

BMO® Protection Plan Mortgages and Instalment Lines of Credit

Creditor's Group Insurance –
Life, Critical Illness, Disability and Job Loss

Distribution Guide

- Group Policies:**
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 - Mortgage Disability and Job Loss: 51007-G Part C
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 - Mortgage and Instalment Line of Credit Critical Illness: 57904

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Introduction

This distribution guide is an easy-to-understand explanation of the BMO Protection Plan (Plan) for home mortgage and instalment line of credit customers underwritten by Sun Life Assurance Company of Canada and made available to you through BMO Bank of Montreal.

The BMO Protection Plan Mortgage and Line of Credit can help cover your Line of Credit balance or payments if you become disabled, lose your job, suffer from a covered critical illness condition or die.

This distribution guide can help you decide, without the services of an insurance representative, if you need BMO Protection Plan coverage on your mortgage or instalment line of credit with BMO.

Under the Plan, you can insure the balance on your mortgage or instalment line of credit against death or certain critical illnesses (Balance Protection). You can also insure your regular mortgage payments or fixed contractual payments under your instalment line of credit in the event of disability or job loss (Payment Protection).

NOTE: BMO Bank of Montreal and Sun Life together reserve the right to change premium rates and the terms of insurance at any time with 30 days advance written notice to insureds.

Definitions

NOTE: Some definitions that are specific to certain sections of this distribution guide will be found in the applicable section or as cross-referenced in this section.

“Application” means:

- if your Loan is a mortgage, the Application for BMO Mortgage Protection, or
- if your Loan is an instalment line of credit, the Application for BMO Line of Credit Protection Plan

under which you were approved for this insurance.

“BMO” means BMO Bank of Montreal.

“Borrower” means the borrower(s) named on the Loan.

“Certificate” means the BMO Protection Plan Mortgage & Line of Credit Certificate of Insurance issued to you with your Application.

“Coverage Start Date” means the date that your coverage begins, as shown on your Coverage Summary.

“Coverage Summary” means the most recent version of the form BMO issues to confirm coverage status, the Coverage Start Date, the premium payable and the Percent of Balance Covered or Percent of Payment Covered as applicable.

“Insurance Application Date” means the date you apply for coverage under the Plan.

“Loan” means either the mortgage agreement or the instalment line of credit agreement that exists between you and BMO.

Loan does not include:

- mortgages on commercial properties,
- small business loans or revolving lines of credit,
- personal or homeowner revolving lines of credit.

“Loan Amount” means the amount you owe on the **latest** of:

- the date your Loan is funded by BMO,
- your Insurance Application Date for each coverage, or
- the date that Sun Life pays a Balance Protection benefit under your insured Loan that does not end your coverage (See Section A. “What happens if a life or critical illness claim is paid?”).

“Loan Payment” means either your regular mortgage payment or your fixed contractual payment on an instalment line of credit, that you have agreed to pay BMO and as shown on your Coverage Summary.

“Maximum Insurable Limit” See Section A. “What is the maximum amount of coverage you can get”.

“Plan” means the BMO Protection Plan Mortgage and Line of Credit.

“Percent of Balance/Payment Covered” See Section A. “What is My Percent of Balance/Payment Covered”.

“Sun Life” means Sun Life Assurance Company of Canada.

“You”, “your” means the borrower or co-borrower if applying for coverage under the Plan and have a Loan with BMO.

A. Description of your insurance

What types of coverages are available under the Plan

If you are eligible, you have the following coverage options under the Plan:

Balance Protection – life insurance and critical illness

insurance: reduce or pay off your Loan balance if you die or have a covered critical illness as a result of cancer, or a heart attack, or coronary artery bypass surgery, or a stroke. You can get life insurance by itself or you can get life insurance combined with critical illness insurance. You cannot get critical illness insurance by itself.

Payment Protection – disability insurance and job loss

insurance: fully or partially cover your Loan Payments if you become disabled or have a job loss. You can get disability insurance by itself or disability insurance combined with job loss insurance. You cannot get job loss insurance by itself.

What is the maximum amount of coverage you can get

The most insurance coverage you can apply and be insured for on your Loan is called the Maximum Insurable Limit.

The Maximum Insurable Limit on each Loan is up to:

- \$600,000 if you die
- \$450,000 for a covered critical illness
- \$3,000 a month for disability
- \$3,000 a month for job loss.

What percent of coverage can I choose

When you apply, you can choose to insure all (100%) or half (50%) of your Loan Amount and all (100%) or half (50%) of your Loan Payment, up to the Maximum Insurable Limit. You cannot have more critical illness coverage than life coverage. You cannot have more job loss coverage than disability coverage.

