

REPRESENTATIVE AGREEMENT

Representative: _____

BMO LIFE ASSURANCE COMPANY (herein referred to as "BMO Insurance") hereby authorizes the Representative, named above, (herein referred to as "Representative") to solicit applications for BMO[®] Insurance's products as set forth in the Schedules of Commission as are issued by BMO Insurance at the time and place such applications are obtained, subject to the terms and conditions of this Representative Agreement (herein referred to as the 'Agreement').

1. REMUNERATION

BMO Insurance agrees to pay and the Representative agrees to accept as full and complete remuneration for his services under this Agreement while it is in force, compensation specified in the "Schedules of Commission", which Schedules shall be subject to change from time to time by 30 day written notice by BMO Insurance.

2. EFFECTIVE DATE

This Agreement shall be binding only when signed by the Representative and an authorized BMO Insurance official, and shall become effective on and from _____ 20____ (herein referred to as the "Effective Date").

3. GOVERNING LAW

The construction, validity and performance of this Agreement shall be governed by the laws of the Province or Territory in which the Representative resides at the time the Agreement is signed.

4. GEOGRAPHY

The Representative is appointed as a Representative of BMO Insurance in Canada but without exclusive rights therein and the Representative hereby accepts such appointment. BMO Insurance hereby expressly reserves the right to itself to appoint other persons to sell BMO Insurance's products or to limit the Provinces in which the Representative can solicit applications.

5. PREVIOUS CONTRACTS

This Agreement and all commission schedules attached hereto and any future amendment thereto by BMO Insurance or any other document which, under the provisions of this Agreement, amends this Agreement, constitute the entire agreement between the parties with regard to the kind or kinds of insurance set forth in the Schedules of Commission and any amendment thereto, and supersedes all previous agreements entered into between the parties or promises made with regard to this subject matter and any other previous agreements, promises, or representations of any kind whatsoever respecting the relationship between the parties hereto. The word "Agreement" shall be understood and agreed to include any and all Schedules of Commission and other documents attached in accordance with the terms and conditions herein provided.

6. INTERPRETATION

In this Agreement male pronouns, whenever used, shall include female pronouns and any partnership, corporation or other entity.

7. COMPANY/REPRESENTATIVE RELATIONSHIP

Nothing contained herein shall be construed to create the relationship of employer and employee between BMO Insurance and the Representative.

8. CONDUCT

The Representative shall act at all times in accordance with the "Code of Ethics" as adopted by the Life Underwriters Association of Canada as amended from time to time and BMO Insurance's "Code of Conduct" which embodies the professional ethics of the Life Underwriters Association of Canada.

9. COLLECTIONS, TRUST ACCOUNTS

All monies, cheques or other documents in respect of any insurance and/or annuity policy, received or collected by the Representative for and on behalf of BMO Insurance, will be immediately forwarded to BMO Insurance. In any Province which requires that the Representative establish a trust account, the Representative shall hold in trust all money collected for BMO Insurance and immediately turn it over to BMO Insurance without any deduction whatsoever.

10. DELIVERY OF POLICY

The Representative agrees to promptly transmit to BMO Insurance all insurance applications and premiums for BMO Insurance's products received by the Representative and to deliver to the applicant all insurance policies and/or annuities transmitted to him by BMO Insurance. However, the Representative will not deliver any insurance policy, issued by BMO Insurance, to any person unless the person on whose life the insurance policy is issued is at the time in good health, and the Representative will not, in any case, deliver to any person any insurance or annuity policy or renewal receipt of BMO Insurance unless the premium due thereon has been actually paid.

11. COMPANY BOOKS, MANUALS, COMPUTERS AND EQUIPMENT

Notwithstanding that this Agreement may have been terminated, the Representative will:

- i) promptly deliver in good order to BMO Insurance on demand by BMO Insurance all records, documents, manuals, stationery, forms and all other books and papers relating in any way to the business of BMO Insurance which records,

- documents, manuals, books and papers the Representative hereby acknowledges are the exclusive property of BMO Insurance; and
- ii) promptly return in good order on demand by BMO Insurance all computer equipment (including hardware and software) or similar material given to him by BMO Insurance. BMO Insurance will have the right to inspect, from time to time both while the Agreement is in force and following its termination, all records, documents, manuals, stationery, forms and all other books and papers which are in the possession of the Representative and which relate in any way to the business of BMO Insurance. The Representative will cooperate in providing such information and assistance as may be necessary to permit such audit.

