

## Draft Regulation

An Act respecting the distribution of financial products and services  
(1998, c. 37)

### Chambre de la sécurité financière — Titles of registered life underwriter (R.L.U.) and chartered life underwriter (C.L.U.)

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation of the Chambre de la sécurité financière governing the titles of registered life underwriter (R.L.U.) and chartered life underwriter (C.L.U.) may be enacted by the government 45 days after the date of publication herein.

According to the Chambre de la sécurité financière, this draft Regulation clarifies the mandate of the education program leading to the titles of registered life underwriter (R.L.U.) and chartered life underwriter (C.L.U.) by promoting training in estate planning, retirement planning, investments, disability and group insurance. These provisions will help harmonize the training requirements for obtaining these titles under the different programs offered in CEGEPs and in universities. The intended training will be better suited to the changing markets and will enable representatives to continue to offer quality services to the public.

The Regulation also provides for the procedures to follow in cases where an individual would like to have his experience and previous training recognized for obtaining the registered life underwriter (R.L.U.) and chartered life underwriter (C.L.U.) titles.

Lastly, the Regulation provides for transitional measures which are needed to bridge the old and the new training requirements for the obtaining of these titles and the transition towards the Chambre de la sécurité financière.

Further information may be obtained by contacting Ms. Lucie Granger, Secretary, Chambre de la sécurité financière, 500, rue Sherbrooke Ouest, 7<sup>e</sup> étage, Montréal (Québec) H3A 3C6, telephone: (514) 282-5777, 1-800-361-9989, lgranger@aiafq.com.

Any interested persons wishing to comment on the above matter are requested to send two copies of their comments to the Minister of State for the Economy and Finance and Minister of Finance, 12, rue Saint-Louis, bureau 1.01, Québec (Québec) G1R 5L3 before the expiry of the 45-day time period.

BERNARD LANDRY  
*Minister of State for the Economy and Finance  
and Minister of Finance*

## Regulation of the Chambre de la sécurité financière governing the titles of registered life underwriter (R.L.U.) and chartered life underwriter (C.L.U.)

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1. In this Regulation, the term “Chamber” shall mean the Chambre de la sécurité financière created pursuant to An Act respecting the distribution of financial products and services (1998, c. 37).

### CHAPTER I REGISTERED LIFE UNDERWRITER (R.L.U.)

2. To obtain the title of “Registered Life Underwriter” (R.L.U.), an insurance representative must:

(1) have passed the introductory course offered by the Chamber, entitled “Concepts in Insurance of Persons,” or hold an attestation of college studies in insurance of persons;

(2) have passed either:

(a) the courses that are part of the university program in insurance of persons, unless the Chamber recognizes the representative’s experience and previous training. This program consists of eight courses pertaining to the subjects listed in subparagraphs *i* to *vii* of this paragraph:

- i. Economics;
- ii. Law;
- iii. Accounting;
- iv. Taxation;
- v. Financial Management;
- vi. Investments;
- vii. Insurance and Pensions; or

(b) the courses offered by the Canadian Association of Insurance and Financial Advisers (CAIFA) pertaining to the same subjects as those listed in subparagraphs *i* to *vii* of paragraph *a*, insofar as the representative was otherwise unable to have access to those courses in his region; or

(c) in another Canadian province, the courses pertaining to the same subjects as those listed in subparagraphs *i* to *vii* of paragraph *a*;

(3) not be under suspension, struck off the roll, expelled or have had his certificate revoked.

Furthermore, the representative must submit an application in writing to the Chamber along with documents certifying that he complies with subsections 1 and 2.

In addition, the representative must, if applicable, have paid the dues for a “Registered Life Underwriter” (R.L.U.) as well as any other dues and fees provided for in the regulations of the Chamber.

3. The Chamber shall issue to the representative a document certifying that it has conferred upon him the title of “Registered Life Underwriter” (R.L.U.).

