



To help you  
**worry less**  
and live more.

BMO  Insurance

BMO Guaranteed Investment Funds

## **BMO Insurance**

Insurance and investment  
solutions designed to  
fit your life.



## Insurer Financial Strength Rating

A.M. Best Company

BMO Life Assurance Company  
A (Excellent) as of December 8, 2022

When it comes to financial protection, BMO Insurance has you covered. Choose from an extensive portfolio of innovative individual life and health insurance products to meet your specific needs. You can rest even easier knowing we're backed by a solid history of strength and expertise. With BMO Guaranteed Investment Funds to complement our income annuity options, you can now choose from an even broader range of investment solutions that can ensure your hard-earned money is protected as well.

BMO Insurance shares the same values that have made our parent, **BMO Financial Group**, one of the most recognized and respected financial services organizations in Canada. These strong values, along with our culture and vision continue to be key contributing factors to our past, present and future success.

### About BMO Financial Group

Serving customers for 200 years and counting, BMO is a highly diversified financial services provider – the 8<sup>th</sup> largest bank, by assets, in North America. With total assets of \$1,251 billion as of April 30, 2023, and a team of diverse and highly engaged employees, BMO provides a broad range of personal and commercial banking, wealth management and investment banking products and services to more than 13 million customers and conducts business through three operating groups: Personal and Commercial Banking, BMO Wealth Management and BMO Capital Markets.



## Are you...

- Concerned about reaching your retirement savings goal?
- Looking for protection of your hard-earned dollars?
- Uneasy about the equity markets and the impact of volatile interest rates?
- Confused about what's the right time to buy or sell investments?
- Wanting to transfer wealth in a timely, private and cost-effective way?

If you answered **YES** to some or all of these questions, we encourage you to read on about BMO Guaranteed Investment Funds and talk to your advisor.

# BMO Guaranteed Investment Funds (GIF)

## We can help you reach your retirement goals

If you're like many Canadians, market uncertainty and volatile interest rates may have you concerned about how to meet your retirement objectives without taking on more investment risk to get higher potential returns. Current market conditions present risks to your hard-earned savings. You want investment growth but not at the expense of capital preservation. With these concerns in mind, BMO Insurance has drawn on the strength and expertise of the broader BMO Financial Group to create a unique investment opportunity that can be customized for you.

## Introducing BMO Guaranteed Investment Funds



### BMO Guaranteed Investment Funds

offer choice and flexibility that can provide:

- guarantees that protect up to 100% of your investment
- automatic monthly locking-in of market gains to potentially increase the guaranteed amount you would receive at the maturity date or in the event of your death
- a range of fund choices available based on your personal need, and designed by one of Canada's leading investment managers
- a full suite of non-registered and registered savings and retirement income plans, including TFSA
- the strength and stability of BMO Financial Group, one of Canada's premiere financial institutions

Maximizing your retirement funds doesn't mean having to take higher risk. BMO Guaranteed Investment Funds can enable you to take advantage of rising markets, while enjoying a safety net during market downturns. Feel better knowing that your retirement savings are protected, while having the option to automatically lock-in market gains on a regular basis.

# BMO GIFs at a glance



## BMO GIFs are offered with three different guarantee options

GIF 75/75	GIF 75/100	GIF 100/100
		
<ul style="list-style-type: none"> <li>• Lowest fees</li> <li>• More investment fund choice with greater equity content available</li> <li>• BMO ETFs and ETF Portfolios managed by BMO Asset Management</li> <li>• No less than 75% of investments<sup>1</sup> paid to you at maturity or to your beneficiary in event of death</li> </ul>	<ul style="list-style-type: none"> <li>• Lower fees leaving more to accumulate wealth</li> <li>• No less than 75% of investments<sup>1</sup> paid to you at maturity</li> <li>• Estate protection: Up to 100% of investments paid to your beneficiary in event of death<sup>3</sup></li> <li>• Automatic triennial death guarantee resets<sup>5</sup> to build legacy value</li> <li>• More fund choice with greater equity content available</li> <li>• BMO ETF Portfolios managed by BMO Asset Management</li> </ul>	<ul style="list-style-type: none"> <li>• Highest level of guarantees:               <ul style="list-style-type: none"> <li>» Capital protection: Up to 100% of investments returned in as few as 15 years<sup>2</sup></li> <li>» Estate protection: Up to 100% of investments paid to your beneficiary in event of death<sup>3</sup></li> </ul> </li> <li>• Automatic monthly maturity guarantee resets<sup>4</sup> (automatically locks-in market gains)</li> <li>• Option for automatic triennial resets of the death guarantee amount<sup>6</sup></li> <li>• Balanced funds for reduced volatility, designed by BMO Asset Management</li> </ul>

<sup>1</sup> Less a proportionate amount for withdrawals.

