

Key facts about Creditor's Group Insurance

- When it comes to Life & Health insurance Canadians are both underinsured *and* underserved; life insurance ownership is at a 30-year low; commission-based traditional insurance agent incentives encourage the sale of fewer, larger policies to more affluent Canadians
- Creditor's Group Insurance (CGI) offered by Banks and Credit Unions provides Canadians with coast-to-coast access to simple, optional insurance solutions on a 24/7 basis through branches, contact centers and the internet
- CGI is an optional, single-purpose product that can insure debt repayment in the event of death, disability, critical illness and job loss and is intended to be *complementary* to other types of insurance products
- CGI products are underwritten and claims are adjudicated by the same Canadian Life Insurance companies that offer Individual Life & Health Insurance products
- CGI's group-like structure allows more Canadians to be insured at standard rates and almost all are accepted. For example, 94% of Mortgage Life Insurance applicants are accepted for coverage versus 79% accepted for Individual Life Insurance (and some of them are only accepted at higher premium rates)
- Pre-existing Condition clauses in CGI certificates allow people with pre-existing conditions to obtain coverage at standard premium rates and, other than for the pre-existing conditions, they can make a claim at any time. After the pre-existing condition exclusion period ends, they can make a claim for pre-existing conditions as well. With individual insurance coverage, people with pre-existing conditions would either not be able to obtain any insurance or would pay a higher premium.
- 95% of Mortgage Life Insurance claims are paid – similar to individual life insurance
- Banks and Credit Unions are interested in fostering a long-term relationship with their clients. Banks follow the Canadian Bankers Association (CBA) Code of Conduct for authorized insurance activities (adherence to the Code is monitored by the Financial Consumer Agency of Canada (FCAC)). The insurance companies which underwrite CGI adhere to all Canadian Life and Health Insurance Association (CLHIA) guidelines.