying Fund or other assets of the Fund.

#### **For advisor use only.**

Any amount that is allocated to a segregated fund is invested at the risk of the Policyowner and may increase or decrease in value.

The information in this publication is intended as a summary of our products and/or services and may include projected values based on a set of assumptions. Actual results may not be guaranteed and may vary. Please consult the appropriate policy contract for details on the terms, conditions, benefits, guarantees, exclusions and limitations. The actual policy issued governs. Each policyholder's financial circumstances are unique, and they must obtain and rely upon independent tax, accounting, legal and other advice concerning the structure of their insurance, as they deem appropriate for their circumstances. BMO Life Assurance Company does not provide any such advice to the policyholder or to the insurance advisor.

Insurer: BMO Life Assurance Company.

## Let's connect

To find out more about BMO Insurance products, please call your MGA, contact the BMO Insurance regional sales office in your area or call 1-877-742-5244.



Ontario Region  
1-800-608-7303

Quebec – Atlantic Region  
1-866-217-0514

Western Region  
1-877-877-1272

[bmoinsurance.com/advisor](https://bmoinsurance.com/advisor)