



INFORMATION CIRCULAR

DATE: 18 December 2016

Nº. 2016-28

CATEGORY: COMPLIANCE

TO: Managing General Agents, Associate General Agents and Brokers

SUBJECT: Advisor Compliance Monitoring

Introduction Recently the Canadian Life and Health Insurance Association (CLHIA) released a reference document to its members entitled "Insurer Systems for Monitoring Statutory Compliance of Advisors". As a CLHIA member company, Empire Life is required to put in place policies and procedures to meet the reference document requirements.

Monitoring for Compliance Over the coming months, you will see us reach out to advisors to verify compliance in areas such as Disclosure, Continuing Education and Needs Based Sales Practices. We will randomly selecting advisors for this and participation is **mandatory**. For advisors through an MGA or AGA, we will copy the MGA or AGA on our communication with the advisor.

Non-Compliance Where there is evidence of non-compliance with any regulatory or industry requirement, the advisor will be given 90 days to become compliant. If an advisor remains non-compliant after 90 days, their contract may be vested.

Reference Carol Anne Bracciodieta, Director, National Accounts and MGA Relationships