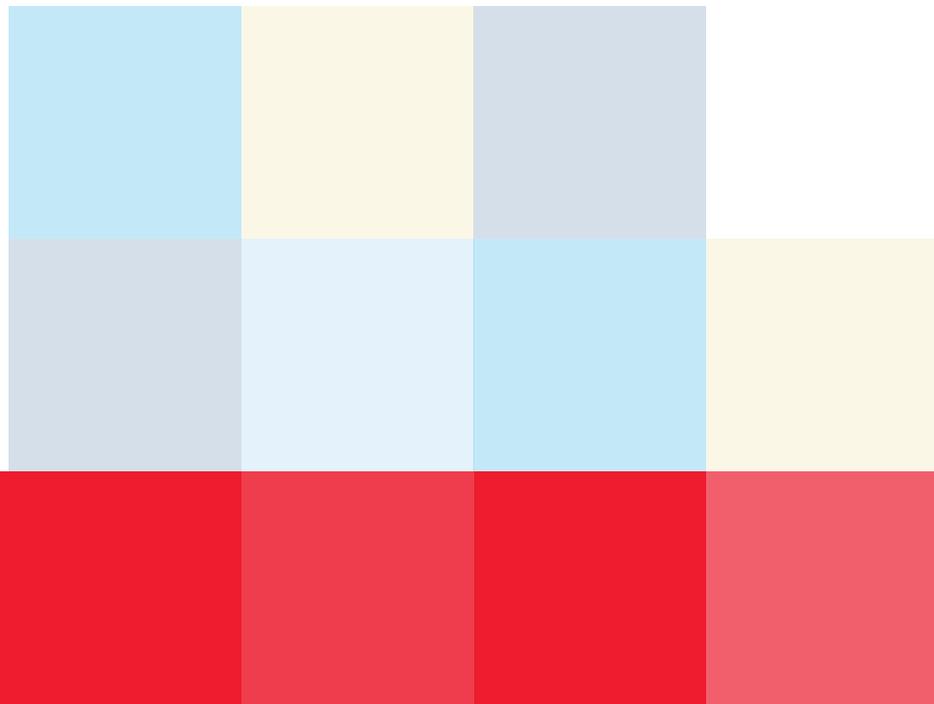




Compliance:

Know your obligations



New regulatory and industry requirements over the past several years have changed the way you do business.

It's your responsibility and in your best interest to comply with these requirements and maintain a compliant practice.

[We want to help you meet your obligations](#)

This quick-reference guide covers some of the more critical compliance requirements for your business. The guide is not an exhaustive list, but it does provide a description of what's required for more critical matters and where to go to find more information on how to comply with each requirement.

The topics and tools described in this guide should be used in context and conjunction with Canada Life's code of business conduct and ethics which should be the guiding principles of doing business with Canada Life™. After all, it's important to not only do things right (follow the rules), but also to do the right things (do what's in the client's best interests).

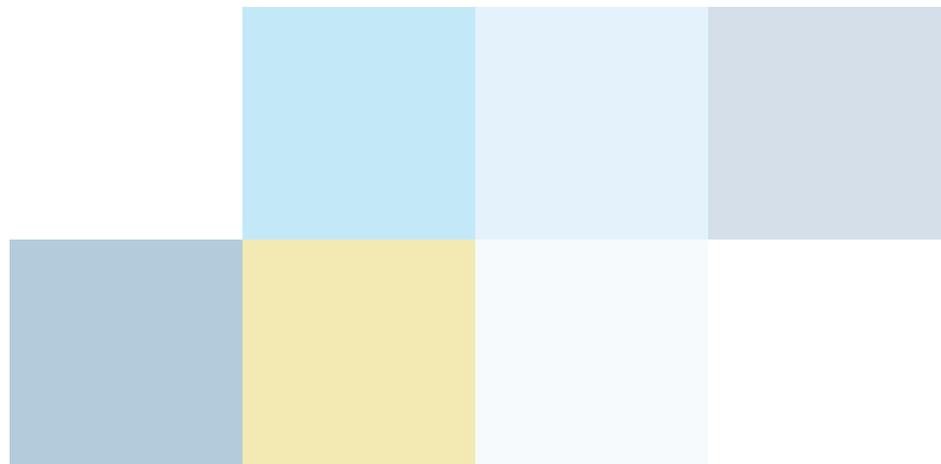
[Take advantage of the compliance support we offer](#)

On Canada Life RepNet™, there are more resources and several tools to help you run a compliant business. Examples include privacy and anti-money laundering guidelines, advisor disclosure templates and privacy best practices.

