



Health Risk
Services Inc.

Insurance Policy Protection

Does Turmoil in the Global Financial Markets affect my Life or Living Benefits Insurance and or Annuities?

Life and health insurance companies are required by their boards and regulators to invest premiums prudently so they can withstand economic fluctuations or greater than expected claims for benefits.

With over \$430 billion in assets supporting obligations to Canadian policyholders and more than \$46 billion in surplus – which represents assets above and beyond what they are required to have to meet their obligations – the industry is among the strongest financially in the country. The life and health insurance industry is well positioned to meet its obligations to its policyholders, despite market turmoil.

How can I determine the Financial Strength of my present Insurer or an Insurer that I am contemplating doing business with?

You can check any company's financial condition by looking up its rating. Rating agencies, including A.M. Best Company, Moody's Investors Service and Standard and Poor's Insurance Rating Service, assess the financial strength of companies. Information such as "claims paying ability" can be particularly useful to policyholders. Rating information is available on-line or in publications usually found in the business section of your public library.

What happens if an Insurance Company becomes Insolvent?

Insolvencies of life and health insurance companies are very rare. When an insurer's financial condition deteriorates to the point where it may have trouble meeting its obligations, the federal Office of the Superintendent of Financial Institutions (OSFI) (or the applicable provincial regulator if the company is provincially regulated for solvency purposes), the appointed liquidator and Assuris will work together to protect policyholders' interests. Typically, they would arrange for another life insurance company to take on the policies of the failed company. In this case, policyholders and annuity owners will simply become customers of the new insurer. Assuris will ensure that any benefits are not reduced below its covered amounts.

Are you protected by Assuris?

YES, if you are a Canadian citizen or resident, and you purchased a product from a member life insurance company in Canada, you are protected by Assuris. You can visit the Assuris web site at www.assuris.ca for a complete list of member companies.



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How does Assuris protect you?

If your life insurance company fails, your policies will be transferred to a solvent company. Assuris guarantees that you will retain at least 85% of the insurance benefits you were promised. Insurance benefits include Death, Health Expense, Monthly Income and Cash Value.

Your deposit type products will also be transferred to a solvent company. For these products, Assuris guarantees that you will retain 100% of your Accumulated Value up to \$100,000.00. Deposit type products include accumulation annuities, universal life overflow accounts, premium deposit accounts and dividend deposit accounts.

For Tax Free Savings Account (TFSA) invested in an Accumulation Annuity, Assuris provides separate protection from other deposit type products. For TFSAs, Assuris guarantees that policyholders will retain 100% of the Accumulated Value up to \$100,000.00.

What Products are Protected by Assuris?

INSURANCE PRODUCTS:

- Life Insurance
- Critical Illness Insurance
- Disability Insurance
- Health Expenses
- Long Term Care
- Annuities
- Segregated Funds
- Group Insurance

DEPOSIT TYPE PRODUCTS:

- Accumulation Annuities
- Group Retirement
- Tax Free Savings Accounts (TFSA)