BMO Insurance

SUMMARY OF CHANGES AND TRANSITION RULES (WAVE 41.0)

Updates to our Underwriting Requirements for ALL Life and Critical Illness plans

- **NEW** Age and Amount requirements across all life and critical illness plans (except for Non-Face-to-Face Fillable PDF applications (431E))
  - Introduction of Tele-interview and Vitals requirements in place of a Paramedical requirement. NOTE: Tele-Interview and Vitals should be ordered via Dynacare.
  - Introduction of a Paramedical requirement in place of a Medical requirement
  - Refer to our Underwriting Guidelines (319E) for more details or the Underwriting Requirements page on The Wave illustration

BMO Insurance Whole Life Plan

- **INCREASED** maximum face amount
  - We have increased the maximum initial face amount for this plan from $10,000,000 to $20,000,000 (for ages 18 – 80) to provide you with more quoting opportunities for your high net worth clients
- **NEW** Additional Payment Option
  - Available on the 20 Pay and Pay to Age 100 premium options only
  - This new feature allows policy owners to make Additional Payments above the premiums for the basic coverage; the cash value from these amounts together with the Paid-Up Additions Cash Value of the policy can later be used to pay future premiums (i.e. Premium Offset)
- **NEW** Premium Offset
  - After the fifth policy year, policy owners may be able to choose to have premiums paid from their non-guaranteed cash value (Additional Payments and Paid Up Additions Cash Value) using a new Premium Offset feature
- **NEW** riders and benefits are available on this plan:
  - Accidental Death Benefit (ADB)
  - Children's Term Rider (CTR)
  - Joint Last to Die Conversion (JLTD Conversion)
  - Special Death Benefit Option (SDB)

Refer to the BMO Insurance Whole Life Plan Advisor Guide (753E) under the Forms and Materials section on bmoinsurance.com/advisor for more details.

Universal Life

- **NEW** North American Enhanced Equity Market Indexed Account (EMIA)
  - The EMIA is a new interest account with a smoothed credited rate that's linked to the performance of Canadian and US equity market indices. The return is also guaranteed to never be negative.
  - Available on Life Dimensions, Life Dimensions (Low Fees) and Wealth Dimensions

Refer to the Life Dimensions Product Guide (182E) or Wealth Dimensions Product Guide (709E) under the Forms and Materials section on bmoinsurance.com/advisor for more details.

Term Life

- **POLICY FEE DISCOUNT**: as previously announced, we are extending our $25 policy fee discount until December 31, 2019 for all Term Life base plan applications with face amounts of $500,000 and over

  How to Illustrate the Policy Fee Discount

  - While running a term illustration on the Wave 41.0 – simply select the "Multi-policy discount" check box and the discount will be illustrated

Policy Fee Discount Guidelines (until December 31, 2019)

- All applications for base Term Life plans with face amounts of $500,000 or over that are received by December 31, 2019 will be issued with the $25 discount
- One discount per policy – if a policy is eligible for the multi-policy fee discount and the annual policy fee discount, only ONE discount will be applied

Note: there are no discounts on Term riders on Universal Life, the BMO Insurance Whole Life Plan and Term 100. Base Term Life plans with face amounts of $100,000 - $499,999 are also not eligible for the discount.

TRANSITION RULES

Age and Amount Requirements

- All applications received prior to October 7th will be underwritten based on the previously ordered requirements
- Any application may require additional requirements upon Underwriting review.

BMO Insurance Whole Life Plan

Additional Payment Option
- For new business (policies issued on or after October 21, 2019): we will start accepting Additional Payments at our head office starting October 21, 2019 using either our Face-to-Face Application (126E) or through SmartApp
- For in force business (policies issued before October 21 2019): we will be making this feature available to other in force policies; further details will be provided in Spring 2020. (note: we still can't commit to a date – not sure what we should add here)
- Note: policies may be eligible for the Premium Offset starting only *after the fifth policy anniversary*.

New riders:
- New riders (ADB, CTR, JLTD Conversion and SDB) can only be added to any new Wave 41.0 WLP application
- The Special Death Benefit option can only be selected when the Additional Payment Option is first elected.

Universal Life
- Starting October 21, 2019, we will be able to start accepting new premium allocations or transfers to the North American Enhanced Equity Market Indexed Account on any new or in force Life Dimensions, Life Dimensions (Low Fees) or Wealth Dimensions policy as long as the issue date is on or after January 1, 2017 (i.e. Wave 33 or newer).

IMPORTANT:
An electronic download of The Wave v41.0 will be available on October 7, 2019 from
https://advisor.bmoinsurance.com/en/Account/WaveIllustration

To find out more about BMO Insurance products, please call your MGA or the BMO Insurance regional sales office in your area.

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