

# BMO Protection Plan Product Summary

## Life, Critical Illness, Disability and Job Loss Coverage for Revolving Lines of Credit

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### NAME AND CONTACT INFORMATION FOR THE INSURER AND DISTRIBUTOR

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

- Life, Disability and Job Loss coverage on revolving lines of credit is provided under Group Policy 21559
- Critical Illness coverage on revolving lines of credit is provided under Group Policy 57904.

Sun Life Assurance Company of Canada

Creditor Insurance Team

227 King Street South

P.O. Box 638, STN Waterloo

Waterloo ON N2J 4B8

The Distributor of this insurance is BMO Bank of Montreal

BMO Bank of Montreal

129 Saint-Jacques Street West, 2<sup>nd</sup> floor

Montreal, QC H2Y 1L6

Telephone: 1-877-271-8713

Fax: 1-866-923-8353

Email: [credorteam@sunlife.com](mailto:credorteam@sunlife.com)

Website: [www.sunlife.ca](http://www.sunlife.ca)

AMF client number: 2000965369

Telephone: 1-877-CALL BMO (1-877-225-5266)

website: [www.BMO.com](http://www.BMO.com)

BMO Bank of Montreal branch contact information

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### NAME AND TYPE OF THIS INSURANCE PRODUCT

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

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

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### HOW TO READ THIS PRODUCT SUMMARY

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This product summary is an overview of the Plan as it applies to coverage underwritten by Sun Life Assurance Company of Canada (Sun Life) for eligible revolving lines of credit with BMO. For full details of coverage provided



Sun Life Assurance Company of Canada is the insurer of this product, and a member of the Sun Life Financial group of companies.

under the Plan please read the BMO Protection Plan Mortgage & Line of Credit Certificate of Insurance (Certificate) together with the application for insurance for revolving lines of credit.

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

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

***Accident*** means bodily injury that occurs solely as a direct result of a violent, sudden and unexpected action from an outside source.

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

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

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

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

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

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

***Pre-existing Condition*** means a condition or health problem for which, in the 12 months before the date you applied for insurance, you consulted with or received advice, treatment, care, and/or service from a licensed physician or health care practitioner, or for which you took medications or injections.

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

***Premium Rate*** means the unit cost of insurance.

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

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## HOW DOES THIS INSURANCE HELP PROTECT MY REVOLVING LINE OF CREDIT?

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

## HOW MUCH COVERAGE IS AVAILABLE UNDER THE PLAN?

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

Insurance type	Benefit	Maximum payable to BMO under your revolving line of credit
<b>Life</b>	Lump sum payment if you die	<b>\$300,000</b>
<b>Critical Illness</b>	Lump sum payment if you have a <b>Critical Illness</b>	one-time benefit if, after the effective date of insurance, you receive a diagnosis or have surgery for one of the following covered <b>Critical Illnesses</b> : cancer (life-threatening), coronary bypass surgery, heart attack or stroke, <b>\$300,000</b>
<b>Disability</b>	Regularly scheduled payments if you continue to be <b>Disabled</b> for longer than <b>30</b> consecutive days	per <b>Disability</b> claim, to a maximum payment period of <b>24</b> months, <b>\$1,500</b>
<b>Job Loss</b>	Regularly scheduled payments if you are unemployed due to <b>Job Loss</b> for longer than <b>60</b> consecutive days	per <b>Job Loss</b> claim, to a maximum payment period of <b>6</b> months, <b>\$1,500</b> per month

## WHICH BMO LENDING PRODUCTS ARE ELIGIBLE?

Homeowner ReadiLine and personal revolving lines of credit with BMO are **Eligible** for coverage under the Plan.

## AM I ELIGIBLE TO APPLY?

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

Criteria by Insurance Type	Life	Critical Illness	Disability	Job Loss
Age <b>Eligibility</b> criteria At least <b>18</b> years old and <b>under</b> the age indicated under each insurance type	<b>65</b>	<b>55</b>	<b>65</b>	<b>55</b>

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

## HOW DO I APPLY?

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

If your credit limit is greater than **\$100,000** and you wish to apply for either **Life Insurance**, or **Life Insurance** with **Critical Illness Insurance**, you will be required to answer the related health status question(s).