12. REPAYMENT OF INDEBTEDNESS

BMO Insurance shall have the right at all times to set off against any sum due to the Representative hereunder, any debt, obligation, or liability due or owing by the Representative to BMO Insurance. The setting off shall not create a cause of action for the Representative against BMO Insurance, when there is a debt or obligation of the Representative due to BMO Insurance.

13. LICENCE

The Representative will at all times comply with all applicable laws and regulations of the jurisdiction in which he may solicit business hereunder, and before soliciting any such business he shall obtain and thereafter maintain in effect any licence which he may be required to hold by law.

14. NO ALTERATIONS OF DOCUMENTS

The Representative shall not make any alterations, additions or erasures on any of the documents belonging to BMO Insurance which may from time to time be in the possession of the Representative.

15. REPRESENTATIVE'S AUTHORITY

Without the prior written approval of BMO Insurance, the Representative shall not negotiate, or enter into contracts and/or agreements on behalf of BMO Insurance and BMO Insurance shall not be bound by any contracts and/or agreements made by the Representative. This clause shall not affect or prejudice the Representative's right to solicit applications for insurance and/or annuities for the purposes of concluding insurance contracts between any person and BMO Insurance. The Representative has no authority to make, modify or discharge any insurance or annuity contract, nor to waive any forfeitures, nor to incur any liability or debt for or against BMO Insurance, nor to receive any monies due or to become due to BMO Insurance, except on premium notices, which have been sent to the policy owner, and then only provided that the terms and provisions contained in the said notices shall be strictly complied with and the Representative has no authority to credit or remit premiums not actually or properly received in accordance with the insurance contract and the instructions of BMO Insurance, and his powers shall extend no further than as expressly stated in this Agreement. The Representative may exercise his own judgment as to the persons from whom he will solicit applications for insurance and/or annuity policies and the time and place of solicitation provided that he agrees to do nothing which is not in the best interests of BMO Insurance, its policy owners, and its applicants for insurance and/or annuities.

16. ADVERTISING OR PUBLICATIONS

The Representative shall not publish or cause to be published any advertisement concerning BMO Insurance in any newspaper, magazine or publication whatsoever without the prior written authority of BMO Insurance; nor shall he issue, distribute or cause to be issued or distributed any circular or write or cause to be written any letters to any newspaper, magazine or publication concerning BMO Insurance without first obtaining the written approval of BMO Insurance. If any lawsuits shall be brought against BMO Insurance in consequence of any unauthorized action or statement of the Representative, all costs and damages arising there from shall be borne by the Representative personally.

17. REBATING

The Representative shall not pay or allow, or offer to pay or allow as an inducement to any person to insure, any rebate of premium or any inducement whatsoever not specified in the insurance policy.

18. ASSIGNMENT

The Representative shall not transfer or assign any rights or obligations under this Agreement without the prior written consent of BMO Insurance, which consent may be withheld by BMO Insurance. BMO Insurance does not assume responsibility for or guarantee the validity of any assignment so consented to.

19. TERMINATION

This Agreement will terminate immediately upon the death of the Representative (any compensation remaining due will be paid to his heirs, executors, successors or permitted assigns as provided for in the Schedules of Commission of this Agreement, as if this Agreement were still in force). This Agreement will terminate immediately upon and on the happening of any one of the following, which are identified as "just Causes", and the Representative shall thereupon cease to be entitled to act under this Agreement and the Representative, or his heirs, executors, successors or permitted assigns shall thereupon cease to be entitled to receive any payment under this Agreement.

