



NORTH AMERICAN INSURANCE ASSOCIATIONS AGREE ON THE BENEFITS OF NAFTA

The American Council of Life Insurers, American Insurance Association, Canadian Life and Health Insurance Association, Insurance Bureau of Canada and Mexican Association of Insurance Companies issued the following statement today. The groups support the modernization of NAFTA and agree that the treaty has been beneficial to the operations of their member companies.

The North American Free Trade Agreement (NAFTA) has significantly benefitted the insurance markets in Canada, Mexico and the United States. It has facilitated increased trade, improved customer choice, allowed for the provision of more services and has fostered growth and greater cooperation among government policy makers, regulators and insurers in all three countries.

For insurers, NAFTA provided for the removal of ownership restrictions, allowing established companies to compete in each other's markets based on customer service and reputation, not national origin. This has served to improve consumer access to vital insurance products and services and has allowed companies to adapt to their client needs. These improvements stem from increased competition and will continue to allow consumers to seek solutions that best fit their individual needs. NAFTA commitments also create a non-discriminatory government procurement market and provide important protections for investors.

In addition, NAFTA has created regulatory environments that support innovation, market efficiency and regulatory transparency. Its benefits are as important today as they were when the agreement was implemented in 1994. Although the three markets have differences in regulation and supervision, NAFTA has facilitated a vibrant mechanism for improved dialogue among regulators and has created an environment which has allowed the markets to grow and increase their competitiveness.

Critical to the agreement's success has been the NAFTA Financial Services Committee. The committee provides a forum for government policy makers and regulators from Canada, Mexico and the United States to meet annually to discuss regulatory developments in their respective countries and focus on issues of concern. The NAFTA Financial Services Committee has been a valuable mechanism to resolve trade issues through consultation and education instead of lengthy and costly disputes.

The industry associations of Canada, Mexico and the United States support efforts to modernize NAFTA so that it more effectively addresses modern business realities and technologies. Recognizing the vital contribution that NAFTA has played in all three markets, we look forward to working with our governments to ensure that their modernization efforts enhance the existing benefits the NAFTA provides. Through the modernization efforts, we believe that NAFTA will continue to successfully serve the best interests of insurance consumers and companies in the three countries.

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The American Council of Life Insurers (ACLI) is a Washington, D.C.-based trade association with approximately 290 member companies operating in the United States and abroad. ACLI advocates in state, federal, and international forums for public policy that supports the industry marketplace and the 75 million American families that rely on life insurers' products for financial and retirement security. ACLI members offer life insurance, annuities, retirement plans, long-term care and disability income insurance, and reinsurance, representing 94 percent of industry assets, 93 percent of life insurance premiums, and 97 percent of annuity considerations in the United States. Learn more at www.accli.com.

Celebrating its 150th year in 2016, The American Insurance Association (AIA) is the leading property-casualty insurance trade organization, representing approximately 320 insurers that write more than \$125 billion in premiums each year. AIA member companies offer all types of property - casualty insurance, including personal and commercial auto insurance, commercial property and liability coverage, specialty, workers' compensation, homeowners' insurance, medical malpractice coverage, and product liability insurance.

The Canadian Life and Health Insurance Association (CLHIA) is a voluntary, non-profit association that represents 99 percent of Canada's life and health insurance business. Canadian life and health insurers are significant contributors to the Canadian economy. 150,000 Canadians are employed in the sector and a total of \$6.6 billion in taxes are paid to all levels of government each year. With over \$760 billion worth of assets in Canada, the industry is also a long-term provider of investments and capital.

Insurance Bureau of Canada (IBC) is the national industry association representing Canada's private home, auto and business insurers. Its member companies make up 90 percent of the property and casualty (P&C) insurance market in Canada. For more than 50 years, IBC has worked with governments across the country to help make affordable home, auto and business insurance available for all Canadians. IBC supports the vision of consumers and governments trusting, valuing and supporting the private P&C insurance industry. It champions key issues and helps educate consumers on how best to protect their homes, cars, businesses and properties. P&C insurance touches the lives of nearly every Canadian and plays a critical role in keeping businesses safe and the Canadian economy strong. It employs more than 120,000 Canadians, pays \$9 billion in taxes and has a total premium base of \$49 billion. For more information, visit IBC's website at www.ibc.ca.

The Mexican Association of Insurance Companies (AMIS - for its acronym in Spanish) is a nonprofit association with 89 insurance member companies operating in Mexico. AMIS represents the insurance companies at the authorities, public, private and social sectors and gives support to its associates to spread and promote insurance, risk prevention culture, and financial education among Mexican people. AMIS represents all kind of insurance companies: property & casualty, health, life, motor insurance, and reinsurance, which represents 99 percent of insurance premiums in the country. The aim of AMIS is to promote the development of the insurance industry. Nowadays, insurance companies offer economic protection to individuals, families, and companies for \$3,770,000 million dollars in insured amounts and provisions for \$54,483 million dollars.