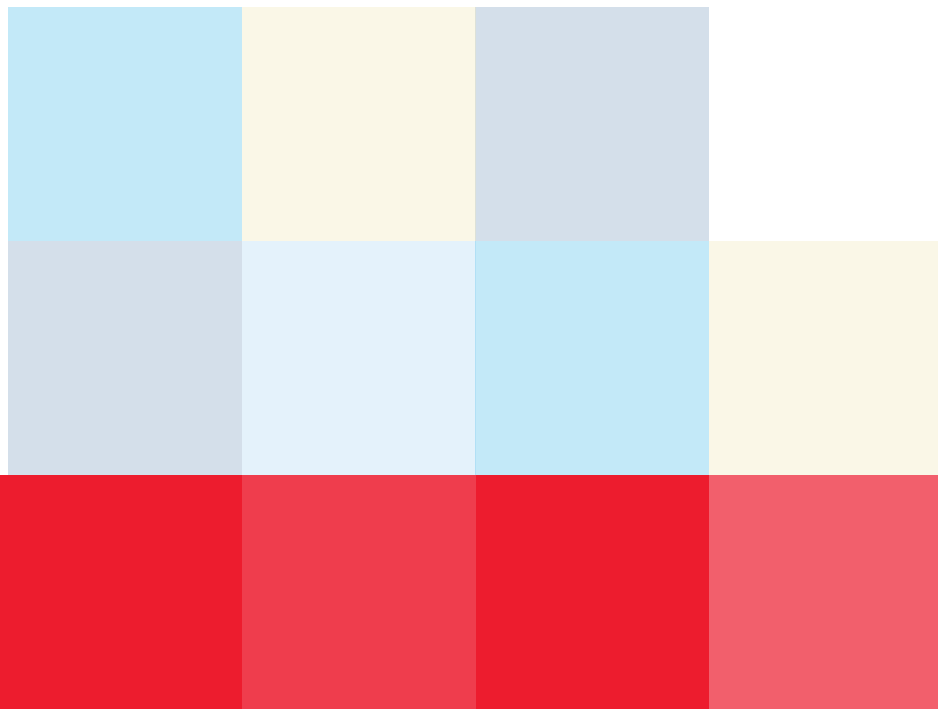




Compliance:

Know your obligations



Compliance item	Your obligation(s)	For information on how to comply
Needs-based sales practices	<p>You must place the interests of clients and prospective clients before your own by:</p> <ul style="list-style-type: none"> ■ Implementing a consistent process to ensure an appropriate fact find and needs analysis are performed before products are recommended to clients ■ Keeping complete documentation in client files to verify suitability of products recommended/sold and services offered/rendered to clients ■ If registered as a firm in Quebec, regularly audit client files to verify existence and suitability of needs analysis 	<p>The industry guidelines on product suitability, called The Approach can be found on RepNet under <i>Advisor support > Compliance > Managing conflicts of interest > Needs-based sales practices – the Approach</i>.</p>
Client files	<p>Client files must contain information that demonstrates the suitability of the sale. Some key items your files must contain are:</p> <ul style="list-style-type: none"> ■ Client consent to collect, use and disclose personal information ■ Fact find and needs analysis ■ Disclosure of advisor information signed by policyowner ■ Recommendations ■ Investment risk tolerance assessments for investment products or universal life insurance policies ■ Illustrations and sales aids presented to and discussed with clients ■ Records of client contacts/correspondence (includes a log of telephone contact and failed attempts, meeting summaries, emails, letters, faxes, etc.) ■ Copies of correspondence (from the advisor, client, etc.) ■ Forms/confirmations to support various transactions or requests <p>Specific to Quebec client files:</p> <ul style="list-style-type: none"> ■ Fact find acknowledgment receipt provided to the client no later than the date the policy is delivered ■ Policy delivery receipt and illustration signed by client ■ Copies of applications for insurance (including medical and lifestyle information) and savings and/or income investment products ■ Confirmation of client's decision (for all types of sales) – <i>if applicable</i> ■ Copy of replacement form with proof of sending ■ Financial planner files: Mandate and report from the financial planner – <i>if applicable</i> ■ Group insurance files: Mandate letter – <i>if applicable</i> 	<p>Canada Life's client file policy, including specific requirements in Quebec are available on RepNet under <i>Advisor support > Compliance > Client file & record retention</i>.</p>
Advisor disclosure	<p>The purpose of disclosure is to help you manage conflicts of interest. The information you provide will allow the client to decide if they are satisfied that you will offer objective recommendations. You must provide the following information 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 insurance company ■ How you're compensated and by whom ■ If you may be eligible for additional compensation (cash or non-monetary compensation such as travel) ■ Any actual or potential conflicts 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 <i>Advisor support > Compliance > Codes of conduct</i>.</p> <p>Disclosure compliance tools are available on RepNet under <i>Advisor support > Compliance > Managing conflicts of interest</i>.</p>
Privacy	<p>The <i>Personal Information Protection and Electronic Documents Act</i> (PIPEDA), or other similar provincial legislation, requires you to have a written privacy compliance program and to obtain client consent for the collection, use and disclosure of clients' personal information.</p> <p>To meet this obligation 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 or disclose their personal information ■ Ensure all employees and representatives of the corporation, as well as third parties who have access to the corporation's premises or computers, have signed a confidentiality agreement ■ Use call authentication procedures ■ Ensure appropriate information security measures are in place for your electronic devices, client files, etc. ■ Appropriately dispose of information ■ Have a record retention policy ■ Ensure you have access to and only use information necessary for the pursuit of your activities ■ Provide ongoing privacy training to employees and persons acting on behalf of the corporation 	<p>Canada Life's privacy guidelines and tools are on RepNet under <i>Advisor support > Compliance > Privacy</i>.</p> <p>Call authentication procedures are on RepNet under <i>Advisor support > Compliance > Privacy</i>.</p> <p>Various reference documents are on the website of the Office of the Privacy Commissioner of Canada at: www.privcom.gc.ca/index_e.asp and on the Commission d'accès à l'information du Québec's website at: www.cai.gouv.qc.ca/ for Quebec 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"> ■ Establish a written compliance program for your practice and any persons employed by you or your corporation ■ Report suspicious transactions and suspicious attempted transactions to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) ■ Provide ongoing AML training to employees and persons acting on behalf of the corporation 	<p>Canada Life's anti-money laundering and anti-terrorist financing compliance program is on RepNet under <i>Advisor support > Compliance > Money laundering & terrorist reporting</i>.</p> <p>FINTRAC guidelines can be found at: www.fintrac.gc.ca</p>
Licensing	<p>You're required to comply with all provincial licensing requirements. You and your corporation (if applicable) must be licensed in the province(s) in which you conduct business for all products you offer. This also 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>