What is My Percent of Balance/Payment Covered

Your Application and Coverage Summary show the actual percentage of your Loan Amount and Loan Payment that your insurance covers. This is called the Percent of Balance Covered under Balance Protection and Percent of Payment Covered under Payment Protection. It takes into account whether you have chosen 100% or 50% coverage, and the Maximum Insurable Limit.

If your Loan Amount or Loan Payment is above the Maximum Insurable Limit, the Percent of Balance/Payment Covered is automatically adjusted so that you never have more coverage than the Maximum Insurable Limit.

See “What percent of coverage can I choose?” section of your Certificate to see how the Percent of Balance/Payment Covered is calculated

Who is eligible to apply for this insurance

Up to eight borrowers can apply for coverage on a Loan.

For all types of insurance, on your Insurance Application Date you must be:

- at least 18 years,
- the borrower or co-borrower, and
- a Canadian resident.

For life insurance you must also be under 65.

For critical illness insurance (combined with life), you must also be

- under 55, and
- applying for or already insured for life insurance under this Plan.

For disability insurance, you must also be:

- under 65, and
- regularly working at least 30 hours per week and able to perform the regular duties of your job.
- **for seasonal workers**, you must be employed, working at least 30 hours a week and able to perform the regular duties of your job.

For job loss insurance (combined with disability) you must also be:

- under 55,
- continuously employed for 6 months with the same employer and eligible to receive Employment Insurance (EI) benefits, and
- applying or already insured for disability insurance under the Plan.

You cannot apply for job loss insurance if you are:

- in receipt of a notice of termination,
- self-employed, or
- an independent contractor.

How to apply

As long as you 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 and signing your Application as required and submitting it to BMO.

Confirmation of coverage

You will be given a copy of your Application and the Certificate at the time you apply for coverage under the Plan.

Once the Loan is funded, BMO will send you a Coverage Summary together with a confirmation letter. The Coverage Summary contains the same coverage details as your Application, but will include any status updates since your Insurance Application Date.

When does coverage start

The Coverage Start Date is shown on your Coverage Summary. Your Coverage Start Date is the **latest** of:

- your Insurance Application Date, if you are automatically approved,
- the date Sun Life approves your Application, if you require medical underwriting,
- **for a mortgage**, the date it is set-up by BMO and a Commitment to Lend and Disclosure Statement is issued; or
- **for a line of credit**, the date it is set-up by BMO and a Line of Credit Agreement is issued.

When does coverage end

Your insurance coverage on a Loan will end, without written notice to you, on the **earliest** of the following:

- the date your Loan is paid in full or discharged,
- the date you request a refinance on your mortgage or the date you request a re-advance,
- the date you are no longer a borrower,
- the date your insurance premium is more than 90 days in arrears,
- the date BMO receives a request from you to cancel all of your coverages,
- the date you die
- **for life coverage:**
 - the date your 100% life claim is paid by Sun Life, or
 - the date your critical illness claim is paid by Sun Life if you have the same Percent of Balance Covered for critical illness and life insurance,
 - the date you turn 70 years old
- **for critical illness coverage:**
 - the date your critical illness claim is paid by Sun Life, or
 - the date you no longer have life coverage, or
 - the date you turn 70 years old,

- **for disability insurance:**
 - the date you no longer have a fixed contractual payment on your instalment line of credit, or
 - the date you turn 70 years old,
- **for job loss coverage:**
 - the date you no longer have a fixed contractual payment on your instalment line of credit, or
 - the date you no longer have disability coverage, or
 - the date you turn 60 years old.

What happens if I want to increase or decrease my insurance coverage on my Loan?

Increasing insurance:

If you want to increase your insurance coverage on a Loan, you must complete a new insurance application.

If Sun Life declines your application to increase coverage because of a health condition there will be no change to your Percent of Balance/Payment Covered or your Loan Amount or Loan Payment. Your premium rate remains the same as you had before reapplying. You will receive confirmation in writing and an updated Coverage Summary.

Decreasing insurance:

You can request in writing to decrease your Loan coverage from 100% to 50%. Your premiums will be calculated on 50% of your Loan Amount prior to your applying for the decrease and your age on your Insurance Application Date when you first applied for this coverage.

What happens if my Loan is refinanced or re-advanced?

If your Mortgage is refinanced or your Instalment Line of Credit is re-advanced, you must complete a new insurance application.

If Sun Life declines your application because of a health condition or you are above the eligibility age to apply for coverage and you had insurance coverage in effect prior to reapplying, you may be eligible for recognition of prior coverage (ROPC). ROPC provides you with the same amount of coverage you had before you reapplied for insurance. You will be notified in writing if you qualify for ROPC and will also receive an updated Coverage Summary. Coverage under ROPC will never exceed the amount owed to BMO.