<sup>2</sup> 100% on deposits made at least 15 years and 75% on deposits made less than 15 years from the Maturity Date, less a proportionate amount for withdrawals.

<sup>3</sup> 100% on deposits made before the Annuitant is age 80 (age 85 for GIF 75/100 Plus) and 75% on deposits made on or after age 80 (age 85 for GIF 75/100 Plus) less a proportionate amount for withdrawals).

<sup>4</sup> Automatic monthly resets of the Maturity Guarantee Amount occur up to and including 10 years from the Maturity Date.

<sup>5</sup> Resets of the Death Guarantee Amount occur automatically every 3<sup>rd</sup> policy anniversary up to and including the last policy anniversary before the Annuitant's 80<sup>th</sup> birthday.

<sup>6</sup> If the Death Guarantee Reset Option is selected, resets of the Death Guarantee Amount occur automatically every 3<sup>rd</sup> policy anniversary up to and including the last policy anniversary before the Annuitant's 80<sup>th</sup> birthday. Additional fee applies.

# More benefits of BMO Guaranteed Investment Funds

## Creditor Protection

BMO GIF policies may be protected from seizure by creditors as long as an eligible family-class member or an irrevocable beneficiary is designated.<sup>7</sup>

## Protecting your legacy

By naming a beneficiary, a BMO GIF policy on your death allows your estate to bypass probate. This means you can avoid not only probate fees, but other associated fees such as executor, legal and accounting.

Avoiding probate<sup>8</sup> saves time and money, allowing for a smoother transfer of assets to your inheritors. This also protects the privacy of your bequests. Combined with death benefit guarantees and creditor protection, a BMO GIF policy can be an integral part of a wealth transfer strategy.

## Assuris Protection

Assuris is a not-for-profit organization that protects Canadian policyholders if their life insurance company should fail. Assuris

will protect your policy's guarantee against loss for up to \$100,000 or 90% of the value of your guarantee, whichever is higher. Visit [www.assuris.ca](http://www.assuris.ca) for more information.

<sup>7</sup> Creditor Protection rules depend on legislation and vary by province. It cannot be guaranteed. Please consult a legal advisor for your specific situation.

<sup>8</sup> Probate fees may not apply in Quebec.

## Online access to your BMO GIF accounts

Anytime, one place:

[bla.wealthlinkinvestor.com](http://bla.wealthlinkinvestor.com)

Sign-up to view your:

- Holdings and transaction history
- Investment performance
- Guaranteed amounts
- Tax slips
- Investor statements
- Registered plan details



# Fund Options and Portfolio Management

Working closely with our portfolio manager, BMO Asset Management Inc., BMO Insurance's GIF 75/75 and GIF 75/100 Guarantee Options offer ETF Portfolio GIFs. This breadth of funds offers you greater choice and flexibility... up to 100% equity content or 100% fixed income content, with many options in between. These ETF Portfolio GIFs also offer exposure to North American, global and emerging markets. What's more, we've also added our popular BMO Low Volatility Canadian and U.S. Equity ETFs.

Our GIF 100/100 Guarantee Option offers four distinctive BMO Guaranteed Investment Funds with exposure to North American and global equity and fixed income exchange traded funds (ETFs), as well as a money market fund. The balanced fund mandates

of these BMO GIFs offer investors a choice of broad exposure to Canadian, North American and global based companies or a focus on income generating securities.

Refer to the Fund Profiles for full and current details of each Fund found at [bmoinsurance.com/GIF](https://bmoinsurance.com/GIF)

## About BMO Asset Management

BMO Asset Management Inc. is part of BMO Global Asset Management, with \$145 billion in combined assets under management for its Canadian operations (June 30, 2023).

BMO Asset Management is one of Canada's leading issuers of ETFs with over \$87.7 billion<sup>9</sup> in ETF managed assets.

