



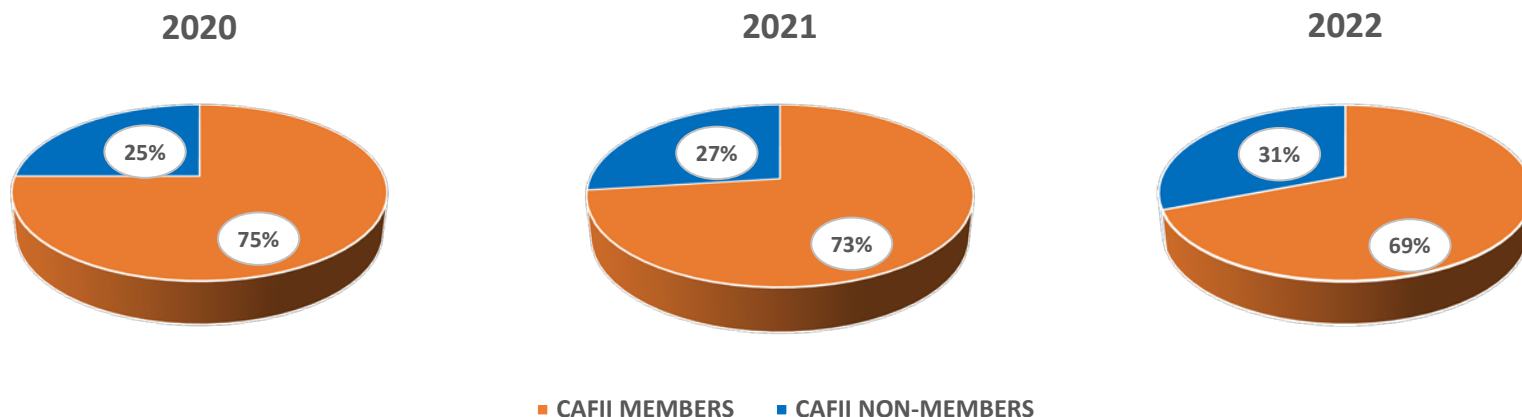
AUTORITÉ
DES MARCHÉS
FINANCIERS

2022 DWR MARKET PROFILE CAFII

Prepared by the Alternative Insurance
Distribution Practices

October 2023

Distribution of the amount of written premiums in DWR for CAFII members and non-members