See the "What happens if my Loan is refinanced or re-advanced?" section of your Certificate to see how the Percent of Balance/Payment Covered are calculated if insurance is approved under ROPC.

How much will my insurance coverage cost

The money you pay for your insurance is called a premium. Premium rates depend on the type of coverage and number of insureds. Also, the method for calculating premium differs slightly between Balance Protection and Payment Protection coverages.

There are separate premium rate tables for Balance Protection and Payment Protection. Your monthly premium rate is based on your age on your Insurance Application Date and will not change as you age. Each rate table provides single and multi-rates per coverage type.

Your premium, plus provincial sales tax, if it applies, is charged in arrears and added to your Loan Payment on the payment due date.

Loan premium calculation for Balance Protection coverage

The Rate Table shows the rate for every \$1,000 of Loan coverage.

Balance Protection Premium Rate Table (monthly cost per \$1,000)				
Age	Life Insurance		Critical Illness Insurance	
	Single	Multi	Single	Multi
0 - 29	0.09	0.07	0.09	0.07
30 - 35	0.13	0.11	0.13	0.11
36 - 40	0.20	0.17	0.20	0.17
41 - 45	0.29	0.24	0.41	0.34
46 - 50	0.41	0.34	0.66	0.54
51 - 55	0.55	0.45	1.02	0.84
56 - 60	0.70	0.58	n/a	n/a
61 - 64	0.99	0.82	n/a	n/a

Follow these 6 steps to figure out your premium for each type of coverage:

1. Multiply your Loan Amount by the Percent of Balance Covered for a type of coverage.
2. Find your age at the time you applied for insurance in the left-hand column of the table.
3. Look for the specific type of coverage you are selecting. Find your premium rate. If you are the only borrower who is insured, use the single rate. If more than one borrower has the same coverage type, use the applicable multi-rate for each borrower.
4. Multiply your premium rate by the number you got in Step 1 and then divide by 1,000.
5. If your payment frequency is not monthly, multiply the amount you got in Step 4 by the frequency factor in the conversion chart below.

Conversion Rate Chart for Balance Protection Coverage

Use this chart to convert a monthly premium to your payment schedule.

Payment Frequency	Frequency Factor
Weekly	0.2308
Every two weeks (bi-weekly)	0.4615
Twice a month (semi-monthly)	0.5

6. Add applicable provincial sales tax.

See the “Loan premium calculation” subsection of your Certificate to see how Balance Protection premiums are calculated.

Loan premium calculation for Payment Protection coverage

The Rate Table shows the rate for every \$100 of coverage.

Payment Protection Premium Rate Table (monthly cost per \$100)				
Age	Disability Insurance		Job Loss Insurance	
	Single	Multi	Single	Multi
0 - 29	1.47	1.40	1.50	1.43
30 - 35	1.87	1.78	1.50	1.43
36 - 40	2.40	2.28	1.50	1.43
41 - 45	3.00	2.85	1.50	1.43
46 - 50	3.62	3.44	1.50	1.43
51 - 55	4.46	4.24	1.50	1.43
56 - 60	5.67	5.39	n/a	n/a
61 - 64	7.17	6.81	n/a	n/a

Follow these 6 steps to figure out your premium:

1. Multiply your Loan Payment by the Percent of Payment Covered for a type of coverage.
2. Add **all** Balance Protection premiums (see premium calculation for Loan Balance Protection) that you and any other borrower have on this Loan to Step 1.
3. Find your age at the time you applied for insurance in the left-hand column of the table.
4. Look for the specific type of coverage you are selecting. Find your premium rate. If you are the only borrower who is insured, use the single rate. If more than one borrower has the same coverage type, use the applicable multi-rate for each borrower.
5. Multiply your premium rate by the number you got in Step 2 and then divide by 100.
6. Add applicable provincial sales tax.

See the “Loan premium calculation” subsection of your Certificate for an example of how Payment Protection premiums are calculated.

What will Sun Life pay if my claim is approved, for each type of coverage

This section describes what Sun Life will pay to BMO for a loss occurring while your insurance coverage is in effect and your claim is approved.

Please see Section A. "What are the important details of the coverage" to find out what this insurance covers and Section B. "Exclusions, limitations and reductions in coverage" to find what this insurance does not cover.