# Your Maturity Benefit



GIF 75/75 and GIF 75/100 offer a Maturity Benefit on the Contract Maturity Date. The Contract Maturity Date is December 31 of the year you turn age 100.

The **Maturity Benefit** is the greater of:

- (a) the **Maturity Guarantee Amount**, calculated as 75% of all Deposits (reduced proportionately for withdrawals) and
- (b) the Market Value of the Contract.

If the Market Value of the Contract is less than the Maturity Guarantee Amount, we will deposit the difference (the “**top-up**”), in a Money Market Fund to increase the Market Value of your Contract to equal the Maturity Guarantee Amount. There may be tax consequences when a top-up is paid.



## How a 75% Maturity Guarantee Amount is calculated for the following two deposits

Date	Deposit	Maturity Guarantee Amt.
Apr 6, 2023	\$40,000	\$30,000 ( $\$40,000 \times 75\%$ )
Jun 9, 2028	\$10,000	\$7,500 ( $\$10,000 \times 75\%$ )
<b>TOTAL Maturity Guarantee Amount:</b>		<b>\$37,500</b> ( $\$30,000 + \$7,500$ )

A broader choice of guarantee and investment fund options can help you customize a BMO GIF solution to meet your unique needs.

Talk to your advisor today.

# Your Maturity Benefit



GIF 100/100 offers a Maturity Benefit on the Maturity Date (or Contract Maturity Date). You choose the Maturity Date, which must be for a term of at least 15 years but not more than 25 years.

The **Maturity Benefit** is the greater of:

- (a) the Maturity Guarantee Amount; and
- (b) the Market Value of the Contract on the Maturity Date

The **Maturity Guarantee Amount** is the sum of:

- (a) 100% of all Deposits<sup>10</sup> made at least 15 years before the Maturity Date; and
- (b) 75% of all Deposits<sup>10</sup> made less than 15 years before the Maturity Date

<sup>10</sup> Reduced proportionately for withdrawals.

For example, if you purchase a BMO GIF policy at age 45, and choose a Maturity Date when you would be 70 (a 25 year term), deposits you make from ages 45 to 55 would be guaranteed at 100%, and deposits you make from ages 55 to 70 would be guaranteed at 75%.

Deposits guaranteed at 100%		Deposits guaranteed at 75%
Dec. 15, 2022 Age 45	Dec. 31, 2032 Age 55	Dec. 31, 2047 Age 70

## Maturity Dates

You may have multiple Maturity Dates throughout the term of your contract. The maturity date that you select when you apply for BMO GIF is the Initial Maturity Date. When the Initial Maturity Date expires (or any following Maturity Date), you have the option to renew the expired Maturity Date up until the Contract Maturity Date at age 100.



# Increasing your Maturity Guarantee



## Securing Market Gains During a Rising Market

Market activity is unpredictable. One of the unique and powerful features of GIF 100/100 is the ability to **lock-in market gains** by increasing your Maturity Guarantee Amount (the minimum amount you'll receive at the Maturity Date, less withdrawals). If the Market Value of your investments is greater than the current Maturity Guarantee Amount, the Maturity Guarantee Amount is increased to the Market Value. This is referred to as a **Maturity Guarantee Reset**.

Some other segregated fund products allow you to “reset” only once or twice a year. BMO makes it easy for you by **resetting your Maturity Guarantee Amount automatically every month**. Automatic monthly resets are done at the end of each month (“Maturity Reset Date”) up to and including 10 years before your selected Maturity Date.

BMO GIF 100/100 automatic monthly resets will help you get more out of market upswings. No action is required by you or your advisor... it's that easy! There's no second guessing whether you've picked the right time to lock-in market gains.

## Let's Look at an Example:

Amelie, age 50, purchases a BMO GIF 100/100 policy on January 15, 2023 and deposits \$10,000. She selects a Maturity Date of December 31, 2048 (a 25 year term to Amelie's age 75). Amelie makes no further deposits and no withdrawals. The Maturity Guarantee Amount is initially set to \$10,000 (100% of her initial deposit). For the first six months, the reset calculations are as shown in the table below:

  
**Example of how Maturity Guarantee Amounts are calculated**

Maturity Reset Date (Year 2022)	Maturity Guarantee Amount before Maturity Reset Date	Market Value of Deposits on Maturity Reset Date	Maturity Guarantee Amount after Maturity Reset Date
Jan 31	\$10,000	\$10,100	\$10,100
Feb 29	\$10,100	\$10,100	\$10,100 <sup>11</sup>
Mar 31	\$10,100	\$9,900	\$10,100 <sup>11</sup>
Apr 30	\$10,100	\$10,300	\$10,300
May 31	\$10,300	\$10,200	\$10,300 <sup>11</sup>
Jun 30	\$10,300	\$10,500	\$10,500

<sup>11</sup> No reset is exercised as the Market Value is lower than or equal to the Maturity Guarantee Amount. The Maturity Guarantee Amount before the reset is maintained.

