

## Great news...ivari's non face-to-face insurance application guidelines now offers flexibility and choice across all product lines\*

As an advisor, selling insurance can be a challenge, especially if you are unable to meet with your client in person to have the insurance application signed.

Although it is always preferable to have direct contact with your client, we understand that there may be situations when it just isn't possible. To provide the best service to your client and ensure compliance with current laws and regulations we are providing you with a list of guidelines to help you with non face-to-face insurance applications.

### Our non-face-to-face guidelines are applicable to paper and eApp.

#### 1. Does this process apply to all of ivari's insurance products for eApp and paper?

Yes! The process is applicable to term, critical illness and universal life (under certain conditions).

This process is not allowed for *ivari's* universal life products, under the following conditions:

- Initial premium or any future premium over \$10,000;
- If the policy is entity owned

#### 2. The following due diligence is required\*

- Code of Ethical Market Conduct that applies to application completion such as providing accurate, clear product disclosure which is not misleading, customer focused product recommendations.
- Advisors must make a diligent and professional analysis of their customer's needs, objectives and financial circumstances in order to determine the appropriateness of the product and /or other recommendations being made
- Conflict-of-interest
- Obtain client's consent to mail, email or fax *ivari's* insurance application (LP257) notices (page i of the insurance application) OR *ivari's* Leave at Home package (LP1539) and send the Notices in advance of completing the application.
- Appropriate advisor disclosure, as required by the province where the sale is taking place
- Mandatory delivery receipt to settle

#### 3. What are the licensing requirements?

You must be licensed in the province where the policy owner resides and signs the insurance application.

#### 4. What about the TIA?

Payment must be submitted with the insurance application to *ivari's* Head Office and must be cleared through the payor's bank account. Once this is done, and the remaining terms and conditions are met, the TIA will go into effect. The advisor also needs to provide the TIA receipt and the terms and conditions to the policy owner(s).

#### 5. What do I need to know about signatures on the insurance application and leave at home package ?

- You cannot witness the proposed insured(s) or policy owner(s) signature as you are not present when they sign the insurance application or Leave at Home package.
- The signatures in the insurance application/leave at home package must be witnessed by a person with no interest in the application for insurance being applied for and who is not related to the proposed insured(s) or the policy owner(s). For example neither the beneficiary nor a contingent owner is eligible to witness the signature(s)
- The name of the individual who has witnessed the signature(s) should be printed on the insurance application/leave at home package, as well as his/her relationship to the proposed insured(s) and policy owner(s).

\* Please note that these steps form only part of your due diligence responsibilities on behalf of your client.

## 6. Non face-to-face option for completing the eApp and paper application (only where a paramedical is required).

### For eApp: option A or B

A) Complete the insurance application over the phone and via screen-sharing technology:

- Review the application with the insured(s) and/or policy owner(s) to confirm all required sections are correctly answered, this includes forms of identification.
- Mail the Leave at Home package to the proposed insured(s) and/or policy owner(s) if different, and have the client authorization page sent back, signed and witnessed, to your office.

B) Complete the insurance application over the phone and via screen-sharing technology:

- Ensure you have in place a 'third-party agreement' with the service provider whose health professional will witness, collect the signature(s) and verify the identity of the proposed insured(s) and owner(s) for the Leave at Home package. Note: The identification used within the application must be the same used by the service provider. i.e. if a driver's license is used in the application as identification, the service provider must use driver's license too.
- The service provider will then send the client authorization page of the Leave at Home package back to you or your office for submission to *ivari*.
- *ivari* will not be responsible for fees associated with this process.

### For paper: options C or D

C) Complete the insurance application over the phone and mail it to the proposed insured(s), and/or policy owner(s) if different, this includes forms of identification:

- Have the proposed insured(s) and/or policy owner(s) confirm that all required sections/questions are correctly answered. If required, have the proposed insured(s) make any amendments and initial them. Have the application sent back, signed and witnessed, to your office.
- Be sure to complete the Independent Insurance Advisor's Report section of the insurance application before submitting it to *ivari*.

D) Complete the insurance application over the phone and mail it to the approved *ivari* service provider who is completing the paramedical:

- Ensure you have in place a third party agreement with the service provider whose health professional will witness, collect the signature(s) and verify the identity of the proposed insured(s) and owner(s). Note: The identification used within the application must be the same used by the service provider. i.e. if a driver's license is used in the application as identification, the service provider must use driver's license too. The service provider will then send the insurance application back to you or your office for submission to *ivari*.
- *ivari* will not be responsible for fees associated with this process.

## 7. Replacing an existing policy

If the new policy is replacing an existing policy, and the existing policy was written prior to 2008, you will need to ascertain identity face-to-face providing no paramedical is required.

Also, you are required to send us the appropriate disclosure forms with the insurance application.

Reminder: To ensure the inforce coverage continues for the proposed insured(s), keep the existing policy inforce until the new policy is settled.