If you chose:	For covered losses occurring while your insurance coverage is in effect and your claim is approved, Sun Life will pay to BMO on your behalf:
Balance Protection life insurance	<ul style="list-style-type: none"> • The amount owing on your Loan on the date of your death multiplied by your Percent of Balance Covered, and • All unpaid interest that has accrued to the date of benefit payment, and • Any BMO fees, unpaid interest, or penalties required to discharge your Loan, and • If your Loan is a mortgage, property tax owing, to the date of your benefit payment (if your property taxes were part of your Loan Payment).
Balance Protection critical illness insurance	<ul style="list-style-type: none"> • The amount owing on your Loan on the date of your coronary bypass surgery or diagnosis of cancer, heart attack or stroke, multiplied by your Percent of Balance Covered, and • All unpaid interest that has accrued to the date of benefit payment, and • Any BMO fees, unpaid interest, or penalties required to discharge your Loan, and • If your Loan is a mortgage, property tax owing, to the date of your benefit payment (if your property taxes were part of your Loan Payment).
Payment Protection disability insurance	<ul style="list-style-type: none"> • Your Loan Payment on the date of your Disability multiplied by your Percent of Payment Covered, and • All insurance premiums owing on your Loan. <p>Benefits start after a qualifying period of 30 consecutive days, and the benefit maximum is 24 months for each Disability.</p>
Payment Protection job loss insurance	<ul style="list-style-type: none"> • Your Loan Payment on the date of your Job Loss multiplied by your Percent of Payment Covered, and • All insurance premiums owing on your Loan. <p>Benefits start after a qualifying period of 60 consecutive days, and the benefit maximum is 6 months for each Job Loss.</p>

What are the important details of the coverage

Life insurance

Under the Plan, a life insurance benefit is paid when the insured dies. Please see Section B. "Exclusions, limitations and reductions in coverage" for detailed descriptions of when Sun Life will limit or not pay the life insurance benefit.

Critical illness insurance

Under the Plan, critical illness insurance pays the insured's benefit when that individual is Diagnosed with or has Surgery for one of the critical illnesses described in this section. Please see Section B. "Exclusions, limitations and reductions in coverage" for detailed descriptions of when Sun Life will limit or not pay the critical illness insurance benefit.

Critical illness terms and what they mean

"**Diagnosis**" and "**Diagnose**" mean a written diagnosis by a Physician or Specialist of the covered critical illness. Any Diagnosis must be made while coverage is in force and will be effective as of the date it is established by the Physician or Specialist, as supported by your medical records. Any Diagnosis of a covered critical illness that was made prior to your Insurance Application Date will not be covered.

"**Physician**" means a legally and professionally qualified medical practitioner practising in Canada or the United States of America. The Physician must not be you, a relative of yours, or a person who normally resides in the same household as you.

"**Specialist**" means a legally and professionally qualified medical practitioner who has been trained in the specific area of medicine relevant to the covered critical illness condition for which a critical illness benefit is being claimed, and who has been certified by a specialty examining board. In the absence or unavailability of a Specialist, and as approved by Sun Life, a condition may be Diagnosed by a legally and professionally qualified medical practitioner practising in Canada or the United States of America. The Specialist must not be you, a relative of yours, or a person who normally resides in the same household as you.

"**Surgery**" means a medical operation performed on you and recommended by a Physician or Specialist, licensed and practicing in Canada or the United States of America.

What is a covered critical illness

"**Cancer**" means a definite Diagnosis of a tumour characterized by the uncontrolled growth and spread of malignant cells and the invasion of tissue. The Diagnosis of Cancer must be made by a Specialist.

“Coronary Artery Bypass Surgery” means the undergoing of heart surgery to correct narrowing or blockage of one or more coronary arteries with bypass graft(s). The Surgery must be determined to be medically necessary by a Specialist.

“Heart Attack” (myocardial infarction) means a definite Diagnosis of the death of heart muscle due to obstruction of blood flow that results in a rise and fall of biochemical cardiac markers to levels considered diagnostic of myocardial infarction, with at least one of the following:

- heart attack symptoms, or
- new electrocardiogram (ECG) changes consistent with a Heart Attack, or
- development of new Q waves during or immediately following an intra-arterial cardiac procedure including, but not limited to, coronary angiography and coronary angioplasty.

The Diagnosis of Heart Attack must be made by a Specialist.

“Stroke” (cerebrovascular accident) means a definite Diagnosis of an acute cerebrovascular event caused by intra-cranial thrombosis or haemorrhage, or embolism from an extra-cranial source, with:

- acute onset of new neurological symptoms; and
- new objective neurological deficits on clinical examination

persisting for more than 30 days following the date of Diagnosis.

Disability insurance

Under the Plan, disability insurance pays the insured’s benefit when that individual meets the definition of Disabled, provided that the qualifying period and other requirements are satisfied as described below. Please see Section B. “Exclusions, limitations and reductions in coverage” for detailed descriptions of when Sun Life will limit or not pay the disability insurance benefit.

