

VERSION 1 – FOR DISCUSSION ONLY

**CANADIANS SAY CREDIT PROTECTION INSURANCE IS A CONVENIENT,
DEPENDABLE & AFFORDABLE FORM OF FINANCIAL PROTECTION**
*Almost nine in 10 say it is a convenient way to protect them & their family in case
of unexpected events; 89% of life claims paid*

TORONTO, November XX, 2018 – The experience of Canadians with Credit Protection Insurance (CPI) is very positive, with 87% saying it is a convenient way to protect them and/or their family in case of unexpected events such as loss of life, critical illness, disability and job loss. Canadians with CPI also have a strong level of comfort in the integrity of the claims process with 86% saying they expect a life insurance claim would be paid (which is close to the actual rate of 89% for payment of life claims over the last two years). In addition, 70% of people with CPI say it is an affordable insurance option.

These are the key findings of new public opinion [research](#) by Pollara Strategic Insights that asked Canadians about their experience with Credit Protection Insurance on their mortgage and/or Home Equity Line of Credit (HELOC). This type of insurance, also known as creditor's insurance, is used to pay out a mortgage or loan, or to make debt payments in the event of certain events such as death, critical illness, disability, or job loss.

According to the research, 87% of Canadians with CPI say it is a convenient way and 83% say it is an effective way to protect them & their family from certain unexpected events. Furthermore, 71% say that without CPI, they do not know what would happen to them and/or their family should an unexpected event negatively impact them – for example, not being able to work and earn a regular income.

Overall, a large majority of Canadians with CPI are confident that their benefit claims would be paid, with confidence ratings of 78% for job loss insurance, 79% for disability, 80% for critical illness, and 86% for loss of life.

With respect to the CPI claims process, 79% believe the quality of service they expect would be provided, 78% say the claim would be paid as expected, 76% agree that the Information needed to submit claim would be clearly communicated to them, and 74% expect their claim would be paid in a timely manner.

In terms of Canadians who purchase Creditor Protection Insurance:

- 82% have life insurance on their mortgage (80% for HELOC);
- 50% have disability insurance on their mortgage (48% for HELOC);
- 36% have critical illness insurance on their mortgage (37% for HELOC); and,
- 24% have job loss insurance on their mortgage (26% for HELOC).

Canadians also say they have a reasonable understanding of credit protection insurance coverage terms and limitations, amount of coverage, and who to contact in the event of

an emergency. For example, at the time of purchasing their creditor's insurance policy, 90% of buyers say they somewhat understood or understood "very well" their credit protection insurance terms. Furthermore, 96% report they knew where to go for additional information should they need it, with 67% saying they would go to their financial institution where they purchased the mortgage or HELOC.

For Canadians who said they did not have Credit Protection Insurance, 25% said they did not feel the need to have insurance, 27% said they had other types of insurance, and 24% said it was too expensive

"We're pleased that most Canadians feel Credit Protection Insurance is a convenient, dependable and affordable type of financial protection for them and their families," said Keith Martin, Co-Executive Director of the Canadian Association of Financial Institutions in Insurance (CAFII), which sponsored the Pollara research. "However, as an industry, we will continue to look for ways to improve customer satisfaction and enhance the value of the Creditor Protection Insurance products that our members provide."

These are the key results from a national online survey of 1,480 adult Canadians with a mortgage and/or home equity line of credit conducted from October 3 to 16, 2018. A random sample of this size would yield a margin of error of plus or minus XX%, 19 times out of 20.

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About CAFII:

The Canadian Association of Financial Institutions in Insurance is a not-for-profit Association dedicated to the development of an open and flexible insurance marketplace. CAFII believes consumers are best served when they have meaningful choice in the purchase of insurance products and services. CAFII's members include the insurance arms of Canada's major financial institutions – BMO Insurance; CIBC Insurance; Desjardins Financial Security; RBC Insurance; ScotiaLife Financial; and TD Insurance – along with major industry players American Express Bank Canada; Assurant; Canada Life Assurance; Canadian Premier Life Insurance Company; CUMIS Services Incorporated; and Manulife (The Manufacturers Life Insurance Company).

About Pollara Strategic Insights:

Founded in 1980, Pollara Strategic Insights is one of Canada's premier full-service research firms – a collaborative team of senior research veterans who are passionate about conducting research through hands-on creativity and customized solutions. Taking full advantage of their comprehensive toolbox of industry-leading quantitative and qualitative methodologies and analytical techniques, Pollara provides research-based strategic advice to a wide array of clients across all sectors on a local, national, and global scale.

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