Remember legislation, regulation, policies and guidelines serve to promote consumer confidence in the financial services industry. Maintaining a compliant business will give you the confidence to weather any issue that may arise.

And at the end of the day, your reputation is your greatest asset.

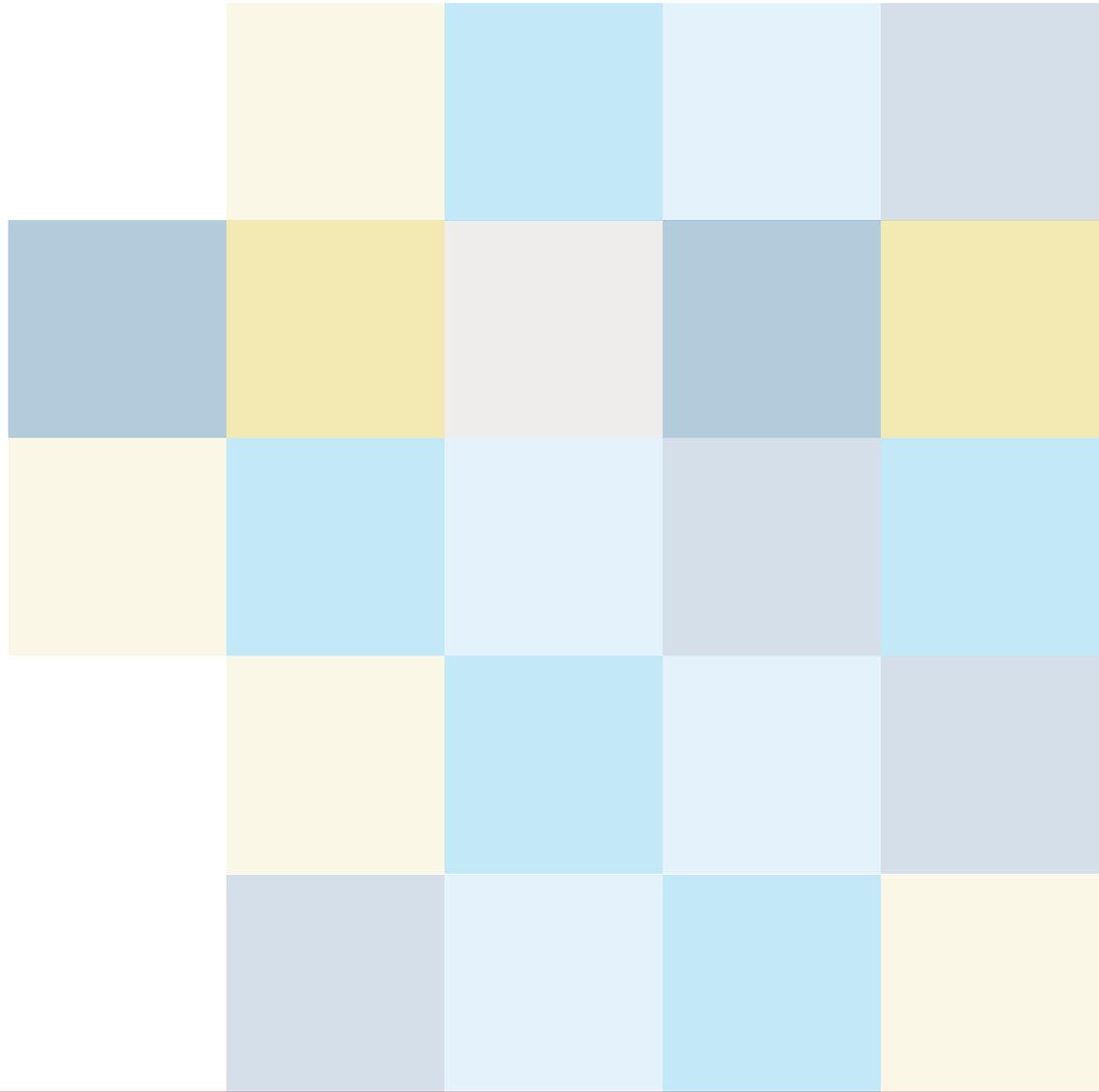
This guide is accurate to the best of our knowledge as of Jan. 1, 2015. Please note, regulations and interpretations change and any such changes take priority. This guide and updates are available on RepNet under Advisor support > Compliance > General policies & reference materials.