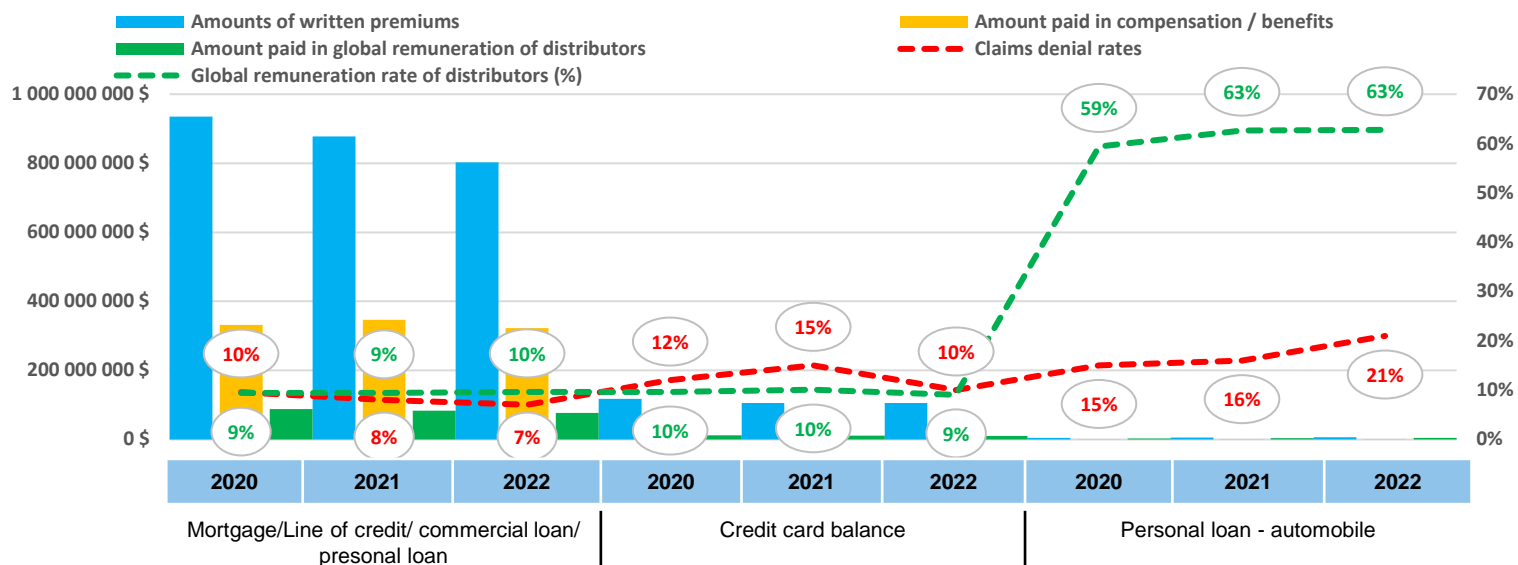
Highlights

	CAFII members			Overall market		
	2020	2021	2022	2020	2021	2022
Amounts of written premiums	\$1.29B	\$1.28B	\$1.18B	\$1.72B	\$1.75B	\$1.74B
Amount paid out in compensation / benefits (following a claim)	\$476M	\$432M	\$432M	\$599M	\$524M	\$528M
Number of claims processed ¹	144,000	112,000	104,000	183,000	140,000	143,000
Average claims denial rate for all products offered	15 %	14 %	11 %	14 %	14%	11%
Number of active insurers ²	15	16	16	37	38	40
Number of products offered	267	378	439	479	584	735

1. This represents the sum of claims paid out plus claims denied.

2. If only the financial groups were considered, the number would be lower.

CAFIL members – DHLE insurance products – 3 years tendency



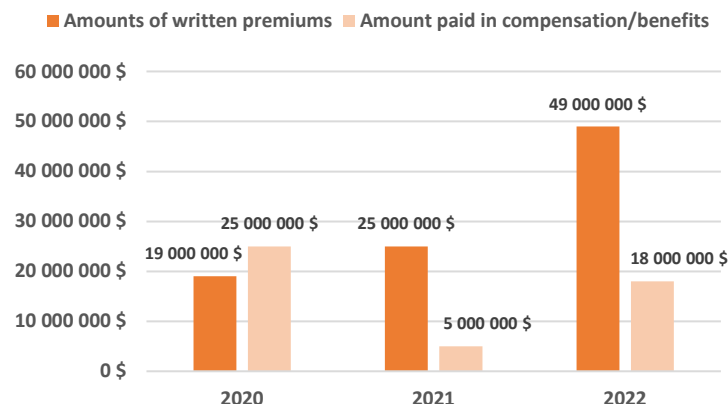
Highlights

	CAFIL members			Overall DHLE market		
	2020	2021	2022	2020	2021	2022
Amounts of written premiums	\$1.1B	\$1B	\$985M	\$1.3B	\$1.3B	\$1.2B
Amount paid out in compensation / benefits	\$365M	\$373M	\$342M	\$408M	\$409M	\$377M
Number of claims processed	63,000	66,000	48,000	74,000	76,000	56,000
Claims denial rate	10 %	10 %	8 %	11 %	10 %	9 %
Approximate average indemnities paid	\$6,500	\$6,300	\$7,800	\$6,000	\$6,000	\$7,400
Global remuneration rate of distributors (including administrators)	10 %	10 %	10 %	18 %	20 %	20 %
Number of active insurers	11	11	11	20	20	20
Number of products offered	104	88	104	210	171	152

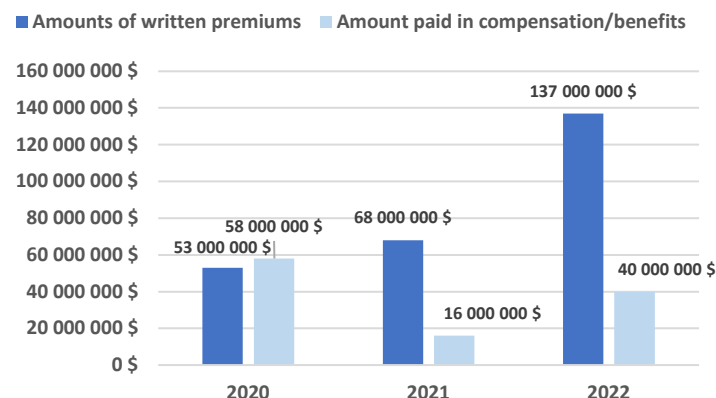
Travel insurance products–3 years tendency

(products involving the payment of a specific premium and distributed by travel agencies, banks and credit unions)