Compliance item	Your obligation(s)	For information on how to comply
Errors & omissions (E&O) insurance	<p>Canada Life requires that all contracted advisors carry E&O coverage. You must maintain E&O coverage as a condition of licensing. In certain jurisdictions, there is also a requirement to maintain fraud coverage.</p> <p>Important points:</p> <ul style="list-style-type: none"> ■ It's your responsibility to notify your E&O insurance carrier in the event of a claim or potential claim ■ Review your E&O insurance policy carefully ■ Some provinces require that you maintain E&O coverage when you leave the business ■ If registered as a firm in Quebec, you must ensure that advisors attached to your firm also maintain proper liability insurance 	<p>Refer to Canada Life's code of business conduct and ethics available on RepNet under <i>Advisor support > Compliance > Codes of conduct</i>.</p>
Handling client concerns and complaints	<p>All client concerns must be acknowledged within 24 hours (in Quebec, acknowledgment 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>If you are registered as a firm in Quebec you must also:</p> <ul style="list-style-type: none"> ■ Establish a complaint handling policy and designate a person responsible for applying such policy ■ Enter all complaints in a register to send to the Autorité des marchés financiers (AMF) twice a year ■ Keep Canada Life informed of your handling of the complaint as well as your final response 	<p>See the complaint process on RepNet under <i>Advisor support > Compliance > General policies & reference</i>. 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>
Canadian Anti-Spam Legislation (CASL)	<p>CASL places restrictions on commercial electronic messages (CEMs). CEMs are defined as emails, texts, instant messages and certain social media messages that encourage individuals to engage in a commercial activity.</p> <p>Organizations and individuals are prohibited from sending CEMs unless the following three requirements are met:</p> <ol style="list-style-type: none"> 1. You have the recipient's implied or express consent. Consent is implied with existing clients but not prospects. If you are contacting a referral, you do not require consent for the first CEM; however, you must include the full name of the person who referred you. 2. The message includes your contact information. 3. An unsubscribe option is included in the message to allow the recipient to opt out of receiving future messages. 	<p>Information is provided on RepNet under <i>Advisor support > Compliance > General policies & reference material</i>.</p> <p>For additional information about how the anti-spam legislation affects your business visit: www.crtc.gc.ca/eng/internet/anti.htm.</p>
Records retention	<p>You are required to follow a records retention policy.</p> <p>You must not conceal, destroy or alter any Canada Life records that are relevant to any pending, threatened or anticipated regulatory investigation or legal proceeding.</p> <p>You must keep all records, accounting and files relating to clients, including information on separate account and commission register for the retention time period prescribed in your province.</p>	<p>Refer to Canada Life's code of business conduct and ethics available on RepNet under <i>Advisor support > Compliance > Codes of conduct</i>.</p> <p>Quebec-specific requirements are available in the compliance reference manual on RepNet under <i>Advisor support > Compliance > General policies & reference materials</i>.</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. If you recommend a client replace an existing life insurance policy, you must ensure the replacement serves the best interest of the client.</p> <p>To satisfy regulatory replacement requirements, you must review the <i>Life Insurance Replacement Declaration (LIRD)</i> – or in Quebec, the <i>Notice of Replacement of Insurance of Persons Contract</i> – with the client and provide them with a written explanation of the advantages and disadvantages of replacing the policy.</p>	<p>Replacement requirements, including requirements specific for Quebec, are on RepNet under <i>Advisor support > Compliance > General policies & reference materials</i>.</p> <p>Obtain additional information and prescribed forms from the provincial insurance regulator in the province(s) in which you are licensed to conduct business.</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 product 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 	<p>Product information is available on RepNet under <i>Products & Tools</i>.</p>
Sales illustrations	<p>You must only make use of illustrations produced by Canada Life's illustrations system when demonstrating Canada Life products.</p>	<p>Refer to Canada Life's code of business conduct and ethics, available on RepNet under <i>Advisor support > Compliance > Codes of conduct</i>.</p>

