

Term Life

Simple financial protection for you and your loved ones

When it comes to life insurance, there are many options to choose from – term or permanent insurance – which one is right for your client?

If your clients need insurance coverage for a specific period of time, term insurance may be a good option. Combined life coverage may be a wise choice for couples looking for debt and income protection.

Take a look at Anna and Paul...

- Both are 32 years old and have been married for 3 years
- Anna works as a Project Manager for a large financial institution and is currently on parental leave with their first child
- Paul is an electrician
- They bought a house last year
- They don't have any personal insurance

Insurance Checklist for Anna and Paul

- ✓ Pay-off their mortgage
- ✓ Have funds available to cover living expenses if one of them should prematurely pass away
- ✓ Have the option to continue their insurance coverage if one of them dies
- ✓ Have funds available to cover their child's future education expenses

BMO Insurance solution for Anna and Paul – Combined life Term 20

Working with their advisor, they determined that they needed \$750,000 of life insurance for at least 20 years.

Combined Life Coverage Paul: Male, Age 32, Non-smoker Anna: Female, Age 32, Non-smoker	Coverage	Monthly Premium
Base Plan: Combined life Term 20 (Standard Class)	\$750,000	\$68.18
Policy fee		\$4.50
Total Monthly Premium		\$72.68



A BMO Insurance combined life plan covers two lives. It works the same as a "Joint-First-to-Die" plan, but with added flexibility. With the BMO Insurance combined life term plan, the death benefit is payable on the death of each life. This means that after the death of the first life insured, the policy will automatically continue as a single life plan on the surviving life insured.



Ideal Customer

Mortgage/Debt protection focus

- Ages 25-40
- Looking for "inexpensive" temporary protection

Key Drivers

- Low Maintenance
- High Insurance
- Save Time
- Affordability

The BMO Insurance Solution: Term Life

- Guaranteed rates for Term 10-15-20 – renewable to age 85 and convertible up to age 70
- Guaranteed rates for Term 25-30 – non-renewable and convertible up to age 70
- Available with SmartAPP for better advisor and client experience – Secure. Easy. Fast.
- Term Exchange Program – Term 10 or Term 15 may be exchanged to a longer term between the 1st and 5th anniversary with no further underwriting
- Bundle up and Save – add Living Benefit 10-20 as a rider
- Multi-policy discount – save \$25 on the policy fee
- Accelerated underwriting up to age 50 for life coverage amounts up to and including \$2,000,000

10 Years later...

- Anna and Paul now have two children – ages 10 and 6
- They have RESPs for both children

12 Years later...

- Paul unexpectedly passes away

The result...

- Anna, as the beneficiary of the policy, receives a tax-free benefit of \$750,000 which she can use to:
 - pay-off their mortgage
 - temporarily cover the family's living expenses
 - fund the children's RESPs
- The combined life coverage automatically converts to single life coverage for \$750,000 with Anna as the life insured
 - This coverage will be in place for the remaining 8 years of the 20-year term without any further evidence of insurability
 - After this initial term, Anna can choose to renew the coverage for another 20 years or convert to permanent coverage
- Anna's premium after the combined life is converted to single life coverage:

Single Life Coverage rate based on Anna's original issue age of 32	Coverage	Monthly Premium
Base Plan: Single life Term 20	\$750,000	\$30.38
Policy fee		\$4.50
Total Monthly Premium		\$34.88

BMO Insurance offers combined life Term coverage which is similar to Joint-First-to-Die coverage. However, it comes with the added flexibility of having the coverage automatically continue after the first death.



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. Past performance is not an indicator of future performance. 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. Source: The Wave 50.0.

Information contained in this document is for illustrative purposes and is subject to change without notice.

™/® Trademark/Registered trademark of Bank of Montreal, used under licence.

Insurer: BMO Life Assurance Company