



CONVERSION GUIDELINES

**Conversions as of February 2023.
Subject to change without notice.**

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CONVERSION OF A TERM POLICY OR RIDER TO A UNIVERSAL LIFE (UL) POLICY (Processed in New Business)

New Business Contact Details:

Send Conversion Request forms and required documents to applications.newbusiness@bmo.com

For general inquiries: insurance.individualnewbusiness@bmo.com

Phone # - 1-877-742-5244

Eligible Plans

- Life Dimensions
- Wealth Dimensions

Conversion Requirements

- Request for Term Conversion to a Permanent Plan form 639E
- Verification of Identity and Third-Party Determination form 576E
- Current Wave Illustration
 - Term Conversion box must be ticked off
- First Initial Premium – Cheque or special withdrawal instructions.
 - **Payment and Authorization for New Policies form 950E** and void cheque for a new payor
- For an Individual – Declaration of Tax Residence for Individuals form RC518
- For an Entity – Declaration of Tax Residence for Entities form RC519, Articles of Incorporation and other documents as outlined in form 576E
- Deposits of more than \$100,000 - Politically Exposed Person Questionnaire 420E

Items to Remember

- Verify the conversion period, expiry dates and eligibility based on the client's attained age
- Verify the minimum issue amounts
- Verify if there is a rating on the policy
- If the Term Plan is Joint First to die, it can be converted to either a Joint First to Die UL or 2 single life UL policies. Alternatively, the Joint First To Die Term policy can be split/converted at the same time into 2 single life UL, provided the reason for the split is in keeping with our guidelines (In which case, we would bypass the split and proceed directly with the conversion request)
- If the Term plan is Joint Last to Die, it can only be converted to another Joint Last to die plan
- There are limitations to conversion on a joint/combined plan, review the contract provision to learn about those limitations
- Addition of riders are subject to our approval
- Two single term life policies can be converted to a multiple-coverage UL policy to save the policy fee (Joint plans not allowed)
- Verify the minimum deposit amounts for GIA and GMIA fund allocations
- Any requests involving underwriting such as non-smoker changes, reconsideration of rating, increase in coverage, etc. refer to the Underwriting Guidelines for requirements
- Additional signatures are required for the following:
 - Irrevocable beneficiaries, Assigned Policies and Joint Ownership/Insured
- Turnaround time for conversion processing is 5 business days, providing **ALL** requirements are received
 - In the case that underwriting is required, the turnaround time may increase beyond 5 business days

CONVERSION OF A TERM POLICY OR RIDER TO A TRADITIONAL PLAN (Processed in New Business)

Eligible Plans

- BMO Insurance Whole Life Plan
- Term 100

Conversion Requirements

- Request for Term Conversion to a Permanent Plan form 639E
- Current Wave Illustration
 - Term Conversion box must be ticked off
- Payment and Authorization for New Policies form 950E and void cheque for a new payor
- First Initial Premium – Cheque or special withdrawal instructions.
- For an Individual – Declaration of Tax Residence for Individuals form RC518 (for Whole Life Plans only, **not** Term 100)
- For an Entity – Declaration of Tax Residence for Entities form RC519 and Articles of Incorporation (for Whole Life Plans only, **not** Term 100)
- If APO is elected – Verification of Identity and Third-Party Determination form 576E. If Deposit is more than \$100,000, Politically Exposed Person Questionnaire 420E

Items to Remember

- Verify the conversion period, expiry dates and eligibility based on the client's attained age
- Verify the minimum issue amounts
- Verify if there is a rating on the policy
- Joint plans are available for a conversion to a Term100 plan
- If the Term plan is Joint Last to Die (plan type effective February 27, 2023), it can be converted to a Joint Last to die traditional plan
- There are limitations to conversion on a joint/combined plan, review the contract provisions to learn about those limitations
- Addition of riders are subject to our approval
- Any requests involving underwriting such as non-smoker changes, reconsideration of rating, increase in coverage, etc. refer to the Underwriting Guidelines for requirements
- Additional signatures are required for the following:
 - Irrevocable beneficiaries, Assigned Policies and Joint Ownership/Insured
- Turnaround time for conversion Processing is **5 business days**, providing **ALL** requirements are received
 - In the case that underwriting is required, the turnaround time may increase beyond 5 business days

CONVERSION OF TERM POLICY TO A COMBINATION OF A PERMANENT POLICY AND A NEW TERM RIDER (Processed in New Business)

NEW Conversion with Term rider reset option (effective February 27th, 2023)

