

Segregated fund solutions + ETFs = BMO ETF GIFs

Learn how these products combine to offer investment potential plus insurance benefits.

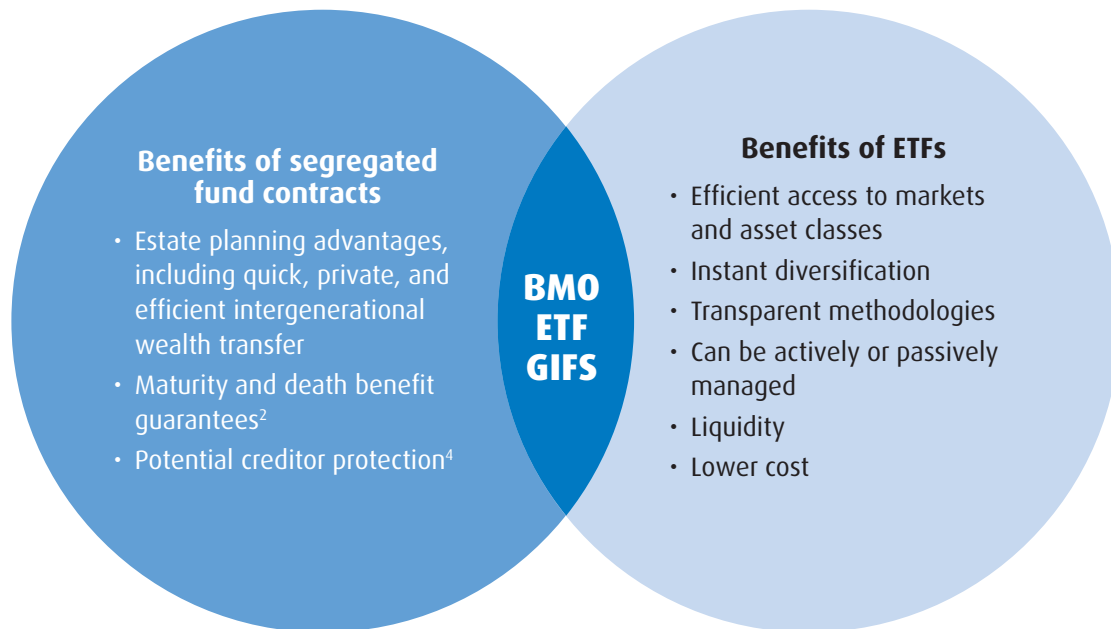
Exchange-traded funds (ETFs) are on a roll in Canada: as of spring 2024, ETF net sales were at an all-time high.¹ They can be a great choice for investors who want a comparatively low-cost route to tap into the growth potential of the markets.

What do ETFs have to do with segregated funds?

[Segregated fund contracts](#) (also known as guaranteed investment funds, GIFs, or seg funds) are investment products that can only be offered by insurance companies. They give investors access

to the growth potential of the markets while also providing guarantees and estate planning benefits.²

What you may not have known is that segregated funds can use ETFs as their underlying investment, and BMO Insurance has been at the forefront of this development. The ETFs available through all BMO Insurance ETF segregated funds were built by our partners at BMO Global Asset Management, one of the largest ETF providers in Canada, representing 24% of market Canadian ETF market share.³ Let's look at the benefits:



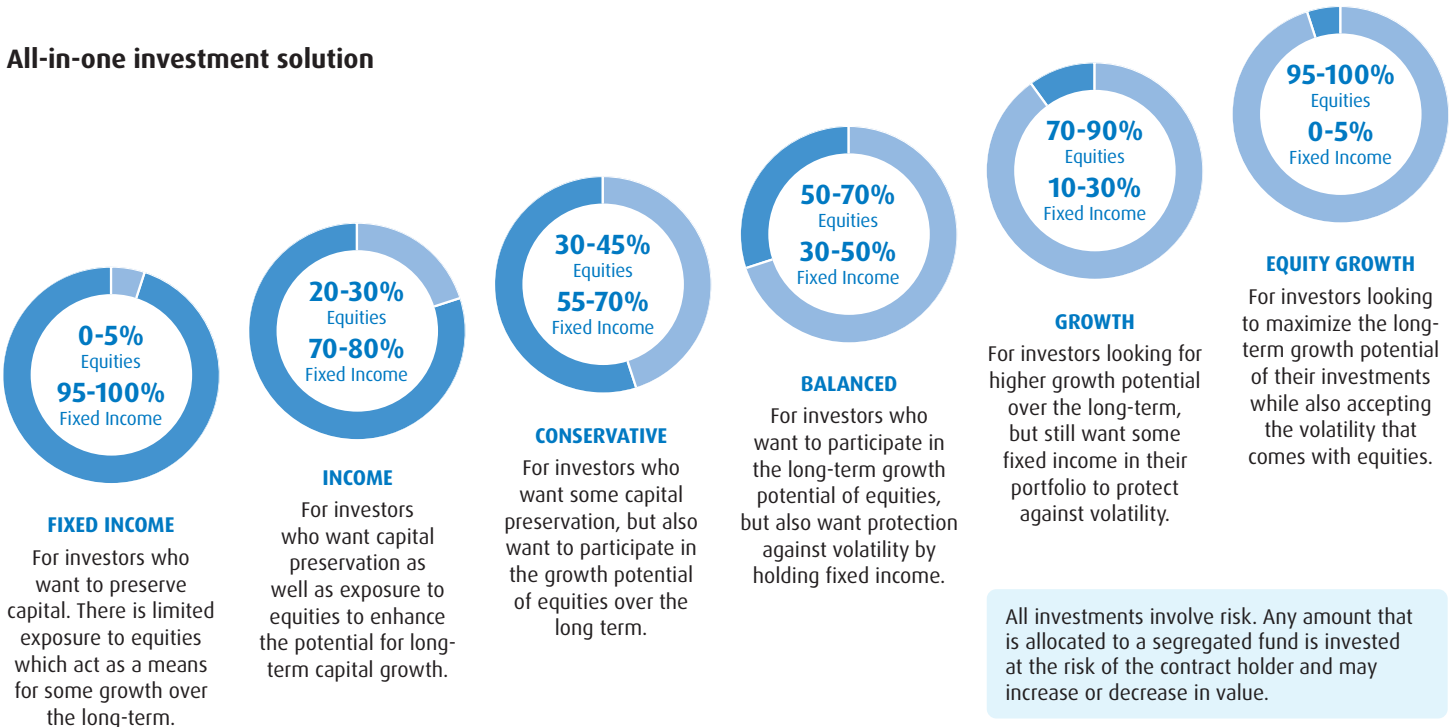
Combining these products at BMO Insurance allows investors to select from options that provide access to funds suitable for various investment styles. For example, they can provide you with a diversified core portfolio, plus the benefit of capital guarantees

available with segregated fund contracts. With our different GIF solutions, you can take a “core and explore” approach: Use a managed portfolio as the core, and different actively managed strategies to complement that choice.

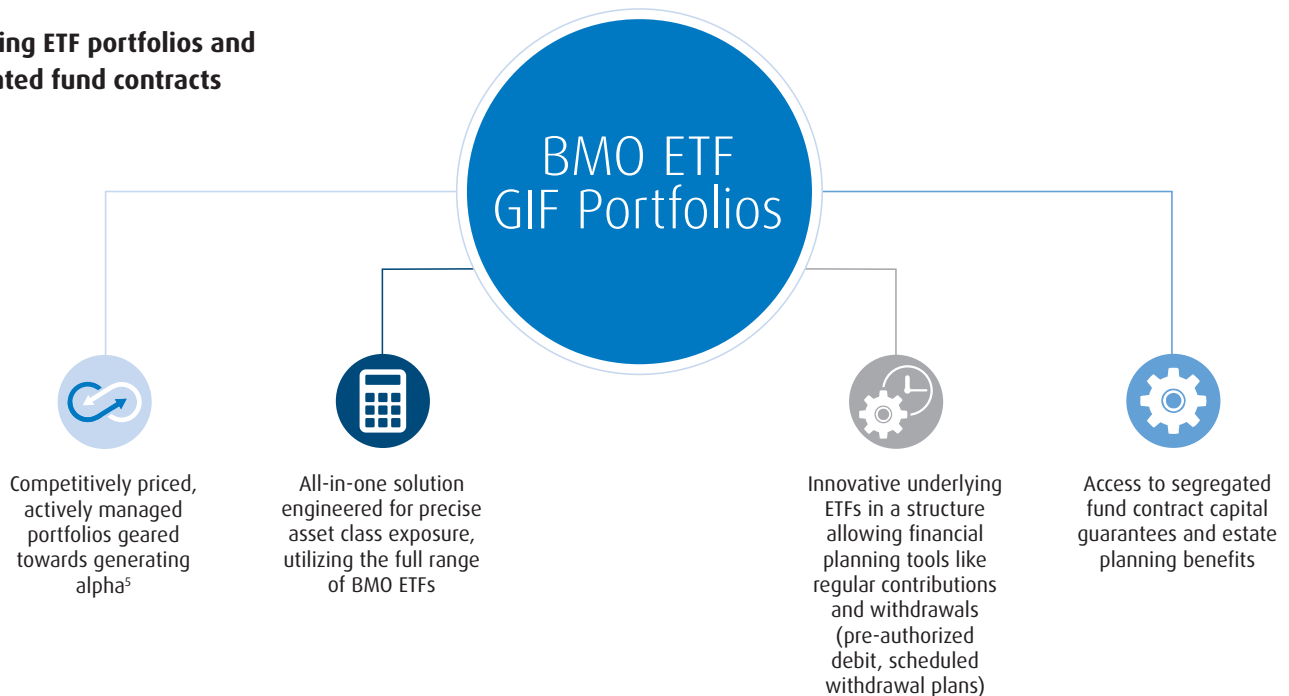
Your investment options include risk-based ETF portfolios, designed to meet the needs of any investor

Investors searching for an all-in-one solution can choose from six ready-made BMO ETF Portfolio GIFs with asset mixes ranging from 100% fixed income to 100% equity. The portfolios use BMOs ETFs from around the world to produce returns that meet a given level of risk, while seeking to avoid the lows of volatile markets. BMO GAM's [Multi-Asset Solutions Team](#) actively manages the underlying ETF portfolios.