"Just Causes" shall include any of the following:

- (I) the Representative committing any act of fraud, or any other unlawful act; or
- (II) the placing with BMO Insurance by the Representative of business which was not solicited by the Representative; or
- (iii) the Representative failing to report and pay over to BMO Insurance premiums collected by him as provided herein; or
- (iv) the Representative violating any of the provisions hereof or assigning any right or interest which he has or may have hereunder without the written consent of BMO Insurance; or
- (V) the Representative violating any term or condition of this Agreement; or
- (vi) the Representative failing to return all undelivered insurance policies to BMO Insurance on demand; or
- (vii) the Representative failing to follow BMO Insurance's rules as defined in BMO Insurance's Broker's Kit, BMO Insurance's Code of Conduct or such other written rules or guidelines as may be issued to the Representative by BMO Insurance from time to time; or

(viii) the Representative failing to observe all statutory requirements, any guidelines published by the Canadian Life and Health Insurance Association or any rules or regulations of any association to which the Representative belongs.

This agreement may be terminated by either party without cause and for any reason whatsoever by either party giving the other at least (30) days' prior written notice.

Termination of this Agreement shall not release the Representative from any indebtedness to BMO Insurance and until such indebtedness is repaid, any remaining compensation, of any kind, falling due shall be set off.

20. NOTICES

Any notice under this Agreement will be deemed to have been given by BMO Insurance to the Representative when such notice is delivered to the Representative at his last known address shown on the records of the Head Office of BMO Insurance. Both notice to BMO Insurance and to the Representative shall be effective as of the date of mailing. Compensation will continue to be paid in accordance with the terms of this Agreement and the "Conditions Governing Compensation" then in effect.

21. COMPENSATION, SERVICE FEES AT TERMINATION

Any policy year's compensation and service fees due to the Representative by BMO Insurance after the termination of this Agreement shall first be used to offset any amounts due BMO Insurance by the Representative. Any amounts due the Representative may be held by BMO Insurance from the date of termination of this Agreement to allow time to determine the final amount.

22. ERRORS AND OMISSIONS INSURANCE

The Representative will obtain at his expense satisfactory errors and omissions and liability insurance satisfactory to BMO Insurance and will provide to BMO Insurance proof of such coverage upon demand.

23. REPLACEMENT PROHIBITION

The Representative shall not, for a period of two years from the date of termination of this Agreement, either personally or on behalf of another individual, corporation, partnership or association, either alone or in conjunction with any other individual, corporation, partnership, or association, contact or solicit any persons, directly or indirectly, to cancel, lapse, forfeit or surrender a policy of insurance with BMO Insurance in order to effect a policy of insurance with another insurer.

(a) "Persons" as referred to in sub-paragraph (23) shall include:

- (i) any persons who are policyholders of BMO Insurance and its affiliates, as of the date of termination of this Agreement, and
- (ii) any persons who are policyholders of BMO Insurance or policyholders of BMO Insurance's affiliates and who are known by the Representative to be policyholders of BMO Insurance or policyholders of BMO Insurance's affiliates as of the date of termination of this Agreement, and
- (iii) any persons who are policyholders of BMO Insurance or policyholders of BMO Insurance's affiliates and whom the Representative has contacted or provides services to or otherwise approached as a Representative of BMO Insurance, as of the date of termination of this Agreement.

(b) For all purposes under this section (Replacement Prohibition) "policyholders" shall be defined to include, in addition to persons designated as an owner or beneficiary with respect to any of BMO Insurance's issued insurance policies, persons with respect to whom insurance applications are pending. Without prejudice to whatever other recourse which BMO Insurance may have in the event that the Representative violates any of the provisions of the "Replacement Prohibition" section hereof, including without limitation, an action in damages, BMO Insurance shall have the right to obtain an injunction enjoining any such violation. The Representative hereby acknowledges that, in the event of any such violation, BMO Insurance will suffer irreparable harm and that an injunction is therefore a necessary remedy in the circumstances.

24. VARIATION, WAIVER

No terms of this Agreement will be deemed to be varied or waived unless such variation or waiver be in writing and states explicitly that it is intended to vary or waive the effect of such provision, term or condition and any variation or waiver so given shall not of itself constitute a variation or waiver of any subsequent breach of such provision, term or condition or of any other provision, term or condition of this Agreement.

25. INVALIDITY

In the event that in any legal proceedings before a competent tribunal in any jurisdiction, it is determined that any section, paragraph or subparagraph of this Agreement or any part of the same is invalid, that section, paragraph, or sub-paragraph or part thereof shall be deemed to be severed from the remainder of this Agreement for the purpose only of the particular legal proceedings in question, and this Agreement shall in every other respect continue in full force and effect.