Compliance item	Your obligation(s)	For information on how to comply
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 BC and AB, as permitted by law) ■ Sharing commissions with non-licensed persons ■ Waiving fees as an inducement to purchase insurance ■ Churning business ■ Inducement to lapse or surrender any insurance coverage ■ Misrepresentation ■ Coercion through a professional relationship ■ Exercising activities outside the limits of those permitted under your licensing 	Consult the provincial insurance regulator in the province(s) in which you are licensed, for more details on prohibited acts or practices.
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 <i>Advisor support > Compliance > Codes of conduct</i> .
Advertising	<p>You are not authorized to develop personalized advertising or promotional materials containing the Canada Life logo.</p> <p>If you exercise your activities in Quebec you have the following obligations:</p> <ul style="list-style-type: none"> ■ Your advertising or representations should include the name the corporation is authorized to use in Quebec and its titles in accordance with its AMF registration <p>You must not:</p> <ul style="list-style-type: none"> ■ Use trademarks, slogans, symbols or anything likely to cause confusion, to mislead or indicate an advisor's income or financial performance 	<p>Refer to Canada Life's code of business conduct and ethics, available on RepNet under <i>Advisor support > Compliance > Codes of conduct</i>.</p> <p>Quebec advisors may find additional information in the AMF guide entitled <i>Rules for business cards and other representations</i> on the AMF website at: www.lautorite.qc.ca/files/pdf/publications/professionnels/assurance/guide-cartes-affaires-an.pdf.</p>
Do not call list (DNCL) and telemarketing rules	<p>Check phone numbers against the national DNCL and your own internal do not call (DNC) list 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. If you make unsolicited calls, on your own behalf, you must also:</p> <ul style="list-style-type: none"> ■ Register with the DNCL operator ■ Subscribe to the national DNCL ■ Provide specified caller identification ■ Be responsible for those calling on your behalf (associate advisors, operations team members, etc.) ■ Place calls only within defined hours <p>When making unsolicited calls, you must not identify yourself as representing or calling on behalf of Canada Life.</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>The definition of an existing business relationship is available on both the CLHIA and CRTC websites.</p> <p>Exclusions (neither DNCL nor telemarketing rules apply):</p> <ul style="list-style-type: none"> ■ Service calls ■ Survey calls 	<p>A list of the rules, as well as registration and subscription information are available at the following websites:</p> <ul style="list-style-type: none"> · CRTC: www.crtc.gc.ca · CLHIA: www.clhia.ca
Firms (Quebec only)	Other obligations apply to firms, independent representatives and independent partnerships in Quebec. You must establish a compliance structure and ensure all employees and advisors comply with the applicable rules.	For information on the firm's obligations, refer to the appropriate copy of the compliance reference manual on RepNet under <i>Advisor support > Compliance > General policies & reference materials</i> .
Links to provincial regulators' websites	<p>British Columbia: www.insurancecouncilofbc.com</p> <p>Alberta: www.abcouncil.ab.ca</p> <p>Saskatchewan: www.skCouncil.sk.ca</p> <p>Manitoba: www.icm.mb.ca</p> <p>Ontario: www.fSCO.gov.on.ca</p> <p>Quebec: www.lautorite.qc.ca/en</p> <p>Quebec (Privacy) www.cai.gouv.qc.ca</p> <p>New Brunswick: www.fcnb.ca</p> <p>Newfoundland and Labrador: www.servicenl.gov.nl.ca</p> <p>Prince Edward Island: www.gov.pe.ca</p> <p>Nova Scotia: www.gov.ns.ca</p> <p>Northwest Territories: www.gov.nt.ca</p> <p>Yukon: www.gov.yk.ca</p> <p>Nunavut: www.gov.nu.ca</p>	

Compliance: Know your obligations

As an advisor, it's your responsibility to comply with regulatory and industry requirements. They're designed to promote client confidence in the financial services industry and to ensure clients are treated fairly while also protecting you and your practice.

It's in your best interest to comply with requirements and to maintain a compliant practice. After all, your reputation is your greatest asset.

Helping you meet your obligations

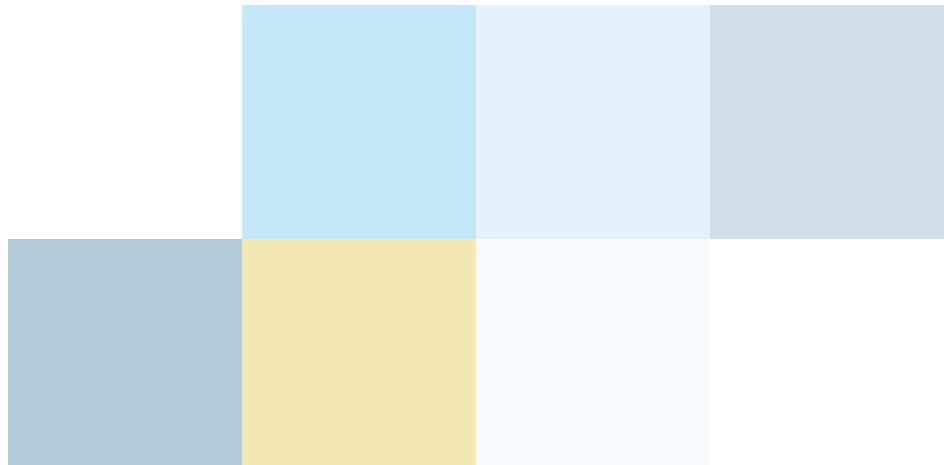
This quick-reference guide covers some of the more critical compliance requirements for your business. It's not exhaustive but describes your obligations for more critical matters as well as where you can go for more information.