After the first six months, the minimum amount Amelie is guaranteed to receive at her selected Maturity Date (Maturity Guarantee Amount) is \$10,500. This amount could increase as automatic monthly resets will continue until December 31, 2038 (10 years before Amelie's selected Maturity Date):

**Amelie**



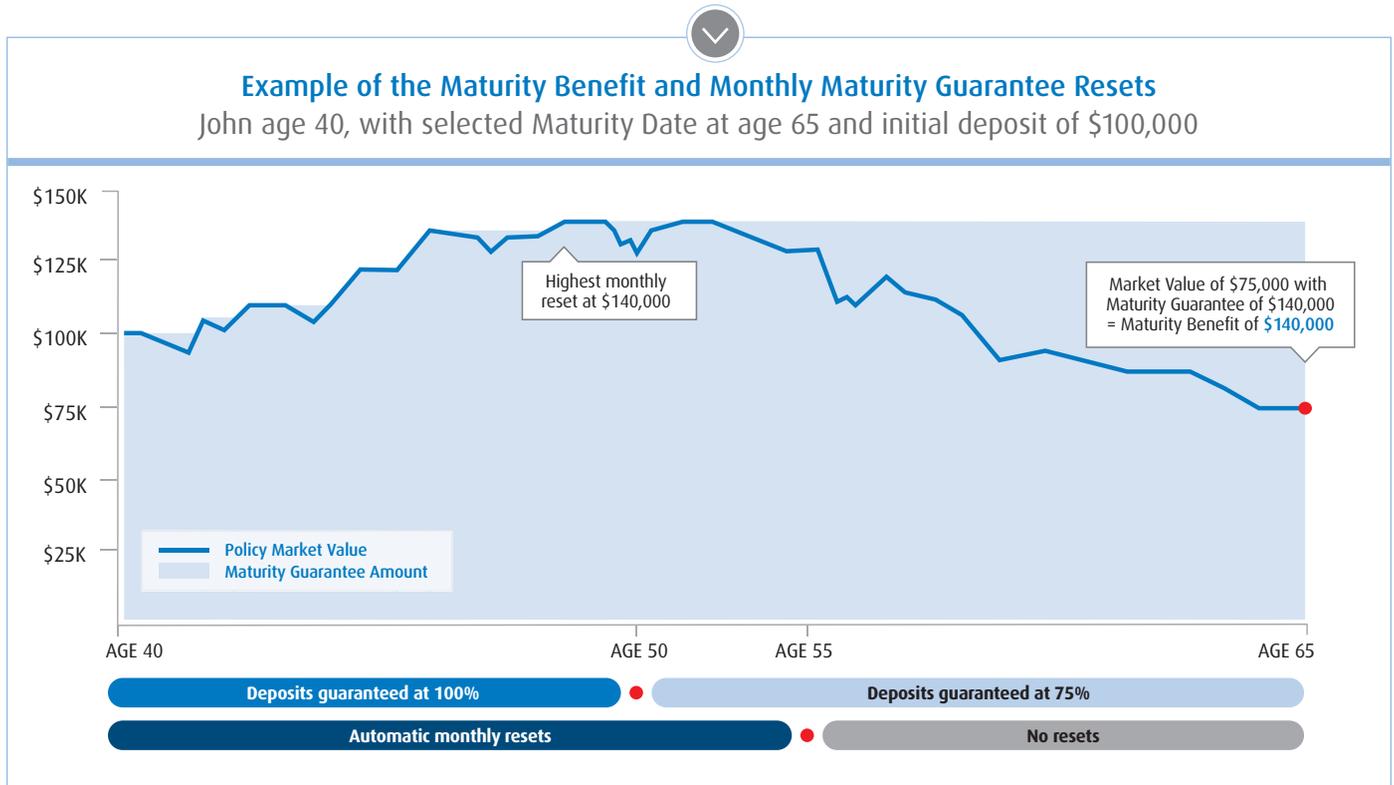
Maturity Guarantee Resets are done separately for deposits guaranteed at 100% and deposits guaranteed at 75%. A Maturity Guarantee Amount is determined for each. Hence, the policy Maturity Guarantee Amount is then the sum total of the two.