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

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## WHEN DOES MY INSURANCE START?

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

- the date BMO sets up your line of credit and issues the Line of Credit Agreement, or
- the date Sun Life approves your application in writing, if medical underwriting is required, or
- the date you apply for insurance, if the coverage applied for does not require medical underwriting by Sun Life (provided that your line of credit is already funded on that date).

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## HOW MUCH WILL MY INSURANCE COST?

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**Premium Rates** are based on:

- your age on your account statement date; and
- whether more than one borrower is insured for the same coverage on your account statement date.

Your **Premium** may go up or down from month-to-month, depending on your average daily balance for the period covered by your loan account statement.

Provincial sales tax is added to your premium, if applicable.

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

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## WHAT DOES SUN LIFE PAY?

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

<b>Insurance Type</b>	<b>Benefit under the Plan</b>
<b>Life</b>  <b>Critical Illness</b>	<ul style="list-style-type: none"><li>• if you die by <b>Accident</b>, your revolving line of credit account balance on the date of death, up to the maximum benefit; or</li><li>• for death by any other cause or you are diagnosed with or have surgery for a <b>Critical Illness</b>, the <b>lesser</b> of:<ul style="list-style-type: none"><li>○ your revolving line of credit account balance on the date of death, up to the maximum benefit; or</li><li>○ the average of your last <b>12</b> months’ insured balances prior to date of insured loss multiplied by <b>110%</b>.</li></ul></li></ul>

Insurance Type	Benefit under the Plan
<b>Disability</b>  <b>Job Loss</b>	<ul style="list-style-type: none"> <li>• If your <b>Disability</b> is due to <b>Accident</b>, <b>3%</b> of your revolving line of credit account balance on the date of <b>Disability</b>, up to the maximum benefit;</li> <li>• For <b>Disability</b> resulting from any other cause or for <b>Job Loss</b>, the <b>lesser</b> of: <ul style="list-style-type: none"> <li>○ <b>3%</b> of your revolving line of credit account balance on the date of <b>Disability</b> or <b>Job Loss</b> up to the maximum benefit;</li> <li>○ <b>3%</b> of the average of your last <b>12</b> months' insured statement balances prior to the date of insured loss multiplied by <b>110%</b>.</li> </ul> </li> </ul> <p><b>Disability</b> benefits start after a qualifying period of <b>30</b> consecutive days and will be paid for up to <b>24</b> months for each <b>Disability</b>.</p> <p><b>Job Loss</b> benefits start after a qualifying period of <b>60</b> consecutive days and will be paid for up to <b>6</b> months for each <b>Job Loss</b>.</p>

## WHAT IF I HAVE AN INSURANCE CLAIM?

You should always make an insurance claim as soon as possible, using Sun Life's form, which you can obtain from your BMO branch or by visiting [BMO.com/protection.plans](http://BMO.com/protection.plans).

### How long do I have to make a claim?

There is no time limit for making **Life Insurance** claims. Under the *Civil Code of Québec*, claimants have three years to file a legal action.

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

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

### How long for Sun Life's claim decision and payment?

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

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

When a claim is not approved, Sun Life's written decision will include the reasons for that decision.

### What if I want to appeal Sun life's claim decision?

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

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

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## WHAT EXCLUSIONS AND LIMITATIONS APPLY TO THIS INSURANCE?

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

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

### Life benefit exclusions

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

### Critical Illness benefit exclusions

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

### Disability benefit exclusions

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

### Job Loss benefit exclusions

- You are a **Seasonal worker** who is receiving Employment Insurance for unemployment during your normal off-season.
- You left your job by choice.

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

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

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

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## WHEN DOES INSURANCE END?