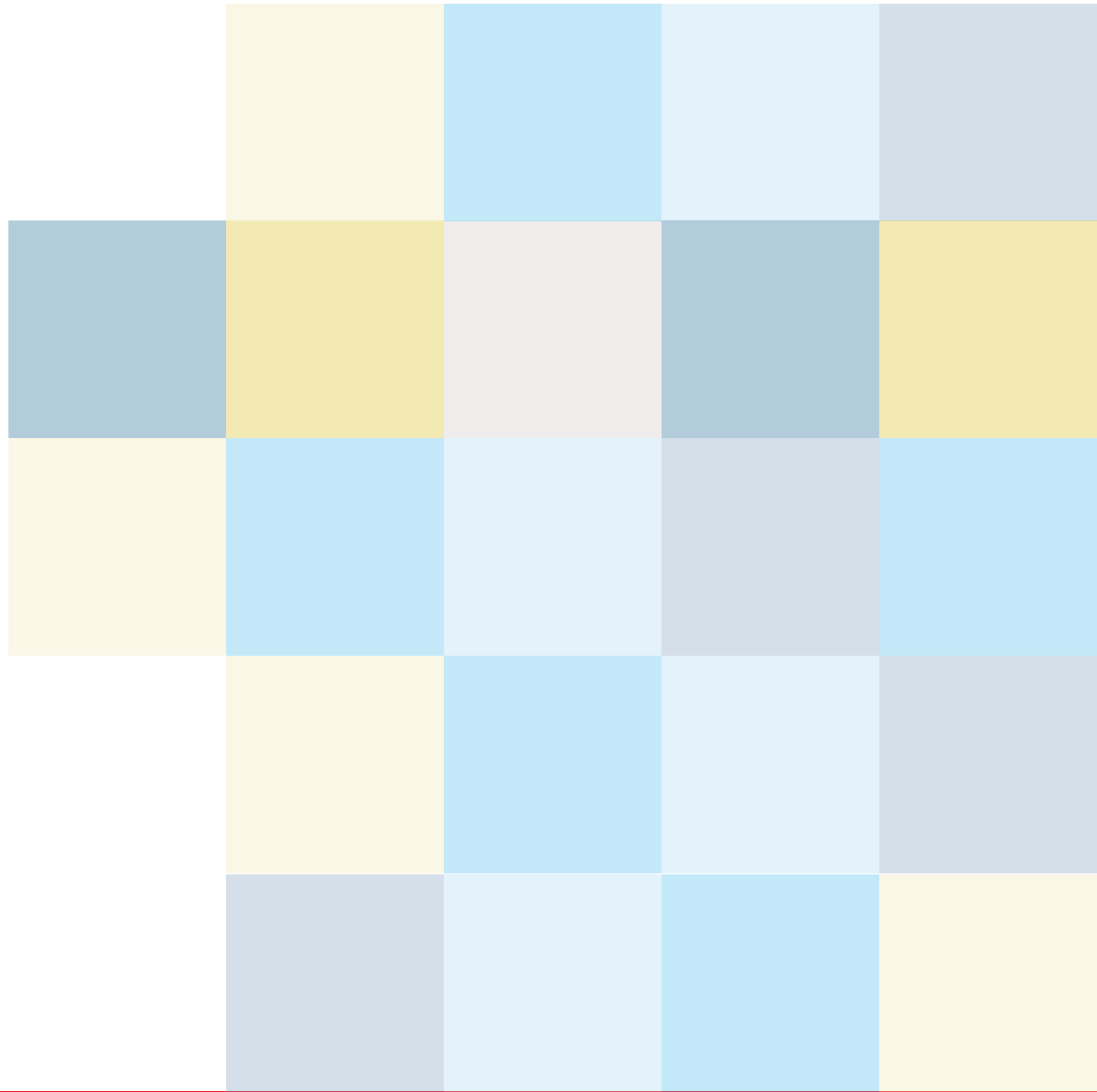
The topics and tools described in this guide should be used in context and conjunction with Canada Life's code of business conduct and ethics which should be the guiding principles of doing business with Canada Life™.

Take advantage of the support we offer

On Canada Life RepNet™, there are more resources and several tools to help you run a compliant business.

This guide is accurate to the best of our knowledge as of October 2016. 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.





Helping people achieve more™