# Putting It All Together



A BMO GIF 100/100 policy will help protect you during down markets, while allowing you to take advantage of rising markets.



- Regardless of the Market Value of his investments, John is assured of receiving at least \$100,000 at the Maturity Date.
- Resets of the Maturity Guarantee Amount are automatically performed at the end of each month until 10 years before the Maturity Date. Since the term of the Maturity Date selected was 25 years, monthly resets are performed for the first 15 years (to John's age 55). The highest monthly reset increased the Maturity Guarantee Amount to \$140,000, effectively locking-in these market gains at the Maturity Date.
- At the Maturity Date, the Market Value at \$75,000 is less than the Maturity Guarantee Amount of \$140,000, so John would receive a top-up payment of \$65,000 making the Maturity Benefit equal \$140,000.

# Your Death Benefit



BMO GIFs help protect your estate value for future generations. If you should pass away before the Maturity Date, a Death Benefit is paid to your Beneficiary.

Your **Death Benefit** is the greater of

- (a) the **Death Guarantee Amount**; and
- (b) the Market Value of the contract as date of death

## Death Guarantee Amount

The Death Guarantee Amount for GIF 75/75 is 75% of deposits (reduced proportionately for withdrawals).



### Example of how the Death Guarantee Amount is calculated following two deposits

Date	Deposit	Death Guarantee Amount
Apr 6, 2023	\$40,000	\$30,000 (\$40,000 × 75%)
Jun 9, 2028	\$10,000	\$7,500 (\$10,000 × 75%)
<b>TOTAL Death Guarantee Amount:</b>		<b>\$37,500</b> (\$30,000 + \$7,500)

## Death Guarantee Amount

The Death Guarantee Amount for GIF 75/100 and GIF 100/100 is 100% of deposits made before age 80 (age 85 for GIF 75/100 Plus), and 75% of deposits made on or after age 80 (age 85 for GIF 75/100 Plus) reduced proportionately for withdrawals. For example, if you purchase a BMO GIF policy at age 45 deposits you make from ages 45 to 80 (ages 45 to 85 for GIF 75/100 Plus) would be guaranteed at 100%.

## Increasing your Death Guarantee

### Securing Market Gains During a Rising Market

For GIF 75/100 and GIF 100/100, if the Market Value of your investments is greater than the current Death Guarantee Amount, the Death Guarantee Amount is increased to the Market Value. This is referred to as a **Death Guarantee Reset**.

There is the opportunity to increase the Death Guarantee Amount by providing automatic Death Guarantee Resets every 3<sup>rd</sup> policy anniversary up to and including the last policy anniversary before your 80<sup>th</sup> birthday. This benefit essentially locks-in market gains for the benefit of your beneficiaries in the event of your death before the Maturity Date. It is a standard feature on GIF 75/100. It is an optional benefit at time of purchase on GIF 100/100 with an additional fee.

