

Wealth Dimensions

Financial protection and a low fee investment platform designed for successful people like you.



Your success has been a result of hard work and planning but what does the future hold and how will you preserve the substantial wealth that you've built?

Your team of advisors may have talked to you about life insurance as a cost effective hedge against many financial risks that could significantly reduce the value of your estate.


For example, for a fraction of the cost, life insurance can provide your estate with the cash it needs to offset the income tax due on your investment portfolio or for the capital gains tax due on your investment properties.

Or if you're a business owner, life insurance can help you optimize the tax-free dividends that can be passed on to your heirs through your company's Capital Dividend Account (CDA).

With careful planning, there are many other structures that can be put in place using life insurance to help you preserve the value of your overall wealth.

But did you know that many Canadians also consider life insurance as a different asset class within their investment portfolios?

The asset pool (or cash value) in an exempt life insurance policy presents opportunities not found on other investment vehicles. Specifically, these plans have the ability to earn returns on the investment component that are not taxed annually.

 Under section 148 of the Income Tax Act (Canada), certain types of life insurance policies are considered exempt from income tax. This means that investment returns earned on the cash value accumulated in these policies are not subject to annual taxation (up to certain maximum limits).

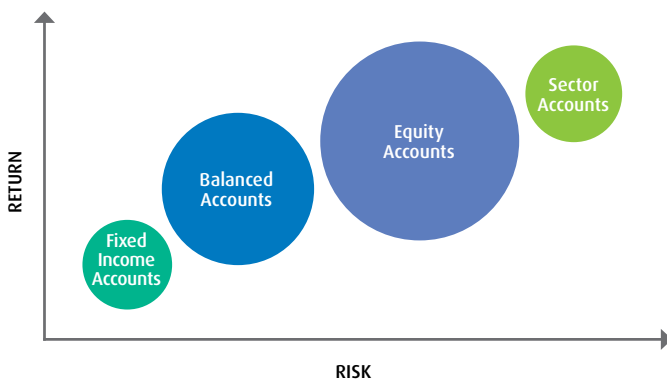
While there are many off-the-shelf plans available in the marketplace, there is a plan from BMO® Insurance that's been designed especially for successful Canadians like you.

Wealth Dimensions

Wealth Dimensions is an exempt life insurance plan designed for successful Canadians like you. This universal life insurance plan includes permanent life insurance protection as well as an opportunity to take *full* advantage of the tax-deferred investment opportunities that plans like this offer.

A Low Cost Investment Fee Platform

Wealth Dimensions offers you the opportunity to benefit from a wide selection of investment account options with a low fee structure¹ and returns linked to a broad range of popular fund choices, including ETFs.



Preferred List of Indexed Accounts

With Wealth Dimensions, BMO Insurance has created a selection of investment accounts which are linked to the performance of some of Canada's most recognized fund managers:

BMO Asset Management Inc.	Invesco Canada Ltd.
AGF Investments Inc.	MacKenzie Financial Corporation
CI Investments Inc.	Northwest & Ethical Investments L.P.
Dynamic Mutual Funds	SEI Investments Canada Company
Fidelity Investments Canada ULC	Trez Capital Fund Management L.P.
Franklin Templeton Investments Corp.	

This list also includes ETF Indexed Accounts from BMO Global Asset Management, an award winning asset management firm and a member of BMO Financial Group.

About BMO Global Asset Management

BMO Global Asset Management has roots that date back to before 1925 when Bank of Montreal first provided investment services to institutional clients. More than 85 years later, it offers clients a broad array of innovative investment and recordkeeping solutions through its global platform.

BMO Global Asset Management (BMO GAM), is a \$328 billion² asset management business focused on meeting the needs of investors, both locally and globally, with capabilities in virtually all public markets.

The business is characterized by specialized, regional investment teams providing a range of investment solutions to clients across North America, Europe, Asia/Pacific and the Middle East. It has been recognized as one of the Top 10 money managers in Canada.

CAD \$328+ billion AUM²

1,200 employees

20+ offices around the world

Enhanced Market Indexed Account

You also have access to the North American Equity Enhanced Market Indexed Account, an interest account with a smoothed rate of return linked to the performance of both the U.S. and Canadian equity market indices. The rate of return on this account is designed to be less volatile than typical equity linked accounts – and is also guaranteed to never be negative.

