

Life Settlements and Loans Fact Sheet

1. Ontario seniors deserve the right to use their life insurance assets in a manner that best suits their needs
2. Insurance companies not acting in consumers' best interests and are putting insurance agents in a conflict of interest.
3. Bill 219 seeks easier access to life insurance equity funds for Ontario seniors
4. A life insurance policy is often one of the most valuable assets that an individual owns
5. Being able to access the built-up equity in their life insurance policies through access to a competitive secondary market for life insurance policies.
6. Life insurance companies seek to protect their monopsony on setting cash surrender values as the value for life insurance policies. They therefore, limit access to the true market value of a life policy.
7. Life settlements and loans are of great value to seniors and those who are terminally ill. It is an alternative to lapsing or surrendering their policies.
8. The ability to access fair value for policies rather than artificially low values provided by life insurers through their current 90-year old monopsony on cash surrender values and accelerated benefits.
9. The need for consumers to have the right to sell, borrow against, or transfer the rights of their insurance assets to others in their best interests.
10. A Life Loan or Life Settlement may be a viable alternative to letting policies lapse.
11. The option for Life Settlements and Loans is legal in Quebec, New Brunswick and Saskatchewan. Why shouldn't Ontario's market economy have the same benefits?
12. Use insurance policies as collateral for a loan
13. Consumers should be able to access the fair market value for an asset that they own
14. Life insurance companies are holding an option to buy a consumer's policy at a price that is less than fair market value, thus limiting a consumer's access to their fair market value.
15. A well-regulated secondary market would right the current inequity.