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April 16, 2009

The Honourable Dwight Duncan  
Minister of Finance  
7 Queens Park Crescent, 7<sup>th</sup> Floor  
Toronto, Ontario  
M7A 1Y7

Dear Minister:

**Re: Life Insurance Replacement Disclosure Requirements**

Advocis, The Financial Advisors Association of Canada, is writing in support of provincial insurance regulators, which have approved and recommended to their respective governments the adoption of a new disclosure regime around the replacement of life insurance policies.

Following the Canadian Insurance Services Regulatory Organizations Report on the Review of Life Insurance Replacement Disclosure Requirements which was put out for comment with a deadline of January 31, 2006, Saskatchewan has replaced the Basic Disclosure Statement with the new Life Insurance Replacement Declaration (LIRD). Saskatchewan has made changes to its Life Insurance Council By-Laws and Schedules effective May 27, 2008 to reflect this change and, as of January 1, 2009, only the LIRD is acceptable to the Council. It is also our understanding that the Atlantic Provinces now accept the new LIRD form.

We support this enhancement to the level of disclosure required so as to effectively assist the consumer in deciding whether or not to replace his or her existing policy. As explained by the accompanying Notice in Saskatchewan, life insurance agents will have the responsibility and the ability to establish the level and method of disclosure that is appropriate in the circumstances based on the criteria in the declaration.

It is our understanding that the Financial Services Commission of Ontario has recommended that Ontario's *Replacement of Life Insurance Contracts Regulation* (R.R.O. 1990, Reg. 674) be revised so as to include the Life Insurance Replacement Disclosure form. We would support this initiative and hope that all provinces can move to a harmonized process for life insurance replacement disclosure as soon as possible.

Yours truly,

A handwritten signature in black ink, appearing to be "G. Pollock", with a long horizontal flourish extending to the right.

Greg Pollock  
President and CEO

Cc: Dr. Bob Christie, CEO and Superintendent of Financial Services, FSCO