# Putting It All Together

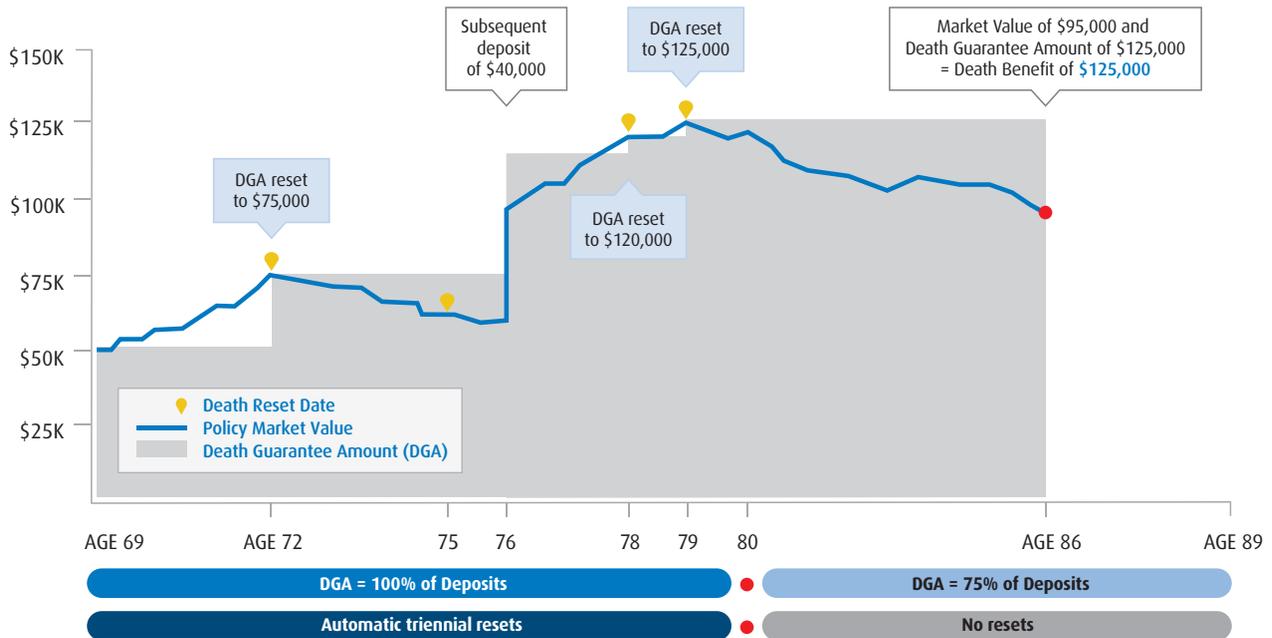


A BMO GIF 75/100 or GIF 100/100 policy will help preserve your estate value during down markets, while building your legacy for heirs during rising markets.



## Example of the Death Benefit and Triennial Death Guarantee Resets – GIF 75/100 & 100/100<sup>12</sup>

Evelyn age 69, with initial deposit of \$50,000 and subsequent deposit of \$40,000 at age 76



<sup>12</sup> Death Guarantee Reset Option on GIF 100/100 must be elected; additional fee applies.

- Initially, Evelyn's beneficiary is assured of receiving at least \$50,000 if Evelyn were to die before her Maturity Date (Death Guarantee Amount is 100% of the Initial Deposit since it was made before age 80).
- On Evelyn's 3<sup>rd</sup> policy anniversary at age 72, the Market Value of her Contract at \$75,000 is greater than the current Death Guarantee Amount of \$50,000; her Death Guarantee Amount is reset to \$75,000.
- On Evelyn's 6<sup>th</sup> policy anniversary at age 75, the Market Value of her Contract at \$65,000 is less than the current Death Guarantee Amount of \$75,000; the Death Guarantee Amount of \$75,000 is maintained.
- The Subsequent Deposit made at Evelyn's age 76 increased the Death Guarantee Amount by \$40,000 to \$115,000 (since the Subsequent Deposit was made before age 80 it is guaranteed at 100%).

- At Evelyn's 9<sup>th</sup> policy anniversary at age 78, the Market Value of her Contract at \$120,000 is greater than the current Death Guarantee Amount of \$115,000; her Death Guarantee Amount is reset to \$120,000.
- Evelyn's 10<sup>th</sup> policy anniversary at age 79 is the last policy anniversary before Evelyn's 80th birthday and a final Death Guarantee Reset is performed. The Market Value of her Contract at \$125,000 is greater than the current Death Guarantee Amount of \$120,000, so her Death Guarantee Amount is reset to \$125,000.

At the time of Evelyn's death (age 86), her policy Market Value is \$95,000. Since the policy Death Guarantee Amount at \$125,000 is greater than the Market Value of \$95,000, we would make a top-up payment of \$30,000 so that the Death Benefit payable to Evelyn's beneficiary would be \$125,000.



### Summary of the Death Guarantee Resets

Death Reset Date (Annuitant's Age)	Death Guarantee Amount before Death Reset Date	Market Value of Deposits on Death Reset Date	Death Guarantee Amount after Death Reset Date
72	\$50,000	\$75,000	\$75,000
75	\$75,000	\$65,000	\$75,000 <sup>13</sup>
78	\$115,000	\$120,000	\$120,000
79	\$120,000	\$125,000	\$125,000 <sup>14</sup>

<sup>13</sup> No Death Guarantee Reset is exercised as the Market Value is lower than or equal to the Death Guarantee Amount. The Death Guarantee Amount before the reset is maintained.