## 8. Delivery of the policy

If you, as an advisor, do not personally deliver the policy to the insured(s) and/or policy owner(s) the following steps must be followed:

- Policy contract and delivery requirements must be sent to the insured(s) and/or policy owner(s) by registered mail or by courier.
- The insured(s) and policy owner(s) must sign the delivery requirements where required, including the policy delivery receipt and any amendments.
- An independent third party must witness the insured(s) and policy owner(s) signatures on delivery requirements, including policy delivery receipt and any amendments.
- As an advisor, you must have a telephone discussion with your client(s) to explain the policy and delivery requirements.
- The policy owner must mail the signed delivery requirements to their advisor.

This chart summarizes the changes and the criteria to be met to qualify an application as non face-to-face

<b>Verifying your Client's Identity - effective July 11, 2017</b> <b>Applicable to paper and eApplications – New Business &amp; Replacements</b>		
<b>Product</b>	<b>Face to Face OR Non Face-to-Face</b>	<b>Requirements to satisfy verification of client identity</b>
Term / CI / UL	Face to Face	Client verification satisfied as advisor met face to face with the client and photo identification is recorded on the application.
Term / CI	Non face-to-face	Client verification satisfied by recording photo identification on the application and a fully completed delivery receipt.
UL	Face to Face	Client verification satisfied as advisor met face to face with the client and photo identification is recorded on the application.
UL	Non face-to-face	<p><b>Not acceptable when...</b></p> <ul style="list-style-type: none"> <li>• Planned premium or future lump sum deposit is over \$10,000, and</li> <li>• Is an entity owned policy</li> </ul> <p>Must be sold face to face and photo identification recorded on the application</p> <p><b>The following options can be used to identify an individual who is not physically present.</b></p> <p>Choose the method that best meets the needs of you and your client.</p> <p><b>Please indicate on question #2 of the advisor's report which method of verification you will be using</b></p> <ol style="list-style-type: none"> <li>1. Paramedical is age &amp; amount requirement               <ul style="list-style-type: none"> <li>• Identity verified by service provider</li> </ul> </li> <li>2. Existing <i>ivari</i> client and same advisor that initially verified client identity               <ul style="list-style-type: none"> <li>• Policy must have an issue date after 2008</li> <li>• You are the same advisor from the date previous identification was collected</li> </ul> </li> <li>3. Verify client identity at delivery of policy contract               <ul style="list-style-type: none"> <li>• Advisor to physically meet with client when delivering policy contract</li> <li>• Advisor to review 'same' identification as recorded on the application i.e. driver's license</li> <li>• Advisor to sign off by witnessing delivery receipt and submitting to <i>ivari</i></li> </ul> </li> <li>4. Dual Process               <p>The dual process method to confirm an individual's identity requires that you refer to any two of the following:</p> <ul style="list-style-type: none"> <li>• Documents or information from a reliable source* that contain the individual's name and date of birth;</li> <li>• Documents or information from a reliable source that contain the individual's name and address;</li> <li>• Documents or information that contains the individual's name and confirms that they have a deposit, credit card or other loan account with a financial entity.</li> </ul> <p>You must refer to original** documents or information from two different, reliable sources and all the information must match the information provided by the individual.</p> </li> <li>5. Other Options available               <ul style="list-style-type: none"> <li>• Use of Affiliate or Co-member</li> <li>• Combination of Methods</li> </ul> </li> </ol> <p>For further details on Options 4 and 5 please visit the FINTRAC website:                ENG – <a href="http://www.fintrac-canafe.gc.ca/guidance-directives/client-clientele/Guide11/11-eng.asp">http://www.fintrac-canafe.gc.ca/guidance-directives/client-clientele/Guide11/11-eng.asp</a>                FR – <a href="http://www.canafe-fintrac.gc.ca/guidance-directives/client-clientele/Guide11/11-fra.asp">http://www.canafe-fintrac.gc.ca/guidance-directives/client-clientele/Guide11/11-fra.asp</a></p> <p><b>Please be advised that there is a mandatory delivery receipt for all policies sold non-face-to-face</b></p>

**What is a reliable source** – A reliable source is an originator or issuer of information that you trust to verify the identity of the client. To be considered reliable, the source should be well known and considered reputable, and be one that you trust to verify the identity of the individual.

The source providing the information cannot be you, as the reporting entity, or the individual who is being identified; it must be independent. For example, reliable sources can be the federal, provincial, territorial and municipal levels of government, crown corporations, financial entities or utility providers.

**What is an acceptable original document** – If you are referring to a document as part of the dual process method, you must ensure that you see the original paper or electronic document and not a copy. The original document is the one that the individual received or obtained from the issuer either through posted mail or electronically. The document must appear to be valid and unaltered in order to be acceptable. If any information has been redacted, it is not acceptable.

For example, an original paper document can be a utility statement mailed to an individual by the utility provider. Whereas an original electronic document is one an individual received through email or by downloading it directly from the issuer's website.

An individual can email you the original electronic document they received or downloaded, show you the document on their electronic device (for example, a smartphone, tablet, or laptop), print the electronic document received or downloaded from the issuer, or show you in the original format such as .pdf (Adobe) or .xps (Microsoft viewer).

#### Examples

- The individual can show you their original paper utility statement in person or by posted mail.
- The individual can email or show you on their electronic device an electronic utility statement downloaded directly from the issuer's website.
- The individual can print and show you the statement they downloaded from the issuer.
- The individual can email or show you on their electronic device a mortgage statement received by email from the issuer

\*Dual Process