

SSQ Financial Group

From Past to Present

April 29, 2011

The 1940s

- The working class can't afford medical treatment
- No universal public plan
- Doctors await patients... but they don't come because they don't have the money

1944: SSQ

- Dr. Jacques Tremblay
 - Foundation of the Coopérative de santé de Québec



1945/1946: SSQ

1945

- 11 members / 3 doctors
- \$5 annual membership fee charged to members
- Monthly fee of \$2.60 per family

1946

- First group insurance policy issued
- Collège de Lévis

Les Services de Santé du Québec
(origin of SSQ acronym)

SSQ – Partners

1957 – CIC (CSQ) 1st contract

1960 – CTCC (CSN)

1965 – FTQ

Hospital Insurance Act – 1961

- Loss of insurance for hospital fees
- Innovation
 - Improved service under the other coverage
 - Private or semi-private hospital room
 - Surgical expenses
 - Extended coverage for medical visits

1963/1964: SSQ

1963

- Addition of disability insurance and extended health insurance coverage

1964

- A private act broadens the powers of Les Services de Santé du Québec
 - Life insurance
 - Capital accumulation products

1966: SSQ

- Creation of public pension plans
 - Quebec Pension Plan
 - Canada Pension Plan
- SSQ innovates by launching supplemental pension plan products

Hospital Insurance Act – 1970

- Enactment of Quebec's *Health Insurance Act* strikes a hard blow to SSQ
- Health insurance represents 71% of total premiums
- Innovation results in 3 new types of coverage:
 - Dental care
 - Vision care and chiropractic care
 - Other health care services are added later (acupuncture, physiotherapy, etc.)

1982 to 1990

- Creation of SSQ Realty Inc.
- Creation of SSQ General Insurance Inc.

Major financial crisis in Canada – 1992

Les Coopérants	➤	Bankruptcy
Confederation Life	➤	Bankruptcy
Sovereign Life	➤	Bankruptcy
Laurentian Life	➤	Merger with Desjardins
The Solidarity	➤	Merger with Industrial Alliance

- SSQ records \$40 million loss on \$60 million in holdings
- Reasons: disability insurance and real estate
- Worst crisis in SSQ history, threatening the renewal of our insurer's license

Major financial crisis in Canada – 1992

Solutions envisioned

- Mergers
- More capital

Solution adopted

- Agreements with partners
 - CSN Partner of SSQ, Mutual Management Corporation
 - FSTQ Partner of SSQ, Life Insurance Company Inc.
 - CSQ Renewal of contract

Since 1994

- Rapid growth
 - Group and individual insurance
 - Investment and Retirement
 - General Insurance
- Maintain excellent customer service
- Reasonable rate of return

SSQ Financial Group

- An organization guided by mutualist values
- These values set us apart and add to our success

“The mission of SSQ Financial Group is to serve the interests of our members and clients by offering high-quality products and services to help them plan and protect their financial security throughout their lives, while taking inspiration from the mutualist values that place people and social development at the very heart of what we do.”

Our Values

- Mutualism
- Accessibility
- Expertise
- Commitment
- Integrity
- Respect

Mutualism

“A form of voluntary provision for the future, through which members of a group provide a social safety net for one another in the event of illness, maternity, disability, old age, death, etc. and are guaranteed certain benefits in return for paying a contribution.”

Cooperation and Mutualism

- In Canada
 - Over 10,000 co-operatives, caisses populaires, credit unions and mutuels
 - Total assets of \$225 billion
 - 155,000 jobs

Committed to Promoting Mutualism

- Mutualism workshops
- SSQ Youth Co-op (CJSSQ)
- Mutualism Promotion Committee
- Mutual Life Promotion Committee
- Conseil québécois de la coopération et de la mutualité (CQCM)
- Conseil canadien de la coopération et de la mutualité (CCCM)
- Canadian Co-operative Association (CCA)
- Fondation pour l'éducation à la coopération et à la mutualité

Committed to Promoting Mutualism

- Institut de recherche et d'éducation pour les coopératives et les mutuelles de l'Université de Sherbrooke (IRECUS)
- Société de coopération pour le développement international (SOCODEVI)
- International Cooperative and Mutual Insurance Federation (ICMIF)

Committed to Promoting Mutualism

- Community involvement
 - Dedicated employees
 - Donations policy
 - SSQ Foundation
 - Sponsorship program
 - Partnerships (e.g., international missions)

SSQ, Mutual Management as at April 1, 2010

- 3,011 contracts
- 990,751 members
- 248 delegates

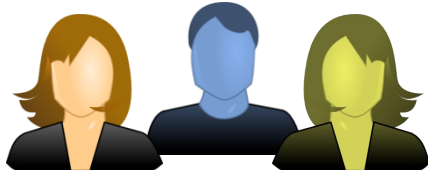
Member

Any person holding an insurance, annuity or investment contract established by SSQ, Life Insurance Company Inc., either directly or by way of enrolment in a group, is a member SSQ Mutual Management Corporation.

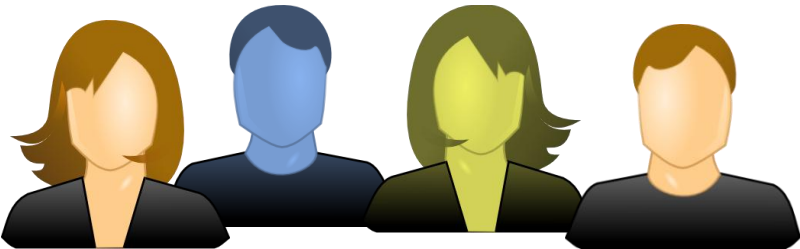
990,751 SSQ Mutual Management Corporation members
designate 248 delegates

DELEGATES

DELEGATES



VOTE at the AGM



Directors

Directors

Board of Directors
SSQ, Mutual Management Corporation

Designation of Delegates at the AGM

To facilitate the process of designating delegates, groups and members are divided into five categories:

- Groups with 700 members or more
- Groups with under 700 members
- Partner groups
- Group made up of individual members
- Group made up of employee and retiree members of SSQ

Delegate Designation in 2011

Results

Groups of 700 +:	112 / 173
Groups of – 700:	19 / 36
Partner groups:	16 / 19
Individual members:	13 / 14
SSQ members:	3 / 3
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Total:	163 / 245

Geographical distribution

Quebec:	134
Ontario:	15
Manitoba:	4
Alberta:	8
Nova Scotia:	1
New Brunswick:	1

Annual General Meeting

- Role of delegates at the AGM
 - Receive Board of Directors report, financial statements and independent auditor's report
 - Appoint auditor for the next fiscal year
 - Elect directors
 - Discuss all other issues on the table