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November 2, 2007

Mr. Ron Fullan  
Vice Chair  
The Life Insurance Council of Saskatchewan  
310 2631 28th Avenue  
Regina, Saskatchewan  
S4S 6X3

Dear Mr. Fullan,

**Guidance Notes for the Marketing and Sale of Segregated Funds**

We are writing in response to the Saskatchewan Life Insurance Council's (Council's) recently released revised Guidance Notes for the Marketing and Sale of Segregated Funds. Advocis is pleased with the direction taken by Council, and commends Council for its consultative approach in reaching out to industry for input and adopting industry recommendations. In addition, we offer the following general comments:

1. We support Council's decision to re-name the proposed guideline, "Guidance Notes" as we believe the name more appropriately reflects Council's intent with respect to providing interpretive guidance of its bylaws.
2. Advocis is especially supportive of Council's decision to apply a principles-based approach with respect to the "Notes" as it is consistent not only with the bylaws, but with industry best practices. Moreover, principles-based regulations that focus on outcomes rather than on prescriptive detailed processes will provide licensees with the flexibility they need to determine how best to achieve the desired regulatory objectives.

As we noted in our August 1, 2007 submission to Council, the Industry Practices Review Committee (IPRC) of the Canadian Council of Insurance Regulators (CCIR) and the Canadian Insurance Services Regulatory Organizations (CISRO) recently proposed broad principles-based recommendations for managing actual or potential conflicts of interest associated with insurance advice or transactions, as outlined in its final discussion paper *Managing Conflicts of Interest: A Consultation Paper on Enhancing and Harmonizing Best Practices (February 2006)*. Advocis is a strong proponent of principles-based regulation, and has worked closely with the IPRC and other industry stakeholders to help develop solutions that are appropriately aligned with the desired objectives. In this regard, Advocis, together with the CLHIA and

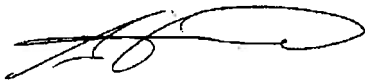
other industry associations, developed a template for conflict of interest disclosure, and Advocis has urged its membership to utilize it as part of Advocis' suite of best practices offerings. Advocis then, to encourage compliance by its members, created a web based tool for the disclosure of any such conflicts as well as privacy concerns and requirements, suitability, licensing information and other aspects of the agent / client relationship of concern to consumers. We firmly believe that wherever possible, regulators should strive to adopt similar voluntary, industry driven solutions.

3. Advocis supports Council's removal of its recommendation with respect to the supervision of the agency by a designated person, and would be pleased to consult with Council in this area to assist in identifying alternative approaches to ensuring that licensees are adhering to industry best practices and in particular the principles set out in Council's bylaws.

4. Finally, and in furtherance of the above, Advocis would encourage Council to consider the introduction of competency-based continuing education (CE) for segregated funds. We would be pleased to meet with you to discuss such an approach.

Advocis very much appreciates Council's cooperative approach on this initiative and we look forward to working with Council in the future.

Sincerely



Steve Howard, CA  
President and CEO  
Advocis



Teresa Black Hughes  
Chair,  
National Board of Directors, Advocis