



2017 PUBLIC ACCOUNTABILITY STATEMENT

Dedicated to Building Strong Relationships



**CANADA
GUARANTY**

Canada Guaranty Mortgage Insurance Company
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2017 PUBLIC ACCOUNTABILITY STATEMENT

The information provided in this Public Accountability Statement includes information related to Canada Guaranty Mortgage Insurance Company's (Canada Guaranty) activities supporting community engagement, number of employees and taxes paid in the most recent fiscal year from January 1 to December 31, 2017. This report is in accordance with our regulatory requirement from the Canadian federal government as outlined in section 489.1(1) of the Insurance Companies Act.

A copy of this Public Accountability Statement is available online through the Canada Guaranty website: <https://www.canadaguaranty.ca/about-us/public-accountability-statements/>

CORPORATE OVERVIEW | VISION AND COMMITMENT TO SERVICE

On April 16, 2010, a Canadian private investor group, comprised of the Ontario Teachers' Pension Plan and National Mortgage Guaranty Holdings Inc., acquired AIG United Guaranty Mortgage Insurance Company Canada. This transaction created the only 100% Canadian-owned private mortgage insurance company, known as Canada Guaranty Mortgage Insurance Company ("Canada Guaranty").

Canada Guaranty is dedicated to meeting the diverse needs of mortgage professionals and home buyers across the country. With a commitment to delivering service excellence, Canada Guaranty is proud to offer personalized support, value-added solutions and a comprehensive suite of mortgage default insurance products to ensure Canadians are provided with greater access to affordable, responsible and sustainable homeownership.

In pursuit of our vision to be the leading private mortgage insurer in Canada, Canada Guaranty is committed to upholding the following standards of excellence:

- Canada Guaranty is dedicated to earning our partners' business by delivering best-in-class service in all of our interactions.
- Regionally-based relationship managers, underwriters and risk experts are empowered to make local market decisions.
- In an evolving housing market, we deepen our customer relationships by being a consultative business partner and a key source of industry knowledge.

For more information about Canada Guaranty and the solutions we provide, please visit www.canadaguaranty.ca

A MESSAGE FROM OUR PRESIDENT AND CEO



In 2017, as our nation celebrated its 150th birthday, the mortgage industry witnessed tremendous change demonstrated through significant regulatory adjustments.

The impact of these changes has been far-reaching, affecting all areas of our industry, and most notably for home buyers. As the housing market continues to change and new challenges are presented, we remain committed to working with our industry partners to ensure home buyers are prepared with the right information before making one of the most significant financial decisions of their life.

Our headquarters are in Toronto, but our team continues to grow across the country. From coast to coast, Canada Guaranty employees live and work in the same communities that support our regional and national mortgage professionals and home buyers alike.

At the core of our company is a culture founded on service excellence, integrity and collaboration. It's reinforced by experienced professionals who define their success by the strength of our relationships.

Just as each relationship is unique, so too is our approach to each home buyer's situation. Every application is an opportunity to demonstrate our commitment to delivering exceptional service, which starts by providing access to a competitive mortgage product suite, designed to support Canadians at every stage of life. It means providing relevant training, professional development, and a knowledgeable resource through regionally-based teams offering unparalleled local market expertise. It means having proven strategies that work with our partners to help borrowers *keep* their homes when faced with unexpected financial hardship. And finally, it means working with our customers to support their customers by creating more opportunities to achieve the dream of homeownership.

As an organization, we pride ourselves on being a valuable extension of our customers' teams. Through effective and responsive support, personalized service and flexible solutions, whether in the office or out in the field, our employees have never been more dedicated to their work, to our partners and to the communities we serve.

We've never been more committed to building strong relationships, and I couldn't be more proud.

Andy Charles
President and Chief Executive Officer
Canada Guaranty

COMMUNITY ENGAGEMENT

Across the country, Canada Guaranty works closely with mortgage lenders, brokers and industry professionals to provide home buyers with essential information and the solutions they need to make informed decisions throughout their home buying journey. At the heart of what we do and the partnerships we build is a commitment to excellence. Since 2010, we have focused on providing more choice and consistent advocacy for greater access to affordable, responsible and sustainable homeownership. Our dedication to this purpose and to supporting our partners extends well beyond the mortgage transaction.