Compliance item	Your obligation(s)	For information on how to comply
Privacy	<p>You must comply with the <i>Personal Information Protection and Electronic Documents Act</i> and its regulations (or equivalent provincial privacy laws) to safeguard the personal information you gather from clients. You must:</p> <ul style="list-style-type: none"> ■ Establish a compliance program for your practice and any persons employed by you or your corporation or acting on behalf of your corporation. Obtain appropriate consents from clients to collect, use and disclose their personal information ■ Use call authentication procedures ■ Ensure appropriate information security measures are in place (for your portable device(s) and contents; client files, etc.) ■ Appropriately dispose of confidential information ■ Have a record retention policy ■ Notify insurer of any privacy incident or complaint 	<p>Canada Life's privacy guidelines and tools are located on Canada Life RepNet™ under Advisor support > Compliance > Privacy.</p> <p>Various reference documents can be found on the website of the Office of the Privacy Commissioner of Canada at: www.privcom.gc.ca/index_e.asp and for Quebec advisors on the website of the Commission d'accès à l'information du Québec at: www.cai.gouv.qc.ca.</p>
Records retention	<p>Maintain accurate and complete files and records of all interactions with your clients, including: copies of sales illustrations/quotes; notes of meetings and phone conversations and any correspondence; administrative documents prepared for your clients.</p> <p>Files and records must be maintained for at least any minimum period required by law.</p>	<p>Refer to Canada Life's code of business conduct and ethics available on RepNet under Advisor support > Compliance > Codes of conduct.</p> <p>Quebec specific requirements are available in the compliance reference manual on RepNet under Advisor support > Compliance > General policies & reference materials.</p>
Client Files	<p>Client files should contain information that demonstrates the suitability of the sale as well as how products and services are provided.</p> <p>Some important items your files should contain are:</p> <ul style="list-style-type: none"> ■ Client consent to collect, use and disclose their personal information ■ Disclosure of advisor information, signed by client ■ Fact find and needs analysis ■ Recommendations ■ Investment risk assessments ■ Illustrations and sales aids presented to and discussed with clients ■ Log of communications, discussions and meetings with clients <p>It's recommended you not keep:</p> <ul style="list-style-type: none"> ■ Copies of life insurance applications containing medical information (not applicable in Quebec) ■ Original insurance policies ■ Original wills or any other legal documents ■ Powers of attorney ■ Client copies ■ Pre-signed blank forms 	<p>Canada Life's client file guideline, including specific requirements in Quebec are available on RepNet under Advisor support > Compliance > Client file & record retention.</p>
Product suitability – needs-based sales practices	<p>You must place the interests of clients and prospective clients before your own, by doing the following:</p> <ul style="list-style-type: none"> ■ Implement a consistent process to ensure an appropriate fact find and needs analysis are performed before products are recommended to clients ■ Keep complete documentation in client files to verify existence and suitability of products recommended/sold and services offered/rendered to clients ■ For mutual funds, know your client procedures must be followed 	<p>Follow the industry guideline on product suitability, available on the Canadian Life and Health Insurance Association (CLHIA) website: www.clhia.ca under The Industry > Materials for Financial Advisors</p>
Anti-money laundering and anti-terrorist financing	<p>Your responsibilities under the <i>Proceeds of Crime (Money Laundering) and Terrorist Financing Act</i> ("Money Laundering Act") are to:</p> <ul style="list-style-type: none"> ■ Report suspicious transactions to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) ■ Submit a Terrorist Property Report to FINTRAC ■ Establish a compliance program for your practice and any persons employed by you or your corporation, as the case may be 	<p>Follow FINTRAC guidelines at: www.fintrac.gc.ca</p> <p>Canada Life's anti-money laundering and anti-terrorist financing compliance program and toolkit are available on RepNet under Advisor support > Compliance > Anti-money laundering.</p>
Errors & omissions (E&O) insurance	<p>You're required to hold professional liability insurance as a requirement of your life insurance license.</p> <p>Important points:</p> <ul style="list-style-type: none"> ■ It's your responsibility to notify your insurance carrier in the event of a claim or potential claim ■ Review your E&O insurance policy carefully ■ Some provinces require you maintain E&O coverage when you leave the business 	<p>Refer to Canada Life's code of business conduct and ethics available on RepNet under Advisor support > Compliance > Codes of conduct.</p>