IN WITNESS WHEREOF, BMO Insurance has executed this Agreement in duplicate and the Representative has hereunto set his hand in duplicate the day and year first above written.

Signed by the Representative at:

This _____ day of _____, 20 _____

Representative

Witness

Signed by BMO Insurance at Toronto, Canada

This _____ day of _____, 20 _____

Authorized Official of BMO Insurance

Recommended by:

Managing General Agent

IN THE EVENT THAT THE REPRESENTATIVE IS A CORPORATION, THE FOLLOWING GUARANTEE IS TO BE READ AND SIGNED.
GUARANTEE

(To be signed only in the event that the representative is a Corporation.)

To: BMO Life Assurance Company. ("BMO Insurance ")

IN CONSIDERATION of BMO Insurance entering into the foregoing Representative Agreement with the Representative named in such Agreement, the undersigned (the "Guarantor") hereby guarantees payment to BMO Insurance of all amounts owing from time to time by the Representative to BMO Insurance.

1. This Guarantee:

- (1) shall bind the Guarantor jointly and severally with the Representative;
- (2) shall be a continuing Guarantee and shall cover all amounts owed by the Representative to BMO Insurance whether present or future;
- (3) shall bind the Guarantor to pay when BMO Insurance shall demand payment of all such amounts owed;
- (4) shall not be discharged or affected by any act or omission of BMO Insurance, by the bankruptcy, death or loss of capacity of the Representative, by any change in the membership of the Representative if a partnership or by any change in the constitution of the Representative if a corporation or by the amalgamation of the Representative, if a corporation;
- (5) is in addition and is not in substitution for any other guarantee;
- (6) shall bind the Guarantor, its successors and assigns to BMO Insurance and its successors and assigns so long as the Guarantee has not been terminated by the Guarantor by written notice to BMO Insurance at its head office. Termination shall not relieve the Guarantor of the Guarantor's obligations under this Guarantee for any amounts owed by the Representative to BMO Insurance on the date of receipt of written notice of termination by BMO Insurance; and
- (7) shall survive the termination of the Representative Agreement and continue thereafter in full force and effect for the benefit of BMO Insurance.

2. BMO Insurance shall not be bound to exhaust its recourse against the Representative before being entitled to payment from the Guarantor of any amounts owed.

3. BMO Insurance may grant time, renewals, extensions, indulgences, releases and discharges or otherwise deal with the Representative with respect to any amounts owed as BMO Insurance may see fit from time to time without in any way limiting or lessening the liability of the Guarantor under this Guarantee.

4. Any demand for payment may be mailed to the Guarantor at the Guarantor's last address known to BMO Insurance and such demand shall have been deemed to be made from the date of mailing.

SIGNED, SEALED AND DELIVERED at _____ this _____ day of _____, 20 _____

Guarantor

Witness

SCHEDULES OF COMMISSIONS

SCHEDULE 'A' COMPENSATION PAYMENT RULES

1. FIRST YEAR COMMISSION (ANNUALIZED)

On premiums for the first policy year received by BMO® Insurance, the Representative shall receive First Year Commission at rates determined from the Schedules of Commission provided that, on premiums payable more frequently than annually, no commission shall be paid in respect of that part of the premiums charged because premiums are so payable.

2. JUMBO CASES

BMO Insurance shall have the right to limit the amount of annualized commission to be advanced on any one insurance policy. Such limitations shall be applied to those insurance policies where annualized first year commissions exceed a maximum level as determined from time to time by BMO Insurance.

3. RENEWAL COMMISSION

On premiums for subsequent policy contract years the Representative shall receive Renewal Commission at rates determined from the "Schedules of Commission".

4. SERVICE COMMISSION

Service Commission on individual life and health insurance products and annuity contracts is a continuing payment to compensate a licensed agent of record for service to a BMO Insurance policy owner on BMO Insurance insurance products for meeting their future needs.

5. VESTING

First year commissions and renewal commissions vest immediately for life in the name of the individual or company. Service fees do not vest.

