

YOUR OBLIGATIONS WITH REGARD TO COMPLIANCE (GENERAL)

Individual annuity contract relating to segregated funds

Current legislation requires that you give the client a copy of the Information Folder and Fund Facts before selling an individual annuity contract relating to segregated funds. You may remit these documents in person, by e-mail, by fax or in any other manner before the client signs an application. By signing the application, the client confirms having received a copy of these documents. Please note that Assumption Life allows a two-day period of reflection (right to cancel without penalty) that applies at the time the client enters into the contract or selects funds.

Complaint

You must notify Assumption Life immediately upon receiving a complaint from an Assumption Life client with regard to any product sold or service rendered by you. You can contact Assumption Life's Chief Complaint Officer as follows:

Charles Gervais
Chief Complaint Officer
Tel. 506-853-5444
Toll free: 1-800-455-7337
Fax: 506-853-5421
E-mail: charles.gervais@assumption.ca

Replacement

Although the replacement of a life insurance policy can have some benefits for the client, it can also carry important disadvantages. To help you explain the industry's expectations in regard to replacement rules, the Canadian Life and Health Insurance Association Inc. (CLHIA) has developed [A Guide to Preparing the Written Explanation Required for the Life Insurance Replacement Declaration](#). This guide raises a series of pertinent questions that you must review with your client; it also explains the rules governing remittance of forms to insurers and clients, according to the province of business.

Premium rebate

Most Canadian provinces prohibit premium rebates. For this reason, you are not authorized to offer a client a premium discount nor remit any contribution or other form of compensation for having purchased an Assumption Life product, other than what is permitted by law.

License and professional insurance

You must always hold a valid insurance license and maintain in force professional liability insurance to cover your errors and omissions. Certain provinces require additional liability insurance to cover fraudulent acts. All such insurance must be kept in force as required by the regulatory agencies and you must notify Assumption Life immediately as soon as your license is suspended, revoked or is not renewed. You must also notify Assumption Life if your professional liability insurance expires.

Professional conduct

Assumption Life expects you to:

- a. Promptly submit insurance applications and clients' premiums. For this reason, you may not accept any cash or cheque payable to yourself or to one of your corporations.
- b. Promptly deliver to clients their policies and any related document.
- c. Keep adequate books and records of all transactions related to policies. These records must be kept in accordance with the highest industry standards applicable to brokers.
- d. Disclose to clients any conflict of interest in accordance with applicable standards and on the required forms.
- e. Keep proper documentation on a client's needs analysis.
- f. Notify them when you become insolvent, declare bankruptcy or make a general assignment of your property for the benefit of your creditors;
- g. Notify them when a situation is likely to have a negative impact on your ability to sell Assumption Life products.
- h. Notify them when you are under criminal or regulatory investigation.

You are not authorized to:

- a. accept risks for or bind Assumption Life in any way whatsoever with regard to insureds.
- b. assume any liability whatsoever in Assumption Life's name.
- c. make or modify policies or illustrations in Assumption Life's name;
- d. waive or modify any of a policy's terms or restrictions.
- e. institute legal proceedings in Assumption Life's name.
- f. publish, produce or use in any way whatsoever any ad or document bearing the name or logo of Assumption Life or any of its products, or bearing any other symbol identified with Assumption Life or its products, except with Assumption Life's written authorization.
- g. use or disclose, without the client's prior consent, his or her personal information for any purpose other than that for which it was originally collected.

Surveillance

Assumption Life may, from time to time, review brokers' practices with regard to compliance to ensure that they fulfill all their duties and obligations. Assumption Life or your general agent will give you 24 hours' advance notice.

Anti-Spam Legislation

In 2010, the federal government passed anti-spam legislation that places major restrictions on the transmission of commercial electronic messages to individuals. The new Act prohibits the transmission of electronic messages without the consent of the recipient(s) if the message is intended to promote or offer financial products or services.

Some exceptions apply in certain circumstances, including when:

- The message is sent to an employee of an organization with which your company has a pre-existing business relationship.
- The message is sent in response to an inquiry.
- The message is sent to an individual to convey information regarding his or her interests, benefits or rights with respect to a business matter.
- The message is sent by a charitable organization.
- The message is sent to an individual in response to a referral.

The law does not prevent you from communicating by e-mail with your existing clients to deliver services for which you have been retained.

Before sending an e-mail to a group of people (existing or potential clients or other) to promote your services, you must comply with the following requirements whenever you use Assumption Life's name or logo:

- Have the content of your message approved by Assumption Life;
- Obtain consent from the message recipient(s). Implied consent is permitted only in limited circumstances. In this case, your message must:
 - Indicate your name, your e-mail address, your mailing address, a phone number at which you can be reached, or the address of a website the recipient can access in order to reach you;
 - Enable the person to whom the message is sent to indicate, at no cost to them, the wish to no longer receive any commercial electronic messages from you. You must be able to remove from your mailing list the names of all persons who have indicated that they no longer wish to receive promotional e-mails.

If you use a provider for your e-mails, it is your responsibility to ensure that the provider complies with the new Act.

If you intend to use e-mail for prospecting or soliciting new clients, you will have to familiarize yourself with the applicable rules and regulations by consulting the website of the Canadian Radio-television and Telecommunications Commission (CRTC) at: <http://www.crtc.gc.ca/eng/casl-lcap.htm>.

Failure to comply with the anti-spam legislation will make you liable for significant financial penalties. This summary of your obligations in terms of compliance with the anti-spam legislation was prepared to provide an overview only. It is not comprehensive and is not intended as a legal opinion or legal advice. We strongly recommend that you consult a lawyer for all questions on this matter.

Most of the provisions of the new Act will come into force on July 1, 2014.