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

What is the disability benefit?

If you become Disabled, there is a qualifying period of 30 consecutive days. No benefit is payable for the qualifying period.

While your claim is being reviewed by Sun Life, you have to keep making your Loan Payments until a decision is made on your claim. If your claim is approved, your account will be credited with any eligible payments you made after the qualifying period. Claim payments will begin on the first scheduled Loan Payment due date after your qualifying period and will be paid on your Loan Payment frequency.

You can collect disability benefits for up to 24 months, for each Disability.

Following your qualifying period, if you are Disabled for a period that is less than a full month, Sun Life will pay a benefit equal to 1/30th of the payment amount for each day that you are Disabled.

What if a disability recurs?

If following a period of recovery, you become Disabled again **within 6 months** from the same cause as your original claim, your benefits for the recurring Disability will be continued for up to the 24 months you are allowed to claim. If following a period of recovery you become Disabled again from the same cause as your original claim more than 6 months after benefits ended, it is considered a new claim. If your claim is for a different cause, it is considered a new claim.

When do benefits end?

Disability benefits will end on the **earliest** of the date:

- you are not under the active and continuous care of a licensed physician,
- you refuse to submit to a medical exam by a physician selected by Sun Life,
- you fail to provide proof of continuing Disability satisfactory to Sun Life,
- you return to work, and
- you work in a business, occupation or undertaking for wages or expectation of profit.

Job loss insurance

Under the Plan, a job loss benefit is paid when the insured's loss of employment meets the definition of Job Loss, provided that the qualifying period and other requirements are satisfied as described below. Please see Section B. "Exclusions, limitations and reductions in coverage" for detailed descriptions of when Sun Life will limit or not pay the job loss insurance benefit.

"**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.

What is the job loss benefit?

If you experience Job Loss, there is a qualifying period of 60 consecutive days. No benefit is payable for the qualifying period.

While your claim is being reviewed by Sun Life, you have to keep making your Loan Payments until a decision is made on your claim. If your claim is approved, your account will be credited with any eligible payments you made after the qualifying period. Claim payments will begin on the first scheduled Loan Payment due date after your qualifying period, subject to approval of your Employment Insurance benefits, and will be paid on your Loan Payment frequency.

You can collect job loss benefits for up to 6 months for each Job Loss.

Following your qualifying period, if you have a Job Loss for a period that is less than a full month, Sun Life will pay a benefit equal to 1/30th of the payment amount for each day that you have a Job Loss.

When do benefits end?

Benefits will end on the **earliest** of the date:

- your Employment Insurance claim is not paid for any reason, and
- you fail to provide proof of Employment Insurance benefits to Sun Life.

What happens if a life or critical illness claim is paid

What happens if a life claim is paid?

If you had 100% life coverage and a life benefit is paid, all coverage for you and your co-borrowers will end.

If you had less than 100% life coverage and you die, all of your coverage ends. If your life claim is paid, the amount owing on the Loan will be reduced by the benefit payment to get a new Loan Amount. Your co-borrowers keep all of their Balance and Payment Protection coverage that they had. Their Percent of Balance Covered may be adjusted to maintain the same amount of coverage that they had prior to the date of death. They will receive an updated Coverage Summary*.

What happens if a critical illness claim is paid?

If you have more life coverage than critical illness coverage and a critical illness benefit is paid, your critical illness insurance ends. Your life coverage remains in effect. The amount owing on the Loan will be reduced by the critical illness claim payment to get a new Loan Amount. Your Percent of Balance Covered may be adjusted to maintain the same amount of coverage you had before the critical illness benefit payment. Any Payment Protection coverage that you had remains in effect*.

If you have the same Percent of Balance Covered for critical illness and life insurance (for example 50% critical illness and 50% life coverage), your critical illness coverage and life coverage ends after a critical illness benefit is paid. Any Payment Protection coverage that you had remains in effect.

Your co-borrowers keep all of their same Balance and Payment Protection coverage. Their amount owing on the Loan is reduced by the critical illness claim payment to get a new Loan Amount. Their Percent of Balance Covered may be adjusted to maintain the same amount of coverage they had prior to the critical illness benefit payment. They will receive an updated Coverage Summary*.

*For examples of how insurance coverage gets adjusted when a life or critical illness benefit is paid please see the "What happens if a life or critical illness claim is paid" section of your Certificate.