<sup>14</sup> This is the last policy anniversary before the Annuitant's 80<sup>th</sup> birthday. A final Death Guarantee Reset is performed even though the policy anniversary does not fall on the normal three year cycle.

# Your Options When You're Ready to Take Retirement Income

Changing your policy from a Registered Retirement Savings Plan (RRSP) to a Registered Retirement Income Fund (RRIF) is easy. Your guarantees would stay intact. BMO Guaranteed Investment Funds also offer a full suite of locked-in registered retirement income plans. Unless otherwise directed, minimum required annual payments under a RRIF or other locked-in retirement income plan will be made under a Scheduled Withdrawal Plan (SWP). SWPs are also available for non-registered plans. Talk to your advisor for more information.

Alternatively, you can request to receive the Maturity Benefit in a lump sum and use these proceeds to purchase an income annuity. An income annuity will guarantee an income for **as long as you live**, or a term you select. You choose:

- Frequency of income payments (e.g. monthly)
- Number of income payments guaranteed to your beneficiary in the event of your death
- If you would like your income payments to be indexed to help protect against inflation

We recommend you speak to your advisor about what Maturity Date may be suitable for your lifestyle needs and to ensure you understand all your options when you reach a Maturity Date.

## Your Options to distribute your Death Benefit

You may select one or many beneficiaries under the Annuity Settlement Option. With an Annuity Settlement Option your death benefit will be distributed over a series of payments under an annuity. This annuity cannot be transferred or cashed by your designated beneficiary.





# Glossary of Key Terms

**Annuitant** means the person on whose life the Maturity Benefit and Death Benefit are determined.

**Beneficiary** means the person or entity entitled to receive the Death Benefit.

**Death Benefit** is the amount we will pay your Beneficiary on death. It is the greater of:

- i) the Death Guarantee Amount; and
- ii) the Market Value of the contract

**Death Guarantee Amount** is the minimum amount that will be paid to your designated Beneficiary on your death. Withdrawals will reduce the Death Guarantee Amount proportionately.

**Death Guarantee Reset** means if at a Death Reset Date, the Market Value of your Deposits (guaranteed at 100%) is greater than the Death Guarantee Amount, the Death Guarantee Amount will be increased to the Market Value (GIF 75/100 and GIF 100/100 only).

**Death Reset Date** means every 3<sup>rd</sup> policy anniversary up to and including the last policy anniversary before your 80th birthday (GIF 75/100 and GIF 100/100 only).

**Fund(s)** means the segregated funds offered under the contract.

**Market Value** means the basis under which the value of the Contract, a transaction or a Fund is calculated.

**Maturity Benefit** is the amount that you will receive at the Maturity Date. It is the greater of:

- i) the Maturity Guarantee Amount; and
- ii) the Market Value of the contract

**Maturity Date** is the date when your policy will mature and the Maturity Benefit is payable.

**Maturity Guarantee Amount** is the minimum amount that will be paid to you at the Maturity Date. Withdrawals will reduce the Maturity Guarantee Amount proportionately.

**Maturity Guarantee Reset** means if at a Maturity Reset Date the proportionate Market Value of your Deposits at their respective guarantee level is greater than the Maturity Guarantee Amount, the Maturity Guarantee Amount will be increased to the proportionate Market Value (GIF 100/100 only).

**Maturity Reset Date** means the end of each month up until 10 years before your selected Maturity Date (GIF 100/100 only).

### For More Information, Talk to Your Advisor Today.

**Any amount that is allocated to a segregated fund is invested at the risk of the policyowner and may increase or decrease in value.** The information in this publication is intended as a summary of our products and/or services and may include projected values based on a set of assumptions. Actual results may not be guaranteed and may vary. Please consult the appropriate policy contract for details on the terms, conditions, benefits, guarantees, exclusions and limitations. The actual policy issued governs. Each policyholder's financial circumstances are unique, and they must obtain and rely upon independent tax, accounting, legal and other advice concerning the structure of their insurance, as they deem appropriate for their circumstances. BMO Life Assurance Company does not provide any such advice to the policyholder or to the insurance advisor.

Insurer: BMO Life Assurance Company.



For more information about BMO Insurance or our products,  
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