

Optional Creditor Life, Disability and Disability Plus Product Summary

Semi Revolving Instalment Loans and Small Business Loans

NAME AND CONTACT INFORMATION FOR THE INSURER AND DISTRIBUTOR

This product summary describes Creditor's Group Insurance underwritten by Canadian Premier Life Insurance Company (Canadian Premier), which operates under the brand name Securian Canada. The Group Policyholder is the Bank of Montreal (BMO).

Life, Disability and Job Loss coverage is offered on semi-revolving instalment loans. Life and Disability insurance is offered on small business loans. All insurance coverage is provided under Group Policy 21559

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

Telephone: 1-877-271-8713
Email: creditorteam@canadianpremier.ca
Website: www.canadianpremier.ca AMF client
number: 2000829775

The Distributor of this insurance is BMO Bank of Montreal

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

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

BMO Bank of Montreal branch contact information

NAME AND TYPE OF THIS INSURANCE PRODUCT

INSURANCE PRODUCT NAME: Creditor Life, Disability and Disability Plus for Semi Revolving Instalment
Loans and Small Business Loans

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



of this product

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

HOW TO READ THIS PRODUCT SUMMARY

This product summary is an overview of creditor's group insurance underwritten by Canadian Premier Life Insurance Company (Canadian Premier) for eligible semi-revolving instalment loans and small business loans with BMO. For full details of coverage please read the Certificate of Optional Creditor Life, Disability and Disability Plus Job Loss Insurance (Certificate) together with the Application for Optional Life, Disability and Disability Plus Job Loss Creditor Insurance.

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

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

Accident means a 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.

Attained Age means your age on January 1st.

Disability, Disabled means you are prevented by bodily injury, disease, mental infirmity, sickness or complications due to pregnancy and any related medical conditions, from performing all or substantially all of the essential duties of your own job and you do not engage in any occupation or employment for wage or profit.

Disability Insurance is coverage that pays a benefit when the insured person is ***Disabled*** beyond the applicable ***Qualifying Period***.

Disability Plus Insurance is coverage that pays a benefit when the insured person is ***Disabled*** or has a ***Job Loss*** beyond the applicable ***Qualifying Period***.

Eligible means that you and your ***Loan*** meet all necessary criteria to apply for a given type of insurance available under this insurance.

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

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

Loan means the revolving or instalment lending agreement/small business loan and semi-revolving instalment line of credit issued to you by BMO.

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

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

Qualifying Period means a period of 60 consecutive days during which you are ***Disabled*** or have a ***Job Loss***, before you qualify for ***Disability Insurance*** benefits or ***Disability Plus Insurance*** benefits as applicable.

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.

SRIL means semi-revolving instalment loan.

HOW DOES THIS INSURANCE HELP PROTECT MY LOAN?

Life Insurance will reduce or pay off the balance of your ***Loan*** if you die. ***Disability Insurance*** will help cover payments owed under your ***Loan*** if you become ***Disabled***. ***Disability Plus Insurance*** will help cover payments owed under your ***Loan*** if you become ***Disabled*** or have a ***Job Loss***.

HOW MUCH COVERAGE IS AVAILABLE FOR MY LOAN?

The following types of optional creditor's group insurance coverage are available for **Eligible Loans** with BMO.

Insurance coverage type	Benefit	Maximum payable to BMO under your Loan
Life	Lump sum payment if you die	SRILs: \$150,000 Small Business Loans: \$250,000
Disability	Regularly scheduled payments if you continue to be Disabled for longer than 60 consecutive days	Any type of Loan , per Disability claim, to a maximum payment period of 24 months, up to \$1,500 per month
Job Loss	Regularly scheduled payments if you are unemployed due to Job Loss for longer than 60 consecutive days	SRILs only , per Job Loss claim, to a maximum payment period of 6 months, up to \$1,500 per month

WHICH BMO LENDING PRODUCTS ARE ELIGIBLE FOR THIS INSURANCE?

SRILs and revolving or instalment loans for small businesses with BMO are **Eligible** for **Life Insurance** and **Disability Insurance**.

Only **SRILs** are eligible for **Disability Plus** insurance.

AM I ELIGIBLE TO APPLY?

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

HOW DO I APPLY?

As long as you and your **Loan** with BMO are **Eligible**, you can apply for this insurance when you apply for your **Loan** or any time after. You apply for this insurance by completing the Application for Optional Life, Disability and Disability Plus Job Loss Creditor Insurance.

If your credit limit is greater than **\$50,000**, you will be required to answer the related health status question(s). If you answer YES to an applicable health status question Canadian Premier will contact you for medical underwriting.

WHEN DOES MY INSURANCE START?

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

- the date your **Loan** is set-up by BMO and a Loan Agreement is issued,
- the date Canadian Premier approves your application for insurance, if you require medical underwriting,
- the date you signed your application for insurance, if the coverage applied for does not require medical underwriting by Canadian Premier.

HOW MUCH WILL MY INSURANCE COST?