B. Exclusions, limitations and reductions in coverage

CAUTION

When Sun Life can void coverage

- you were not eligible for the coverage you applied for on your Insurance Application Date. Any premium paid will be refunded.
- you gave false or incomplete responses to requests for information that Sun Life required to approve your insurance or assess any change to your coverage. This applies to any responses in your Application and to any other information Sun Life received from you, whether in writing, electronically, or by telephone. Any premium paid will be refunded.

When the pre-existing condition applies

If you were **not** required to answer any health questions when applying for life, critical illness or disability coverage, Sun Life will not pay an insurance benefit if your claim is due to a Pre-existing Condition and such loss occurs within the **first 12 months of your Insurance Application Date**.

A “**Pre-existing Condition**” is a condition or health problem for which, in the **12 months before your Insurance Application Date**, 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.

What is not covered by life insurance

No benefit will be payable for a Loan if your death results directly or indirectly:

- from your participation or attempted participation in a criminal offence,
- while you are under the influence of illegal drugs or while your blood alcohol concentration is at least 80 milligrams of alcohol in 100 millilitres of blood (0.08), or
- from civil disorder or war, whether or not war was declared, unless you are on active military duty as a member of the Canadian Armed forces or Canadian Forces Reserve.

Where coverage has been in force for less than 24 months, no benefit will be payable for a Loan 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.

What is not covered by critical illness insurance

No critical illness insurance benefit will be paid if your Diagnosis or Surgery resulted directly or indirectly from the intentional taking of drugs, except where prescribed by a Physician or Specialist.

What coverage for cancer does not include:

No benefit will be payable for a recurrence or metastasis of an original Cancer, which was Diagnosed prior to the Insurance Application Date.

No benefit will be payable for the following non-threatening cancers:

- carcinoma in situ, **or**
- Stage 1A malignant melanoma (melanoma less than or equal to 1.0 mm in thickness, not ulcerated and without Clark level IV or level V invasion), **or**
- any non-melanoma skin cancer that has not become metastasized, **or**
- Stage A (T1a or T1b) prostate cancer.

Moratorium period for cancer coverage:

No benefit will be payable for Cancer if, **within 90 days of the Insurance Application Date**, you have any of the following:

- signs, symptoms or investigations, that lead to Diagnosis of Cancer (covered or excluded under this coverage), regardless of when the Diagnosis is made; **or**
- a Diagnosis of Cancer (covered or excluded under this coverage).

In this case, your critical illness coverage for Cancer ends and coverage continues on the remaining covered critical illnesses.

Medical information about a Diagnosis and any signs, symptoms or investigations leading to a Diagnosis must be reported to Sun Life **within 6 months of the date of Diagnosis**. If this information is not provided Sun Life has the right to deny any claim for Cancer or, any critical illness caused by any cancer or its treatment.

What coverage for coronary artery bypass surgery does not include:

- any non-surgical or trans-catheter techniques, such as balloon angioplasty or laser relief of an obstruction.

What coverage for heart attack does not include:

- elevated biochemical cardiac markers as a result of an intra-arterial cardiac procedure including, but not limited to, coronary angiography and coronary angioplasty, in the absence of new Q waves; **or**
- ECG changes suggesting a prior myocardial infarction, which do not meet the Heart Attack definition.

What coverage for stroke does not include:

- transient ischaemic attacks; or
- intracerebral vascular events due to trauma; or
- lacunar infarcts that do not meet the definition of Stroke.

What is not covered by disability insurance

No disability benefit will be payable if:

- you are receiving job loss benefits at the time of your Disability,
- you don't meet the definition of Disability, or
- you are not under the active and continuous care of a licensed physician.

No benefit will be payable if your Disability results directly or indirectly:

- from your participation or attempted participation in a criminal offence,
- while you are under the influence of illegal drugs or while your blood alcohol concentration is at least 80 milligrams of alcohol in 100 millilitres of blood (0.08),
- from intentional self-inflicted injuries unless you have a mental illness,
- from civil disorder or war, whether or not war was declared, unless you are on active military duty as a member of the Canadian Armed Forces or Canadian Forces Reserve,
- from elective cosmetic or experimental surgery or treatment, or
- from normal pregnancy.

What is not covered by job loss insurance

No job loss benefit will be payable if:

- your Job Loss is the result of a maternity or paternity leave allowed by law or agreed to with your employer,
- you are receiving disability benefits at the time of your Job Loss,
- your loss of employment does not meet the definition of Job Loss, or
- your Job Loss is the result of the end of a work season if you are seasonally employed.

Limitations and reductions in coverage

The payment Sun Life makes may not cover the entire balance that you owe or are required to pay to BMO under your Loan. It will never exceed the amount owing on your Loan regardless of the number of insured borrowers.

If you have an insured loss, no benefit will be paid until BMO has advanced the funds on your Loan.