- With the new Conversion with Term rider reset option, policy owners can choose to convert their existing Term coverage to a combination of a permanent policy and a new Term rider on the newly issued permanent plan without further underwriting.
- Eligibility requirements:
 - **Available for conversions on any Term policy or Term rider issued on or after July 2, 2019 (Wave 40)**
 - Conversion may be made at any time prior to attained insurance age 70.
 - Term coverage may be converted to the following eligible permanent plans:
 - BMO Insurance Whole Life
 - Life Dimensions
 - Life Dimensions (Low Fees)
 - Wealth Dimensions
 - Contractual conversion guidelines and limitations must be followed (plan minimums, age etc.)
 - The permanent coverage being converted must be at least 50% of the total sum insured converted.
 - The remaining portion of the total converted amount can be added as a term rider with duration that either matches or is longer than the original term plan duration.
 - The reset rider cannot have a higher coverage amount than the converted permanent coverage (it can be the same or less)
 - The term rider that was created with the reset can be converted to permanent coverage (but you can no longer exercise the term rider reset option)
 - No underwriting required.
 - No face amount increase allowed.
 - Current age and current new issue rates will apply
 - Other riders on the life Insured may 'transfer' to the new conversion plan (subject to review)

CONVERSION OF A TERM CRITICAL ILLNESS (CI) POLICY OR RIDER TO A LEVEL PREMIUM CRITICAL ILLNESS PLAN (Processed in New Business)

A renewable and convertible term critical illness policy may be converted to a level premium term critical illness policy of the same tax generation.

When a policyholder is converting from a renewable convertible term CI policy to a level premium term critical illness policy, they may also add a Return of Premium on Death or Surrender Benefit rider of the same tax generation to the conversion policy without evidence of insurability.

Renewable and convertible term critical illness policies (Living Benefit 10 and Living Benefit 20) issued on or after November 2, 2015 (Wave 32) may be converted to:

- Living Benefit 75
- Living Benefit 100
- 15-Pay Living Benefit 100

Renewable and convertible term critical illness policies issued prior to November 2, 2015 may be converted to:

- Living Benefit 75
- Living Benefit 100

Conversion Requirements

- Request for Term Conversion to a Permanent Plan, form 639E
- Initial premium – cheque or special withdrawal instructions
- Payment and Authorization for New Policies form 950E and void cheque for a new payor
- If you request to add a Return of Premium on Death Benefit rider, Return of Premium on Surrender Benefit rider or a Return of Premium on Expiry Benefit rider to the conversion policy, you will need to complete either the Direction to Pay for Critical Illness Policies, form 630E or Beneficiary Designations for Critical Illness Policies, form 626E.

Items to Remember

- Verify the conversion period, expiry dates and eligibility based on your client's attained age.
- Verify the minimum coverage amounts.
- Client may request the addition of Return of Premium Benefit rider (e.g., ROPD, ROPS, ROPX) from the same generation as the converted policy to the conversion policy without evidence of insurability.
- Do not run a current quote/illustration for policies issued prior to February 07, 2022 (Wave 47).
- Contact New Business at Insurance.IndividualNewBusiness@BMO.com for a CI conversion quote for policies issued prior to Feb 07, 2022
- Any request involving underwriting such as non-smoker changes, reconsideration of rating, increase in coverage, etc., please refer to the Underwriting Guidelines for requirements.
- Turnaround time for conversion processing is **5 business days**, providing **ALL** requirements are received.

CONVERSION OF A TERM POLICY FROM ABBEY LIFE, NORWICH UNION AND ITT HARTFORD LIFE (Processed in Client Services)

Client Services Contact Details:

Send Conversion Request forms and required documents to Insurance.Clientservices@bmo.com

Phone # - 1-800-387-4483

Fax # - 1-866-716-8999

Eligible Plans

- Term Policies from Abbey Life, Norwich Union or ITT Hartford Life can only be converted to a legacy Whole Life or Endowment to age 85 plan (not part of the current BMO Insurance product offering)
- You must contact Client Services to obtain the legacy plan details and conversion quote

Conversion Requirements

- Request for Conversion form 639E
- Head Office Illustration (as noted above)
- Initial Premium
- For an Individual – Declaration of Tax Residence for Individuals form RC518
- For an Entity – Declaration of Tax Residence for Entities form RC519 and Articles of Incorporation (please review additional requirements outlined in form 576E)

Items to Remember

- Verify the conversion period, expiry dates and eligibility based on the client's attained age
- Verify the minimum issue amounts
- Verify if there is a rating on the policy
- Additional signatures are required for the following:
 - Beneficiary is Irrevocable
 - Beneficiary is Preferred
 - Policy is Assigned
- Any requests involving underwriting such as non-smoker changes, reconsideration of rating, increase in coverage, etc. please refer to the Underwriting Guidelines for requirements
- The turnaround time for these conversions processing is **10 business days**, providing **ALL** requirements are received