



## FAQ – Exceptional deferral of premiums for clients suffering financial hardship as a direct result of the COVID-19 pandemic

### **What is the exceptional premium deferral?**

To assist clients directly affected by COVID-19, we offer, exceptionally, to defer premium payments for life, critical illness, disability and accident insurance by 90 days.

### **Will clients be charged additional interest?**

No, we will not charge any interest.

### **How do clients request premium deferrals?**

Policyowners themselves must contact customer service.

### **What are the eligibility criteria?**

During the call with customer service, clients must respond to the following questions:

« Does any of the following apply to you? If yes, specify. »

- *Do you need to self-quarantine for a 14-day period, because you:*
  - returned from a trip **outside of Canada?**;
  - have been in contact with a confirmed or suspected case of COVID-19?;
  - have been informed by a public health authority that you may have been exposed to the virus and that you should self-quarantine?.
- *Have you lost your job or been temporarily laid off?*
- *Do you need to take time off work to care for a child or family member with COVID-19?*

If the answers confirm that the financial hardship is a direct result of one of the above-mentioned situations, we will offer the client a 90-day premium deferral period as an exception.

### **Are business owners eligible?**

Yes. If a business owner suffers financial hardship due to COVID-19, they will be offered 90-day premium deferral as an exception

## **How does premium deferral work?**

### **Monthly payments**

If the client's premium payments are made on a monthly basis, we will offer to defer payments for 90 days from the withdrawal date. If the client accepts, they will be notified that the monthly payments scheduled for this period will be interrupted then reactivated in 90 days, including an additional amount to cover the reimbursement of the premiums due spread over a period of 12 months.

**Annual payments\***

If the client's payments are made on annual basis and the payment is due within 30 days of the call, we will suggest switching to monthly payments as an initial solution to alleviate their financial difficulties. If accepted, deferral will not be necessary, and we will change the frequency of premium payments to "monthly".

If switching to monthly payments is not enough, we will offer to defer monthly payments for 90 days. The policy annual premium payment frequency will first be switched to a monthly frequency. If the client accepts, they will be notified that the monthly payments scheduled for this period will be interrupted then reactivated in 90 days including an additional amount to cover the reimbursement of the premiums due spread over a period of 12 months.

If the client makes annual payments and the payment is due in more than 30 days of the call, we will ask them to call us back within 30 days of the anniversary of their contract.

\*Given that the only payment frequency for Accifamily is annual, payment will be deferred for 90 days.

**What about Universal Life Insurance policies?**

The client can stop paying his premium. First, the funds in the client's contract will be used to pay for insurance costs. If the funds are exhausted, the client can opt to extend the grace period up to 90 days.

**What products are included in this exceptional process?**

All life, critical illness, disability and accident products purchased from iA are eligible, provided that they have been in force on or before March 15, 2020.

**Can I place a request on behalf of my client?**

No. However, you can inform clients of this exceptional premium deferral process and ask them to contact customer service.

**Do I receive my compensation during the deferral period?**

During the 90-day deferral period, you will continue to receive compensation. If the client terminates their policy at the end of the extended 90-day grace period, commission chargeback will apply, considering that the policy has ended at the end of the normal 31-day grace period provided for in the contract.

**Do I need to remind my clients to restart paying their premiums after the 90-day deferral period?**

No, during the call with customer service, clients will be notified that the premium withdrawals will be reactivated after 90 days including an additional amount to cover the reimbursement of the premiums due spread over a period of 12 months

**Does the policy remain in force during the premium deferral period?**

Yes, the policy remains in force.

**Can a claim be submitted during the 90-day deferral period?**

Yes. We offer this exceptional process to help clients continue to enjoy the valuable benefits of their life, critical illness, disability and accident insurance policies.

**Is there an effect on the face amount or coverage amount?**

Yes. If premium deferral has been granted and premiums have not been reimbursed, any premium payments due will be deducted from the face amount or coverage amount.

**Does the deferral include exceptions related to the premium amount?**

For the time being, we will not impose any restrictions on the amount of the deferred premium. The only restriction is on annual premiums which must be changed to monthly premiums during the 90-day deferral period.

Please refer your clients to [ia.ca/covid-19-updates](https://ia.ca/covid-19-updates) for any questions related to premium deferral.

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