All-in-one investment solution



Combining ETF portfolios and segregated fund contracts



Don't forget the segregated fund features

Whatever the fund choice, all BMO Guaranteed Investment Funds GIFs feature built-in estate planning benefits, making them an efficient wealth transfer tool with potential creditor protection⁴ – an aspect that may be of interest to professionals and business owners.


- Estate planning advantages: Transfer money to heirs in a timely, cost-effective, and private way (i.e., bypass probate)⁶

- Choice of 75% or 100% guarantees for capital and estate protection²
- Shield assets from creditors⁴
- Lock-in investment gains via death guarantee and/or maturity resets⁷
- Prestige Class pricing for high-net-worth investors⁸

Your advisor can help determine if a segregated fund contract is suitable for you and help you choose a fund option that aligns with your investment style and goals.

Let's connect

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

 1-877-742-5244

 bmoinsurance.com



¹ Source: [ETF net sales soared to a new all-time high in June, IFIC stats reveal | Wealth Professional](#)

² Segregated fund products guarantee that at least 75% or 100% of the deposit (less a proportional amount for withdrawals) will be returned at the maturity date or the death of the annuitant. BMO GIFs offer 100% or 75% deposit guarantee levels depending on the guarantee option you select. Refer to the BMO GIF Information Folder for details.

³ Source: [CEFTA monthly report](#), July 2024.

⁴ The laws and regulations governing creditor protection differ depending on the province. The federal Bankruptcy and Insolvency Act can also apply in some cases. Consult a legal advisor.

⁵ Alpha: A measure of performance often considered the active return on an investment. It gauges the performance of an investment against a market index or benchmark which is considered to represent the market's movement as a whole. The excess return of an investment relative to the return of a benchmark index is the investment's alpha.

⁶ Probate may vary by province. Probate is not applicable in Quebec.

⁷ Monthly resets available on GIF 100/100 only. If the market value of your policy is higher than the maturity guaranteed amount, it will be locked-in automatically every month (up to 10 years before the maturity date) to match the market value – locking-in market gains.

⁸ Clients qualify for Prestige Class if they hold \$250,000 or more in BMO GIF contracts issued in their name.

This information is for illustrative purposes and is subject to change without notice. It is intended as a summary of our products and/or services. Please consult the appropriate policy contract for details on the terms, conditions, benefits, guarantees, exclusions and limitations. The actual policy issued governs.

Any amount that is allocated to a segregated fund is invested at the risk of the contract holder and may increase or decrease in value.

BMO Life Assurance Company is the issuer of the BMO Segregated Funds individual variable insurance contract referred to in the Information Folder and the guarantor of any guarantee provisions therein. The BMO GIF Information Folder and Policy Provisions provide full details and govern in all cases. BMO GIF products are offered through BMO Life Assurance, a separate legal entity than BMO Global Asset Management and wholly owned by BMO Financial Group. Segregated funds are only available for sale by individuals with appropriate insurance licences and are not considered a mutual fund.

^{*}Segregated fund fees are higher than mutual funds as they include insurance fees to provide for the guarantees on deposits at maturity or on death.

Commissions, management fees and expenses all may be associated with investments in exchange traded funds. Please read the ETF Facts or prospectus of the BMO ETFs before investing. Exchange traded funds are not guaranteed, their values change frequently and past performance may not be repeated.

For a summary of the risks of an investment in the BMO ETFs, please see the specific risks set out in the BMO ETF's prospectus. BMO ETFs trade like stocks, fluctuate in market value and may trade at a discount to their net asset value, which may increase the risk of loss. Distributions are not guaranteed and are subject to change and/or elimination.

BMO ETFs are managed by BMO Asset Management Inc., which is an investment fund manager and a portfolio manager, and a separate legal entity from Bank of Montreal.

BMO Global Asset Management is a brand name under which BMO Asset Management Inc. and BMO Investments Inc. operate. Certain of the products and services offered under the brand name, BMO Global Asset Management, are designed specifically for various categories of investors in Canada and may not be available to all investors. Products and services are only offered to investors in Canada in accordance with applicable laws and regulatory requirements.

Insurer: BMO Life Assurance Company