At Canada Guaranty, we are committed to supporting charitable organizations and causes that drive change in our communities, and are proud to partner with industry colleagues to support causes that make a difference in theirs. To that end, employees are encouraged to display their social conscience by volunteering their time and sharing their expertise through a number of events organized within the company, by our industry partners and through regional initiatives hosted across Canada. Whether it is building awareness, mobilizing others to take action, organizing fundraisers supported by company-matching programs, or actively participating in activities with community impact (both during and beyond regular business hours), Canada Guaranty supports employees who are committed to supporting the causes they care about.

Through corporate financial contributions and individual participation, employees from all levels of the organization have taken part in events focused on supporting a variety of regional charities and causes, a few of which are highlighted below:



The Shoebox Project for Shelters supported by Dream: Throughout the company, employees took part in a series of in-office events to build awareness and generate funds to support this project and the programs that provide personalized care packages to women in crisis.



Holiday Helpers: Employees continue to engage in what has become an annual tradition through our “Spirit of Giving” initiative. During this week of generosity, a series of fundraising activities serve to build awareness, promote community involvement and generate funds matched by a corporate donation to support the delivery of Christmas packages to low income families throughout Toronto.



Junior Achievement (JA) Central Ontario: Consistent with our support of continuing education and advocacy for making informed financial decisions, members of the Canada Guaranty team enjoyed a rewarding experience volunteering their time to host a series of classes designed to educate and promote financial literacy among high school and middle school students.



Canada Guaranty was involved in a number of events supporting the exceptional work of **SickKids Hospital**, including the celebrated “**Angels Catwalk for SickKids**” gala, focused on raising funds to advance research, education and innovation to enhance the quality and quantity of life restored by transplantation at SickKids Hospital.



This was Canada Guaranty's fifth year sponsoring and participating in the highly successful Annual Dale Hawerchuk Charity Golf Classic tournaments, hosted in Muskoka, ON and Winnipeg, MB. These exceptional events featured activities to generate significant support for **Easter Seals Ontario** and the **True North Youth Foundation** in Winnipeg.



Steve Ludzik Foundation: Canada Guaranty was proud to return as a key sponsor and participant at the annual charity golf tournament, supporting the Steve Ludzik Parkinson's Rehab Centre and those living with Parkinson's disease in Niagara, ON.



Wellspring Cancer Support Foundation (Ontario and Alberta): Through the "Well Dressed for Spring Fashion Show" fundraiser, Canada Guaranty provided contributions to the Foundation in support of their efforts to help cancer patients improve their quality of life.

As we strive to expand our corporate citizenship and create social impact, we look forward to building on our community relationships and the support we provide to the causes supported by our industry partners.

ACCESS TO FINANCIAL SERVICES AND SOLUTIONS

At Canada Guaranty, we're committed to making homeownership an accessible reality for more Canadians.

Since 2010, Canada Guaranty has helped more than 235,000 Canadians realize their dream of homeownership. With a direct impact on the home buyer's ability to purchase a home, each year Canadians are taking advantage of the improved choice mortgage insurance offers, including:

- The ability to purchase a home without having to save for a 20 per cent down payment.
- A comprehensive product suite designed to meet their unique financial and homeownership needs.
- Greater flexibility through affordable premiums and lower down payment options.
- The ability to port or transfer the mortgage insurance from one home to another, anywhere in Canada.

Whether it is a new graduate, a newlywed, a new parent, or someone who is new to Canada, Canada Guaranty's mortgage solutions support every stage of life and a variety of financial circumstances, including products designed to provide mortgage financing for:

- New homebuyers;
- Borrowers with limited down payment;
- Investment properties;
- Second homes;
- Asset enhancement through value-added home improvements;
- Borrowers who have relocated to Canada; and
- Homeowners wishing to make energy-conscious choices for their home.

For more information about our complete product suite, please visit:

<https://www.canadaguaranty.ca/insurance-products/>

The Homeownership Solutions Program | Helping More Homeowners *Stay* Homeowners

Most Canadians couldn't imagine losing their homes, but unexpected financial difficulties can leave homeowners in a challenging situation. Specifically designed to help borrowers who are experiencing temporary financial hardship, Canada Guaranty's Homeownership Solutions Program offers more options and critical alternatives to potential foreclosure, ensuring borrowers are given the best opportunity for long-term homeownership.

For additional information about the Homeownership Solutions Program, please visit:

<https://www.canadaguaranty.ca/lenders/homeownership-solutions-program/>

Accessibility

Canada Guaranty continually works to inform affected business areas, update internal policies and guidelines, and review customer-facing technologies to ensure requirements are upheld and deadlines are met under the Accessibility for Ontarians with Disabilities Act (AODA). Initiatives are in place to ensure the Canada Guaranty website is fully compliant with the Website Content Accessibility Guidelines (WCAG) 2.0 Level AA, by the January 1, 2021 deadline.