CAFI members



Overall market



Highlights

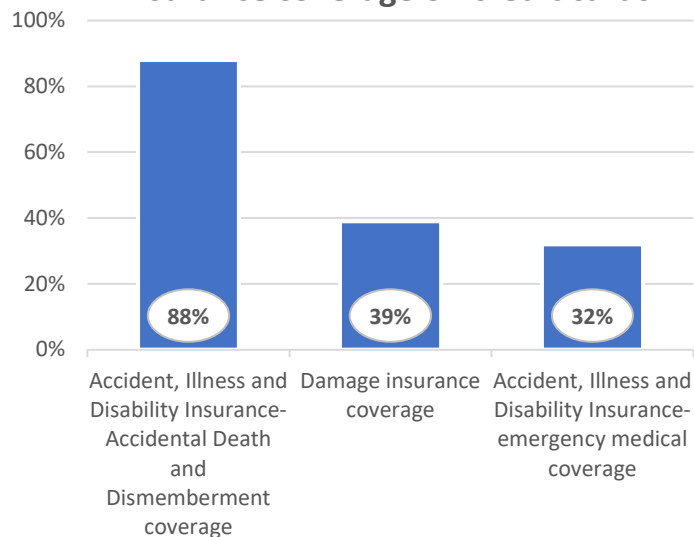
	CAFI members			Overall Market		
	2020	2021	2022	2020	2021	2022
Average premium-return rate	131 %	21 %	36 %	111 %	24 %	30 %
Number of claims processed	14,000	3,300	8,000	28,000	10,000	19,000
Average claims denial rate for all products offered	26 %	21 %	12 %	21 %	17 %	13 %
Approximate average indemnities paid out	\$2,400	\$2,000	\$2,500	\$2,700	\$2,000	\$2,500
Number of insured ¹	91,000	149,000	255,000	212,000	283,000	493,000

1. Number of insured represents number of certificates or individual policies issued during the disclosing period

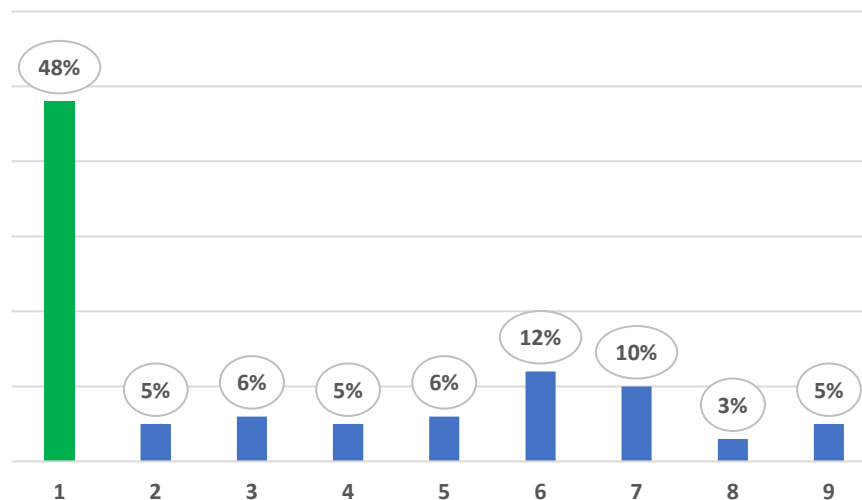
Travel insurance products offered in 2022 (continued)

	Products involving the payment of a specific premium (travel agencies, banks and credit unions)		Products included when signing up for a credit card (built-in)	
	CAFII members	Overall market	CAFII members	Overall market
Average indemnity paid out	\$2,500	\$2,500	\$1,600	\$1,500
Claims denial rate	12 %	13 %	14 %	17 %
Number of active insurers	9	15	11	15
Number of products offered	94	146	117	186

Distribution of types of travel insurance coverage on credit cards



Number of protection by credit card



Credit card and debit/merchandise insurance products offered in 2022

These insurance products cover the extension of the basic warranty or the replacement of items for which the purchase cost was charged to the credit or debit card. The number of insureds corresponds to the number of credit card holders with this type of coverage. It should be noted that this type of product represents only 1% of the total volume of premiums underwritten in DWR.

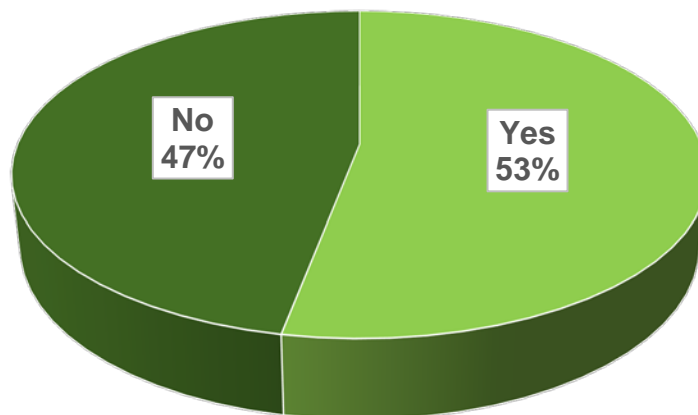
As is the case for the credit card travel insurance products (built-in) previously presented, due to the novelty aspect, the large number of new files and the uneven quality of the data that still requires significant corrective work, the table below presents the analysis of preliminary data for this market.