Disability benefits start after a qualifying period of 30 consecutive days, and the benefit maximum is 24 months for each Disability.

Job loss benefits start after a qualifying period of 60 consecutive days, and the benefit maximum is 6 months for each Job Loss.

C. Cancellation of insurance

Sun Life allows you to cancel your insurance within **30 days of your Coverage Start Date**. Any premium already paid will be refunded to you in this case.

Following this 30-day period, you can cancel your insurance at any time. In that event, you will not receive a premium refund except where premiums may have been debited in error.

If you wish to cancel your insurance coverage contact 1-877-CALL BMO or talk to your branch representative.

D. Other information

You may obtain additional information about this insurance or a copy of the applicable group policy by calling or writing to:

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

Telephone: 1-877-271-8713

Fax: 1-866-923-8353

Email: credorteam@sunlife.com

Please be sure to reference the correct policy number(s):

Mortgage Life:	51007-G Part B
Mortgage Disability and Job Loss:	51007-G Part C
Instalment Line of Credit Life, Disability and Job Loss:	21559
Mortgage and Instalment Line of Credit Critical Illness:	57904

E. Making a claim

Sun Life will make every effort to process your claim quickly and efficiently. Claims must be submitted in writing using the forms approved by Sun Life. You must keep making your Loan payments, including your insurance premiums until your claim is approved.

Where to get a claim form

You or your representative (the person who will be handling your affairs) may obtain a claim form from any BMO Bank of Montreal branch or forms can be downloaded from BMO.com/protectionplans.

Make sure to obtain the forms that are specific to your type of claim.

When do I make a claim

You must submit your claim before these deadlines or Sun Life will not pay it.

Insurance type	Deadline
Life insurance	Within one year of the date of death
Critical illness	Within 180 days of written Diagnosis
Disability	Within 120 days of the date of Disability
Job loss insurance	Within 120 days of the date of Job Loss

How do I make a claim

Your claim package may include the following forms:

- BMO's statement,
- your statement,
- an attending physician's statement,
- a copy of your insurance Application,
- employer's statement.

Follow the instructions on the claim forms to complete them. After they have been completed, send them directly to Sun Life for their review. Sun Life's address and contact information is on each claim form.

For a covered critical illness, you will need to provide written proof from a Physician or Specialist of the Diagnosis. Sun Life may require that a physician or health care practitioner, approved by Sun Life, examine you to validate a covered critical illness.

If you have any questions on how to complete the claim package or the claim decision, you can contact Sun Life directly toll free at: 1-877-271-8713.

Costs relating to claims

If you have to get written proof, such as a physician's report, to back up your claim, you will have to pay for it.

Insurer's response

Sun Life generally responds in writing within **3 weeks** of receiving the claim form and supporting documentation submitted with your claim.

Sun Life will then send the following to you or your BMO Bank of Montreal branch:

- a letter requesting additional information, or
- if the claim is approved, life and critical illness benefits will be applied to the outstanding balance on the Loan. Disability and job loss benefits will be applied against your Loan Payment.

Sun Life will inform you or your BMO Bank of Montreal branch of its decision in writing within **30 working days** of receiving the additional information requested.

If the claim is declined, Sun Life will explain the reasons why in writing.

How to appeal the insurer's decision

If Sun Life declines the claim, you or your representative may appeal the decision **within 90 days of the date of the decline letter** from Sun Life. You or your representative must explain in writing the reasons for the appeal and provide any additional information not previously submitted to Sun Life. You or your representative may consult the Autorité des marchés financiers or an independent legal advisor about the appeal.

F. Similar products

Sun Life provides creditor's group life, critical illness, disability and job loss insurance coverage exclusively to BMO Bank of Montreal. Other types of insurance to cover your Loan outstanding balance and repayments may be available on the market.

G. Referral to the Autorité des marchés financiers

If you want more information about the obligations of insurers and distributors, you can contact the Autorité as follows:

Autorité des marchés financiers

Place de la Cité, Tour Cominar

2640, boul. Laurier, 4 étage

Québec, QC G1V 5C1

Tel: Quebec: 418-525-0337

Montreal: 514-395-0337

Toll Free: 1-877-525-0337

Web site: www.lautorite.qc.ca

H. Miscellaneous items

This insurance is optional.

How to make a complaint

For complaints regarding underwriting decisions or insurance claims under your insured loan please call the Sun Life Creditor Team at 1-877-271-8713. Please reference the BMO Protection Plan for Mortgages and Lines of Credit.