Compliance item	Your obligation(s)	For information on how to comply
Advisor Disclosure	<p>The purpose of disclosure is to help you acknowledge conflicts of interest. The information you provide will allow the client to decide whether you'll offer objective recommendations.</p> <p>You must provide the following in writing to your client prior to a transaction:</p> <ul style="list-style-type: none"> ■ Financial services companies you represent ■ Nature of relationship between you and the insurance company you represent ■ How you're compensated and by whom ■ If you may be eligible for additional compensation (cash or non-monetary compensation such as travel) ■ Any conflict of interest with the client 	<p>Managing conflicts of interest can be found in Canada Life's code of business conduct and ethics available on RepNet under Advisor support > Compliance > Codes of conduct.</p> <p>Disclosure compliance tools are available on RepNet under Advisor support > Compliance > Managing conflicts of interest.</p>
Licensing	<p>You must comply with all provincial licensing requirements.</p> <p>You must be licensed in the province(s) in which you conduct business for all products you offer.</p> <p>This applies to new business or policies applied for through contractual rights, such as term conversions.</p>	<p>Obtain more information and prescribed forms from the provincial insurance regulator in the province(s) in which you are licensed to conduct business.</p>
Replacements	<p>All replacements must be carried out in accordance with the applicable provincial regulations. You must not, directly or indirectly, induce or attempt to induce a policyowner to replace a policy.</p> <p>You must:</p> <ul style="list-style-type: none"> ■ Ensure any recommended replacement serves the best interest of the client. Prior to taking the application for the new coverage, you must ensure you consider all relevant information. For example: <ul style="list-style-type: none"> - Policyowner's insurance needs - Number of dependants - Personal and family obligations - Financial means - Details of all existing life insurance policies - Ensure replacements are not detrimental to the interests of the policyowner/insured and explain all implications of the replacement to clients ■ Complete the appropriate replacement disclosure forms and review fully with the client 	<p>Obtain more information and prescribed forms from the provincial insurance regulator in the province(s) in which you are licensed to conduct business.</p> <p>Canadian Life and Health Insurance Association (CLHIA): www.clhia.ca under The Industry > Materials for Financial Advisors</p> <p>Quebec specific requirements are also available in the compliance reference manual on RepNet under Advisor support > Compliance > General policies & reference materials.</p>
Do Not Call List (DNCL) and telemarketing rules	<p>Check phone numbers against the national Do Not Call List (DNCL) and your own internal DNCL before making any unsolicited calls, including those resulting from referrals. If the number is on either list, you must obtain express consent from the individual(s) before calling.</p> <p>Exemptions from the national DNCL rules (telemarketing rules still apply):</p> <ul style="list-style-type: none"> ■ Calls to businesses about group products ■ Unsolicited calls for the purpose of solicitation where there is an existing business relationship <p>Exclusions (neither DNCL nor telemarketing rules apply):</p> <ul style="list-style-type: none"> ■ Service calls ■ Survey calls 	<p>Rules, definitions, registration and subscription information are available at the following websites:</p> <p>The Canadian Radio-television and Telecommunications Commission (CRTC): www.crtc.gc.ca</p> <p>Canadian Life and Health Insurance Association (CLHIA): www.clhia.ca under The Industry > Materials for Financial Advisors</p>
Anti-spam legislation	<p>You must have consent before sending electronic messages that have a commercial intent, referred to as commercial electronic messages (CEMs), to:</p> <ul style="list-style-type: none"> ■ Existing clients ■ Referrals (exemptions for first contact, given specific relationships) ■ Potential clients that have provided you with a business card with an email address ■ Potential clients that have published their email address on a public website or LinkedIn profile <p>All emails must contain required contact information and unsubscribe information. Keep up-to-date records of consents and unsubscribe requests.</p>	<p>The rules are extensive. More information, definitions and details on exemptions are available at: www.fightspam.gc.ca</p> <p>Training is provided on RepNet under Advisor support > Compliance > General policies & reference material.</p>
Prohibited practices	<p>You must not engage in any unfair or deceptive act or practices. These generally include, but are not limited to:</p> <ul style="list-style-type: none"> ■ Rebating (except in British Columbia and Alberta, as permitted by law) ■ Sharing of commissions with non-licensed persons ■ Waiving fees as an inducement to purchase insurance ■ Churning of business ■ Inducement to lapse or surrender any insurance coverage ■ Misrepresentation ■ Coercion through a professional relationship 	<p>For more details on acts or practices that are prohibited, consult the provincial insurance regulator in the province(s) in which you are licensed.</p>

