

Assuris Protection and what it means for you:

Who is Assuris?

- Founded in 1990, Assuris is a non-profit organization funded by the life insurance industry to protect the guarantees of Canadian policyholders in the event their life insurance company should fail.

What is its role?

- To protect policyholders by minimizing the loss of benefits and ensuring a quick transfer of their policies to a solvent company, where their benefits will continue to be honoured

Assuris Protection of GMWB's:

The actual value of the segregated fund is not impacted if the life insurance company fails. The fund will be transferred to another solvent company and the promised guaranteed amounts will be protected by Assuris.

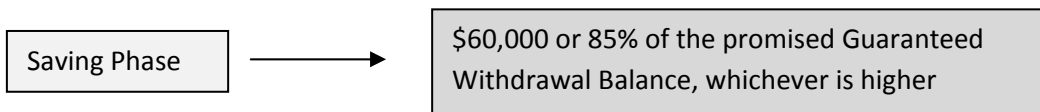
There are two phases to GMWB products: a Saving Phase and a Payout Phase.

- The product is in the Saving Phase if no withdrawals have been made by the policyholder in the last twelve months.
- The product is in the Payout Phase if a withdrawal has been made by the policyholder in the last twelve months.

Assuris provides different protection depending on the phase the product is in at the time of failure.

Assuris Protection in the Savings Phase:

In the Saving Phase, Assuris guarantees that the policyholder will retain **up to \$60,000 or 85% of the promised Guaranteed Withdrawal Balance, whichever is higher**. The Guaranteed Withdrawal Balance includes deposits, bonuses, resets and withdrawals prior to the insolvency date.



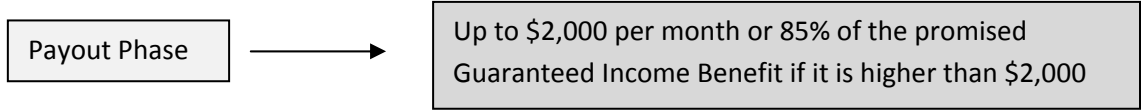
Example:

Guaranteed Withdrawal Balance at Date of Failure	Policy Guarantee at Maturity/Death	Adjusted Guaranteed Withdrawal Balance
\$100,000 (75% Maturity/ 100% Death)	\$75,000/\$100,000	(Maturity \$75,000 x 85% = \$63,750) (Death \$100,000 X 85% = \$85,000)

See over

Assuris Protection in the Payout Phase:

In the Payout Phase, Assuris guarantees that the policyholder will retain the entire guaranteed income benefit **up to \$2,000 per month or 85% of the promised Guaranteed Income Benefit, if it exceeds \$2,000 per month.**



Example 1:

Guaranteed Withdrawal Balance at Date of Failure	Guaranteed Income Benefit at Date of Failure	Adjusted Guaranteed Income Benefit
\$100,000	$\$100,000 \times 5\% = \$5,000$ per year $\$5,000$ divided by 12 months = $\$416.67$	\$416.67/month

Example 2:

Guaranteed Withdrawal Balanced at Date of Failure	Guaranteed Income Benefit at Date of Failure	Adjusted Guaranteed Income Benefit
\$600,000	$\$600,000 \times 5\% = \$30,000$ per year $\$30,000$ divided by 12 months = $\$2,500$ /month 85% coverage as current monthly amount is higher than \$2,000 = $\$2,500 \times 85\% = \$2,125$	\$2,125/ month