¹ As part of a BMO Life Assurance Company policy, you do not purchase units in this designated fund or a legal interest in any security. The accounts credit an interest amount mirroring the net rate of return of a specified underlying investment, less a BMO Life Assurance Company daily management fee. The BMO Life Assurance Company management fee will be deducted from the returns and will be reflected in the policyholders' fund value.

² As of December 31, 2018.

A Fund Bonus to Help Reduce Investment Fees

With Wealth Dimensions, BMO Insurance will credit a “fund bonus” of up to 50 basis points to the tax-deferred investment account of the plan as long as you meet a minimum funding requirement. This *fund bonus* can help offset the investment fees which in turn can help accelerate the tax-deferred accumulation in the plan.

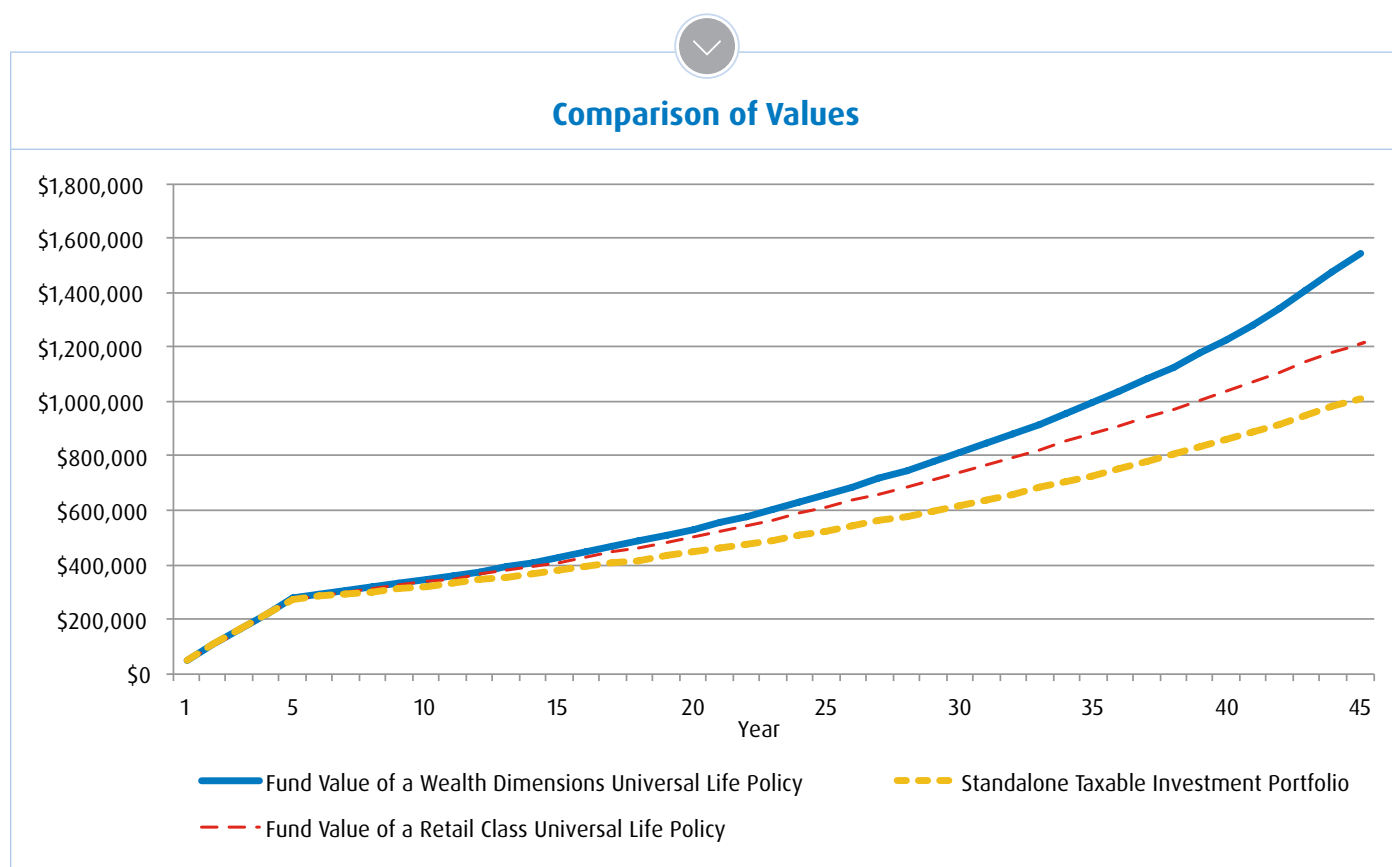
Take a look at the following example to see how the Wealth Dimensions *fund bonus* can have a meaningful advantage over other alternatives:

Let’s say John and Jill are both 55 year old medical professionals who don’t smoke. They’ve built a sizeable investment portfolio which includes a few real estate properties that will form part of their estate. Each year, they pay income tax (at a rate of 50%) on a significant portion of their assets.

In financial planning discussions with their insurance advisor, they’ve learnt that capital gains tax will need to be paid on their investment properties when they are transferred to their heirs.

He explained that life insurance is a cost effective way to cover this liability which is projected to be about \$1.5 million. Plus, with Wealth Dimensions, he pointed out that they could make annual contributions of \$50,000 annually for 5 years into the tax-deferred investment account to cover the insurance charges and reduce the annual investment income tax bill they would have to pay if they chose instead to invest this money in a taxable investment portfolio.

Here’s a comparison of values that their insurance advisor showed them assuming a 5% net rate of return:



With Wealth Dimensions, John and Jill can obtain the insurance protection they’re looking for plus a tax efficient way to increase the value of their investment portfolio.

At age 85, the Fund Value of their Wealth Dimensions policy is projected to be +10% more than a traditional retail class universal life policy and +31% than a standalone taxable investment portfolio.

At their age 100, the gap widens. The Fund Value of their Wealth Dimensions policy is projected to be +26% more than the traditional universal life policy and +53% more than if they just invested the money in a taxable portfolio.

Note: This example is for illustrative purposes only and is merely a projection of future results, using a set of assumptions that will change over time. The Death Benefit Option on Wealth Dimensions is Sum Insured and the cost of insurance option selected is YRT and the values for the retail class universal life policy are based on Life Dimensions (Low Fees) with YRT 100. The Alternative Taxable Investment returns: 50% interest, 30% dividends, 10% realized capital gains, 10% deferred capital gains. Assumed probate fees of 1.5%. Probate fees are not applicable in Quebec.

Source: The Wave v41.0



Talk to your insurance advisor about Wealth Dimensions from BMO Insurance because it could be one less thing to worry about when it comes to helping preserve and pass on the financial success that you've worked so hard to build.

About BMO Insurance

As a member of BMO Financial Group's wealth management division, BMO Insurance brings to you the financial strength and stability that comes from one of the most respected brands in Canada. Our insurance business has a solid history and reputation for being a trusted insurance provider for thousands of Canadians, including their families and businesses. Backed by the financial strength of BMO Financial Group and the legacy of our predecessor companies, BMO Insurance is confident that we are able to meet the financial obligations we make to all our policyholders.



A.M. Best Company Insurer Financial Strength Ratings

[ambest.com](https://www.ambest.com) gave BMO Life Assurance Company an **A (Excellent)** rating!

Source: [ambest.com](https://www.ambest.com). Ratings as of October 25, 2018. Subject to change.

Our Commitment to You

BMO Life Assurance Company, a part of BMO Financial Group, appreciates the opportunity to help you meet your financial needs. We are committed to respecting and protecting your privacy and confidentiality of the personal information you have entrusted to us. It is important for you to understand what information we will collect, how we will use it, and who may see it.



To view our full privacy policy, please visit the privacy section at [bmoinsurance.com](https://www.bmoinsurance.com)

For more information about BMO Insurance or our products, please consult with your insurance advisor or contact us at:

BMO Life Assurance Company, 60 Yonge Street, Toronto, ON M5E 1H5

1-877-742-5244

[bmoinsurance.com](https://www.bmoinsurance.com)



BMO  **Insurance**

We're here to help.™

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 particular circumstances. BMO Life Assurance Company does not provide any such advice to the policyholder or to the insurance advisor.

BMO Global Asset Management is a brand name that comprises of BMO Asset Management Inc., BMO Investments Inc., BMO Asset Management Corp. and BMO's specialized investment management firms.

Insurer: BMO Life Assurance Company

™/® Registered trademarks of Bank of Montreal.

711E (2023/02/13)

12/22-2068_ACC