6. CHARGEBACK RULES

First year commission paid to the Representative for insurance policies shall be subject to a chargeback to the Representative's account for the number of months following the date of issue, as specified for that policy in the Schedule of chargeback rules. If, during that period, the policy ceases to be in force, the amount of the chargeback depends on the number of months that the policy has been in force and will be equal to that first year commission multiplied by the appropriate percentage detailed in the Schedule of chargeback rules. The Representative agrees that any amounts charged back to him under this section shall be a debt due BMO Insurance by the Representative.

7. EXTRA PREMIUMS

No commission will be allowed on interim (Temporary) term premiums, on temporary extra premiums payable for less than five (5) years, on a flat extra premium for residence or for military or aviation service, on premiums waived by BMO Insurance, or on the extra premium charged to cover the extra mortality expected on products other than renewable term and Personal Accident Insurance issued on a substandard basis.

8. REINSTATEMENTS

If a contract issued on an application received through the Representative lapses and is not reinstated within a period of three months from the due date of the unpaid premium, the Representative shall have no further interest of any kind in the said contract if it is revived after the said period of three months unless the reinstatement is effected by him personally. When any insurance policy written under this Agreement is renewed, changed or converted to another form, and/or transferred to another Territory, all compensation payable, if any, pursuant to the "Schedules of Commission" shall be in accordance with BMO Insurance's rules in effect at that time.

9. CONTRACT OPTIONS

No commission or other remuneration of any kind shall be payable in respect of a contract issued by virtue of a conversion option contained in a Group Life contract or, except as herein provided, in respect of any contract issued by virtue of a guarantee or settlement option contained in a contract. However, commission as per the "Schedules of Commission" shall be payable on insurance contracts issued by virtue of any other option contained in any of BMO Insurance's insurance contracts or supplementary benefits. BMO Insurance reserves the right to change the "Schedules of Commission" in whole or in part, at any time by giving 30 days written notice to the Representative. The new rates, policy years, rules and conditions will apply as set forth in the "Schedules of Commission" to all business written subsequent to the effective date of such change. Commission for any policy plan not listed in the "Schedules of Commission" shall be as determined by BMO Insurance.

10. SUPPLEMENTARY BENEFITS

Commission on additional premiums for supplementary benefits shall be at the same rate as that applicable to the basic insurance contract unless the benefit is available as a separate contract in which case the commission will be at the same rate as that payable under a separate life insurance contract for comparable coverage.

11. AGENT OF RECORD

The Representative will have no claim for commissions on any business unless his name appears on the insurance application. In the case of any policy issued by BMO Insurance on an insurance application secured by the Representative with the assistance of another Representative, whose name also appears on the insurance application, the commissions on such policy shall be divided equally between such Representatives unless the Representatives and BMO Insurance have agreed in writing upon some other division.

12. RETURN OF PREMIUM

If BMO Insurance shall for any reason cancel an insurance contract and return the premium or premiums or any part thereof, or if BMO Insurance shall return any premium or premiums or any part thereof paid in advance of the due date thereof, the Representative shall pay to BMO Insurance any commission credited to him in respect of the amount returned and the Representative agrees that any such commission shall be a debt due BMO Insurance by the Representative.

13. RETURN OF EXCESS COMMISSION

If any amount shall have been credited to the Representative in excess of the amount provided by the terms of this Agreement, the Representative shall repay such excess to BMO Insurance and the Representative agrees that such excess shall be a debt due BMO Insurance by the Representative.

14. REPLACEMENT OF CONTRACTS

Where an insurance contract replaces another insurance contract on the same life for which first year commission has already been paid, the current "Schedules of Commission" shall not be used to determine the amount of the first year commission, if any. However, where the annual premium under the new insurance contract exceeds that which was payable under the replaced insurance contract, the total amount of the first year commission on the new insurance contract shall not be less than the first year commission which would be payable according to the current attached "Schedules of Commission" on the excess premium. Where the replacing insurance contract is a single premium contract no commission will normally be payable. An insurance contract shall conclusively be deemed to be replaced if within one year before or after the date of the application for a new insurance contract, the insurance contract lapses or is surrendered or if either the Paid-up or Extended Term Insurance Option is exercised, or if the insurance contract is changed at the request of the insured and the premium thereby reduced.

15. AGES 65 AND OVER

For individual insurance issued over age 65, if the premium on any policy or plan is greater than the corresponding single life premium at age 65, commission is based on the age 65 premium.