Compliance item	Your obligation(s)	For information on how to comply
Prohibited trading practices	You must not engage in late trading, market timing, detrimental frequent trading or discretionary trading.	Refer to Canada Life's code of business conduct and ethics, found on RepNet under Advisor support > Compliance > Codes of conduct.
Handling client concerns and complaints	<p>All client concerns must be addressed within 24 hours (in Quebec, acknowledgement of receipt must be sent within five business days).</p> <p>You must:</p> <ul style="list-style-type: none"> ■ Keep the client updated on your progress to address the concern/complaint ■ Document the concern and activities related to its resolution, and keep the information in the client file ■ Involve your Canada Life individual sales vice-president if the matter cannot be resolved in a reasonable time 	<p>See the complaint process and registry on RepNet under Advisor support > Compliance > General policies & reference materials > Complaint handling policy & procedures.</p> <p>Quebec advisors should be aware of the Autorité des marchés financiers (AMFs) proposed complaint and concerns handling process at: www.lautorite.qc.ca/en/complaint-examination-obligations.html</p>
Product description	<p>You must:</p> <ul style="list-style-type: none"> ■ Provide clients and prospects with clear, honest, relevant, factual and complete information about the products and services offered ■ Accurately present the terms and conditions of insurance products and clearly explain, in a balanced presentation, both guaranteed and non-guaranteed values and features ■ Sell products and services on their merits <p>You must not:</p> <ul style="list-style-type: none"> ■ Provide incomplete, false or misleading information through the manipulation of presentations and/or illustrations or otherwise ■ Discredit or defame Canada Life's competitors, their advisors or their products or services 	Refer to the illustrations guideline available on RepNet under Products & tools, then choose the appropriate product.
Sales illustrations	You must only make use of illustrations produced by Canada Life's illustrations system when illustrating Canada Life products.	Refer to Canada Life's code of business conduct and ethics, available on RepNet under Advisor support > Compliance > Codes of conduct.
Advertising	You are not authorized to develop personalized advertising or promotional materials containing the Canada Life logo.	<p>Refer to Canada Life's code of business conduct and ethics, available on RepNet under Advisor support > Compliance > Codes of conduct.</p> <p>Quebec advisors should refer to the AMF guide titled Rules for business cards and other representations, available at: www.lautorite.qc.ca/files/pdf/publications/professionnels/assurance/guide-cartes-affaires-an.pdf</p>
Firms (Quebec only)	Other obligations apply to incorporated advisors in Quebec. You must establish a compliance structure in the corporation and ensure all employees and advisors comply with applicable rules.	For information on the firm's obligations, refer to the appropriate copy of the compliance reference manual on RepNet under Advisor support > Compliance > General policies & reference materials.
Provincial government websites	<p>Alberta: Alberta Insurance Council: www.abccouncil.ab.ca</p> <p>British Columbia: Financial Institutions Commission of British Columbia: www.fic.gov.bc.ca</p> <p>British Columbia: Insurance Council of British Columbia: www.insurancecouncilofbc.com</p> <p>Manitoba: The Insurance Council of Manitoba: www.icm.mb.ca</p> <p>New Brunswick: Government of New Brunswick: www.gnb.ca</p> <p>Newfoundland and Labrador: Government of Newfoundland and Labrador: www.servicenl.gov.nl.ca/insurance</p> <p>Northwest Territories: Government of the Northwest Territories: www.gov.nt.ca/</p> <p>Nova Scotia: Finance and Treasury Board: www.novascotia.ca/finance/en/home/insurance/default.aspx</p> <p>Nunavut: Government of Nunavut: www.gov.nu.ca</p> <p>Ontario: Financial Services Commission of Ontario (FSCO): www.fSCO.gov.on.ca</p> <p>Prince Edward Island: The Government of Prince Edward Island: www.gov.pe.ca</p> <p>Quebec: Autorité des marchés financiers (AMF): www.lautorite.qc.ca</p> <p>Quebec: Commission d'accès à l'information (Privacy): www.cai.gouv.qc.ca</p> <p>Saskatchewan: Insurance Councils of Saskatchewan: www.skCouncil.sk.ca</p> <p>Yukon: Government of Yukon: www.gov.yk.ca</p>	



Helping people achieve more™