Revolving Loans	Instalment Loans
<p>Premium Rates are based on:</p> <ul style="list-style-type: none"> • Attained Age on your account statement date; and • when both borrowers are insured for the same coverage, the older borrower's age will apply 	<p>Premium Rates are based on:</p> <ul style="list-style-type: none"> • Attained Age on the date you applied for your Loan; and • when both borrowers are insured for the same coverage, the older borrower's age will apply
<p>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.</p>	<p>The Premium quoted under your Loan payment represents the average cost of insurance, per payment, over the remaining life of your Loan.</p>

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

See the "HOW YOUR PREMIUMS ARE CALCULATED" section of the Certificate for **Premium Rates** and sample **Premium** calculations.

WHAT DOES CANADIAN PREMIER PAY?

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

Benefit under Optional Life, Disability and Disability Plus Job Loss Insurance		
Insurance Type	Revolving	Instalment
Life	<ul style="list-style-type: none"> • if you die by Accident, your Loan balance on the date of death, up to the maximum benefit; or 	<ul style="list-style-type: none"> • the total unpaid balance of your insured instalment arrangement on the date of death, and • all unpaid interest that has accrued to the date of benefit payment, and

Benefit under Optional Life, Disability and Disability Plus Job Loss Insurance		
Insurance Type	Revolving	Instalment
Life continued	<ul style="list-style-type: none"> for death by any other cause, the lesser of: <ul style="list-style-type: none"> your Loan balance on the date of death, up to the maximum benefit; or the average of your last 12 months' insured Loan balances prior to date of death multiplied by 110%. 	<ul style="list-style-type: none"> any fees, penalties or interest rate charges required to discharge your instalment arrangement
Disability Job Loss	<ul style="list-style-type: none"> If your Disability is due to Accident, 3% of your Loan balance on the date of Disability, up to the maximum benefit; For Disability resulting from any other cause or for Job Loss, the lesser of: <ul style="list-style-type: none"> 3% of your Loan balance on the date of Disability or Job Loss up to the maximum benefit; or 3% of the average of your last 12 months' insured Loan balances prior to the date of insured loss multiplied by 110%. 	<ul style="list-style-type: none"> Your Loan payment as at the date of Disability Disability Insurance or Disability Plus Insurance premium as applicable

Disability benefits start after a qualifying period of **60** consecutive days and will be paid for up to **24** months for each **Disability**.

Job Loss benefits start after a qualifying period of **60** consecutive days, and will be paid for up to **6** months for each **Job Loss**.

WHAT IF I HAVE AN INSURANCE CLAIM?

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

How long do I have to make a claim?

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

For the prompt resolution of **Disability** and **Job Loss** claims, you should submit the claim within the timeline of **120** days from the date of **Disability** or **Job Loss**, as applicable.

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

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

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

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

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

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

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

WHAT EXCLUSIONS AND LIMITATIONS APPLY TO THIS INSURANCE?

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

For a full list of exclusions and limitations, please see the "Important Information – Coverage Limitations and Exclusions" section of the Certificate. **The following are the most common reasons for Canadian Premier to deny a 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**).

Disability benefit exclusions

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

Job Loss benefit exclusions

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

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

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

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

WHEN DOES INSURANCE END?

Insurance coverage will end on the **earliest** of the following dates.

- the date BMO receives your written request to cancel the insurance;
- the date you are no longer a borrower on the **Loan**;
- the date of your death, or when more than one person is insured, the date one of the insured persons dies;
- the date the Policy is terminated;

- the date the **Loan** is closed, or BMO notifies you that the **Loan** is cancelled, written off or transferred to another financial institution;
- the date you refinance or renegotiate the **Loan**, including your request for an increase in credit limit;
- in respect of **Disability** insurance, the date you reach age **70**;
- in respect of **Disability Plus Insurance**, your **Job Loss Insurance** ends on the date you reach age **55**, but your **Disability Insurance** continues to the date you reach age **70**.

WHEN AND HOW CAN I CANCEL INSURANCE?

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

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

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

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

WHO CAN ANSWER MY QUESTIONS ABOUT THIS INSURANCE?

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

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

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

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

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

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

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

LET'S TALK INSURANCE!

Name of distributor: BMO Bank of Montreal

Name of insurer: Canadian Premier Life Insurance Company

Name of insurance product: Creditor Life, Disability and Disability Plus for Semi Revolving Instalment Loans and Small Business Loans



IT'S YOUR CHOICE

You are never required to purchase insurance:

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

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



HOW TO CHOOSE

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



DISTRIBUTOR REMUNERATION

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

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



RIGHT TO CANCEL

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

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

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

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

Reserved for use by the insurer:

NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

NOTICE GIVEN BY A DISTRIBUTOR

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

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

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

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

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

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

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

NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

To: Canadian Premier Life Insurance Company

Creditor Team, 25 Sheppard Ave West, Suite 1400, Toronto, ON M2N 6S6

Date: _____
(date of sending of notice)

Pursuant to section 441 of the *Act respecting the distribution of financial products and services*, I hereby rescind insurance contract no.: 21559

- | | |
|----------------------|------------------------|
| • Life insurance | • Disability insurance |
| • Job Loss insurance | |

Note: 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)