Message from your insurer – Respecting your privacy

Respecting your privacy is a priority for the Sun Life Financial group of companies. We keep in confidence personal information about you and the products and services you have with us to provide you with investment, retirement and insurance products and services to help you meet your lifetime financial objectives. To meet these objectives, we collect, use and disclose your personal information for purposes that include: underwriting; administration; claims adjudication; protecting against fraud, errors or misrepresentations; meeting legal, regulatory or contractual requirements; and we may tell you about other related products and services that we believe meet your changing needs. The only people who have access to your personal information are our employees, distribution partners such as advisors, and third-party service providers, along with our reinsurers. We will also provide access to anyone else you authorize. Sometimes, unless we are otherwise prohibited, these people may be in countries outside Canada, so your personal information may be subject to the laws of those countries. You can ask for the information in our files about you and, if necessary, ask us in writing to correct it. To find out more about our privacy practices, visit www.sunlife.ca/privacy.

For more information about cancelling your insurance see Section C of this distribution guide.

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*

THE ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES (*the Act*) GIVES YOU IMPORTANT RIGHTS.

- The Act allows you to rescind an insurance contract you have just signed when signing another contract, without penalty, within 10 days of its signature. However, the insurer allows you to cancel insurance coverage, without penalty, **within 30 days of the Coverage Start Date**. To do so, you must give the insurer notice by registered mail within that delay. You may use the attached model for this purpose.
- 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 **30-day** delay, you may cancel the insurance at any time; however, penalties may apply.

For further information, contact the Autorité des marchés financiers at 418-525-0337 or 1-877-525-0337.

Notice of rescission of an insurance contract

Branch address		
Branch transit	Credit agreement number	Date of signature of insurance contract (dd-mm-yyyy) — —
Borrower 1 first name		Borrower 1 last name
Borrower 2 first name		Borrower 2 last name

Pursuant to section 441 of the *Act respecting the distribution of financial products and services*, I hereby rescind the following insurance coverage(s):

- Life insurance Disability insurance
- Critical illness insurance Job loss insurance

under the following creditor’s group insurance contract no(s):

- 51007 Part B (Mortgage Life)
- 51007 Part C (Mortgage Disability and Job loss)
- 21559 (Line of Credit Life, Disability and Job loss)
- 57904 (Critical illness for Mortgages and Instalment LOCs)

Note: Critical illness insurance cancels automatically if Life insurance is cancelled. Job loss insurance cancels automatically if Disability insurance is cancelled.

Borrower 1 signature X	Date (dd-mm-yyyy) — —
Borrower 2 signature X	Date (dd-mm-yyyy) — —

The distributor must first complete this section. This document must be sent by registered mail.

(Sections 439, 440, 441, 442 and 443 of the Act must be reproduced on the back of this notice.)

Sections 439, 440, 441, 442 and 443 of the Act

439. A distributor may not subordinate the making of a contract to the making of an insurance contract with the insurer specified by the distributor.

The distributor may not exercise undue pressure on the client or use fraudulent tactics to induce the client to purchase a financial product or service.

440. A distributor that, at the time a contract is made, causes the client to make an insurance contract must give the client a notice, drafted in the manner prescribed by regulation of the Authority, stating that the client may rescind the insurance contract within 10 days of signing it.

441. A client may rescind an insurance contract made at the same time as another contract, within 10 days of signing it, by sending notice by registered or certified mail.

Where such an insurance contract is rescinded, the first contract retains all its effects.

442. No contract may contain provisions allowing its amendment in the event of rescission or cancellation by the client of an insurance contract made at the same time.

However, a contract may provide that the rescission or cancellation of the insurance contract will entail, for the remainder of the term, the loss of the favorable conditions extended because more than one contract was made at the same time.

443. A distributor that offers financing for the purchase of goods or services and that requires the debtor to subscribe for insurance to guarantee the reimbursement of the loan must give the debtor a notice, drawn up in the manner prescribed by regulation of the Authority, stating that the debtor may subscribe for insurance with the insurer and representative of the debtor's choice provided that the insurance is considered satisfactory by the creditor, who may not refuse it without reasonable grounds. The distributor may not subordinate the making of the contract of credit to the making of an insurance contract with the insurer specified by the distributor.

Prohibition

No contract of credit may stipulate that it is made subject to the condition that the insurance contract subscribed with such an insurer remain in force until the expiry of the term, or subject to the condition that the expiry of such an insurance contract will entail forfeiture of term or the reduction of the debtor's rights.

Rights of debtor

The rights of the debtor under the contract of credit shall not be forfeited when the debtor rescinds, cancels or withdraws from the insurance contract, provided that the debtor has subscribed for insurance with another insurer that is considered satisfactory by the creditor, who may not refuse it without reasonable grounds.