Highlights		
	CAFI members	Overall market
Amounts of written premiums ¹	\$17M	\$29M
Indemnities paid out	\$7M	\$8M
Number of claims processed	15,000	17,000
Average claims denial rate ²	30 %	29 %
Approximate average indemnity paid out	\$700	\$650
Number of active insurers	6	9
Number of products offered	133	217

1. Insurers must disclose the portion of the premium to be paid for this specific coverage, which can lead to confusion.
2. The denial rate is an element to keep an eye on, as the validity of coverage is not limited to holding the card, but must also be activated according to eligibility conditions.

Surveillance work on denial rates for DHLE products offered through the DWR*

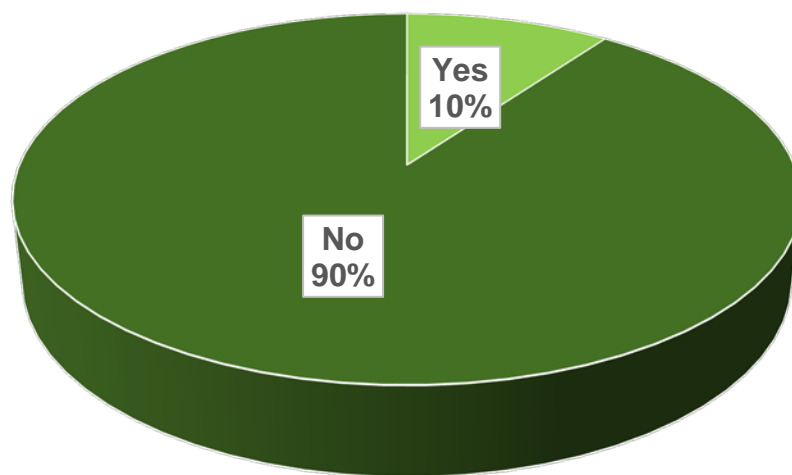
Existence and utilization of a denial rate indicator



*Please note that this includes all insurers that offer DHLE insurance products. It does not apply exclusively to CAFII members.

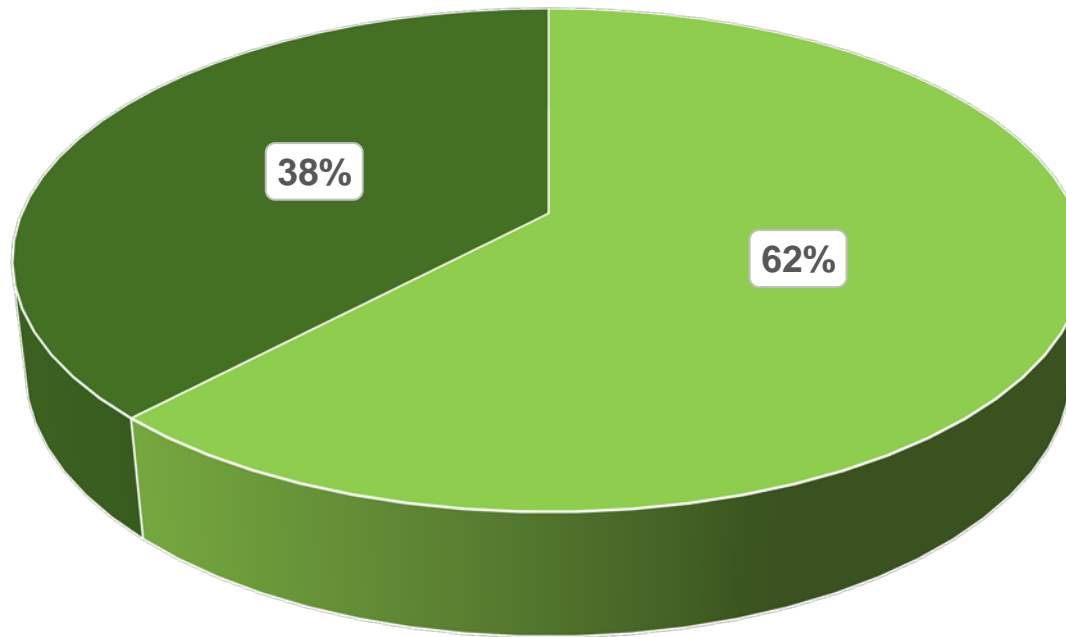
Surveillance work on denial rates for DHLE products offered through the DWR(continued)

Existence of a limit that triggers an analysis process



Low volume and administrative burden

Significance of DHLE products



■ Significant products: 93 ■ Non-significant products: 59

QUESTIONS & COMMENTS