Creating Value through Continuing Education and Industry Training

At the core of our success is a commitment to building strong relationships by providing exceptional value. At Canada Guaranty, we continually adapt to our evolving market environment and the dynamic needs of our customers through education. We do this by fostering open dialogue and by creating opportunities for knowledge sharing through ongoing training in the form of:

- Interactive accredited courses (delivered in-person or live webinar),
- Expert-led industry presentations, and
- Customized regional seminars

For our valued customers, we hope to provide a critical resource to help identify the demands of the Canadian housing market, provide insight to help achieve personal business objectives, and offer solutions to better understand how to approach the circumstances of each unique home buyer.

Please visit the Canada Guaranty Training Centre for a comprehensive overview of the courses available:
<https://www.canadaguaranty.ca/lenders/training-centre/>

First-Time Home Buyer Resources

Canada Guaranty is pleased to offer helpful resources to support first-time home buyers on their journey toward homeownership.

In addition to seeking the knowledge, experience and expertise of a qualified mortgage professional, new home buyers can reference Canada Guaranty's First-Time Home Buyer's Workbook. This comprehensive guide provides helpful information about the home buying process, with a focus on:

- What to consider before purchasing a home;
- What to expect throughout the home buying process; and
- How to budget for future maintenance of the home.

We've deconstructed the homeownership process to ensure home buyers understand:

- Why they need to become familiar with their household finances;
- What they can comfortably afford;
- How financial stability and responsible credit management are critical to qualifying for a mortgage;
- Who has the industry knowledge and experience to help them make the right decisions;
- Where they can find the necessary resources and solutions available to support their unique homeownership goals; and
- When to take the next steps throughout the home buying process.

Canada Guaranty's First-time Home Buyer's Workbook is designed to empower new home buyers with the knowledge and confidence to make informed decisions. It ensures they understand how to increase their purchasing power to successfully find and finance their dream home.

For additional information about the First-Time Home Buyer's Workbook, please visit:
<https://www.canadaguaranty.ca/firsttimehomebuyersworkbook/>

OUR EMPLOYEES

Our team of dedicated, knowledgeable and experienced professionals has made Canada Guaranty the successful company that it is today. We are committed to building a strong culture where employees feel engaged and empowered to make their own decisions, where they are encouraged to collaborate to find better solutions, and where they are given the training, resources and support they need to thrive in a rewarding career.

Headquartered in Toronto, the Canada Guaranty team continues to expand to support mortgage professionals and home buyers through regional risk managers, account executives and underwriters contributing to more than 100 employees across Canada.

As of December 31, 2017, Canada Guaranty had 120 employees, including 116 full-time and 4 part-time employees.

- Toronto Head Office: 72 Full Time | 4 Part-Time
- Regional Employees: 44 Full-Time
- **Total Number of Employees: 120**



TAXES | CONTRIBUTING TO ECONOMIC GROWTH

In 2017, Canada Guaranty recorded a total of \$53.9 million of Canadian taxes paid. This includes a total of \$42.7 million of corporate income taxes and \$11.2 million of premium taxes. The following table shows the taxes paid to federal and provincial governments in 2017, as applicable.

Canada Guaranty Tax Payments for the year ending December 31, 2017

Region	Income Taxes (\$)	Premium Taxes (\$)	Total (\$)
Federal	23,303,661.00		23,303,661.00
Alberta	4,434,370.00	3,027,000.00	7,461,370.00
British Columbia	2,770,450.00	2,063,093.00	4,833,543.00
Manitoba	582,720.00	298,350.00	881,070.00
New Brunswick	155,791.00	68,370.00	224,161.00
Newfoundland and Labrador	281,624.00	192,250.00	473,874.00
Northwest Territories	15,181.00	8,100.00	23,281.00
Nova Scotia	551,681.00	282,440.00	834,121.00
Nunavut	1,746.00	900.00	2,646.00
Ontario	6,924,109.00	3,699,030.00	10,623,139.00
Prince Edward Island	39,837.00	20,400.00	60,237.00
Quebec	2,910,919.00	1,096,026.00	4,006,945.00
Saskatchewan	675,012.00	470,640.00	1,145,652.00
Yukon	26,155.00	7,942.00	34,097.00
TOTAL	\$42,673,256.00	\$11,234,541.00	\$53,907,797.00



**CANADA
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