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

- your revolving line of credit is written off or cancelled by BMO,
- the date your credit limit is increased or you consolidate your revolving line of credit,
- your **Premiums** have not been paid for more than **90** days,
- the date BMO receives your request to cancel all your coverage,
- the date of your death,
- Sun Life pays your **Life Insurance** or **Critical Illness Insurance** benefit under your revolving line of credit.

**Life Insurance** coverage will also end on the date you turn **70** years old,

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

- the date you no longer have **Life Insurance** coverage,
- the date you turn **70** years old.

**Disability Insurance** coverage will also end on the date you turn **70** years old.

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

- the date you no longer have **Disability Insurance** coverage,
- the date you turn **60** years old.

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

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If Sun Life pays either a **Life Insurance** or **Critical Illness** Insurance benefit on an insured borrower's behalf, all of that borrower's insurance ends. If there are other insured co-borrowers, their coverage under the Plan remains in effect as long as the revolving line of credit remains in effect.

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## WHAT HAPPENS IF I INCREASE OR CONSOLIDATE MY REVOLVING LINE OF CREDIT AGREEMENT?

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If you increase your credit limit or use your revolving line of credit to consolidate an existing insured revolving line of credit, insurance will end on the date your credit limit is increased or consolidated into your new revolving line of credit. If you want your new revolving line of credit to be insured under the Plan, you must complete a new insurance application.



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

For more details about the impact on insurance when you increase or consolidate your revolving line of credit, see the “WHAT HAPPENS IF THE CREDIT LIMIT ON MY REVOLVING LOC IS INCREASED OR CONSOLIDATED?” section of the Certificate.

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## WHEN AND HOW CAN I CANCEL INSURANCE?

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

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

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

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

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## WHO CAN ANSWER MY QUESTIONS ABOUT THIS INSURANCE?

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

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

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

Tel: Québec 418-525-0337  
Montreal: 514-395-0337  
Toll Free: 1-877-525-0337  
Website: [www.lautorite.qc.ca](http://www.lautorite.qc.ca)

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## WHERE CAN I FIND OUT ABOUT SUN LIFE'S COMPLAINTS RESOLUTION PROCESS?

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You can find Sun Life's complaints resolution process, a summary of Sun Life's complaints resolution processing policy and where complaints may be filed by going to [www.sunlife.ca](http://www.sunlife.ca) and typing “complaints” into the search field.

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

## LET'S TALK INSURANCE!

Name of distributor: BMO Bank of Montreal

Name of insurer: Sun Life Assurance Company of Canada

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



### IT'S YOUR CHOICE

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

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

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



### HOW TO CHOOSE

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



### DISTRIBUTOR REMUNERATION

A portion of the amount you pay for the insurance will be paid to the distributor as remuneration. The distributor **must** tell you when the remuneration exceeds 30% of that amount.



### RIGHT TO CANCEL

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

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

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The *Autorité des marchés financiers* can provide you with unbiased, objective information.  
Visit [www.lautorite.qc.ca](http://www.lautorite.qc.ca) or call the AMF at 1-877-525-0337.

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Reserved for use by the insurer:

NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

NOTICE GIVEN BY A DISTRIBUTOR

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

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

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

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

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

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

For further information, contact the Autorité des marchés financiers at 1-877-525-0337 or visit [www.lautorite.qc.ca](http://www.lautorite.qc.ca).

**NOTICE OF RESCISSION OF AN INSURANCE CONTRACT**

To: Sun Life Assurance Company of Canada  
Creditor Team, 227 King Street South, P.O. Box 638, STN Waterloo, Waterloo ON N2J 4B8

Date: \_\_\_\_\_  
(date of sending of notice)

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

(number of contract, if indicated)

- |   |   |
|---|---|
| <input type="checkbox"/> Life insurance             | <input type="checkbox"/> Disability insurance |
| <input type="checkbox"/> Critical Illness insurance | <input type="checkbox"/> Job loss insurance   |

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

Entered into on: \_\_\_\_\_  
(date of signature of contract)

In: \_\_\_\_\_  
(place of signature of contract)

\_\_\_\_\_  
(name of client)

\_\_\_\_\_  
(signature of client)