#### **CHAPTER II** CHARTERED LIFE UNDERWRITER (C.L.U.)

4. To obtain the title of “Chartered Life Underwriter” (C.L.U.), an insurance representative must:

(1) comply with the training requirements provided for in subsection (1) of section 2;

(2) have passed either:

(a) the training courses leading to this title, that are part of the university program in insurance of persons, unless the Chamber recognizes the representative’s experience and previous training. This program includes sixteen courses of which fifteen must pertain to the subjects listed in subparagraphs *i* to *xii* of this paragraph, as well as one course that must pertain, at the representative’s choice, to one of the subjects listed in subparagraphs *xii* to *xiv*:

- i. Management;
- ii. Marketing;
- iii. Law;
- iv. Economics;
- v. Accounting;
- vi. Financial Management;
- vii. Taxation;
- viii. Financial Planning;
- ix. Estate Planning;
- x. Retirement Planning;
- xi. Insurance and Pensions;
- xii. Investments;
- xiii. Group Insurance;
- xiv. Disability; or

(b) the courses offered by the Canadian Association of Insurance and Financial Advisers (CAIFA) pertaining to the same subjects as those listed in subparagraphs *i* to *xiv* of paragraph a, insofar as the representative was otherwise unable to have access to those courses in his region; or

(c) in another Canadian province, the courses pertaining to the same subjects as those listed in subparagraphs *i* to *xiv* of paragraph a;

(3) not be under suspension, struck off the roll, expelled or have had his certificate revoked.

Furthermore, the representative must submit an application in writing to the Chamber along with documents certifying that he complies with subsections (1) and (2) of this section.

In addition, the representative must, if applicable, have paid the dues for a “Chartered Life Underwriter” (C.L.U.) as well as any other dues and fees provided for in the regulations of the Chamber.

5. The university courses that are part of the program developed by the Chamber may be offered as distance courses.

6. The Chamber shall issue to the representative a document certifying that it has conferred upon him the title of “Chartered Life Underwriter” (C.L.U.).

7. A representative upon whom the Chamber has conferred the title of “Chartered Life Underwriter” (C.L.U.) must cease to use the title of “Registered Life Underwriter” (R.L.U.).

#### **CHAPTER III** RECOGNITION OF EXPERIENCE AND PREVIOUS TRAINING

8. Notwithstanding sections 2 and 5, an individual may be awarded the “Registered Life Underwriter” (R.L.U.) or “Chartered Life Underwriter” (C.L.U.) title without having taken and passed one or several of the courses prescribed to obtain these titles, if the Chamber recognizes his experience and previous training.

Experience and previous training are recognized if the representative demonstrates that he has a level of knowledge equivalent to that of an individual who has taken and passed the course for which he is requesting an exemption. To do so, the Chamber analyses the representative’s formal and non-formal education, his work experience and any other pertinent experience in order to determine whether the knowledge acquired corresponds to the requirements of the course or courses for which recognition of experience and previous training is requested.

## CHAPTER IV WITHDRAWAL OF A TITLE

9. An insurance representative is not authorized to use the title of “Registered Life Underwriter” (R.L.U.) or “Chartered Life Underwriter” (C.L.U.) while he is under suspension, struck off the roll, expelled or has had his certificate revoked.

10. An insurance representative is not authorized to use the title of “Registered Life Underwriter” (R.L.U.) or “Chartered Life Underwriter” (C.L.U.) where, for more than thirty days, he has been in default of paying the dues for a “Registered Life Underwriter” (R.L.U.) or “Chartered Life Underwriter” (C.L.U.), as applicable, as well as any other dues and fees prescribed in the regulations of the Chamber.

## CHAPTER V TRANSITIONAL PROVISIONS

11. Individuals who began the training required to obtain the title of “Registered Life Underwriter” (R.L.U.) or “Chartered Life Underwriter” (C.L.U.) before this Regulation came into force may, at their choice, be awarded this title in accordance with the regulation in force before this date or in accordance with the new provisions, provided that they have taken and passed the required courses.

In the event that some individuals cannot satisfy the requirements of the former program because certain courses are no longer offered, they shall have to take and pass certain courses, deemed equivalent by the Chamber, in order to be awarded the title.

12. Individuals who began the training required to obtain the title of “Registered Life Underwriter” (R.L.U.) or “Chartered Life Underwriter” (C.L.U.) before this Regulation came into force and who choose to take the R.L.U. or C.L.U. program of the Association des intermédiaires en assurance de personnes du Québec (R.S.Q., c. I-15.1) must take and pass the courses required to obtain their diploma within three years of the effective date of this Regulation.

13. This Regulation comes into force on the date prescribed by the government.

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### Chambre de l’assurance de dommages — Ethics

In accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), notice is hereby given that the Regulation of the Chambre de l’assurance de dommages respecting ethics, the text whereof is set forth hereinbelow, will be submitted to the Government which may approve it, with or without any amendments, upon the expiry of 45 days from the present publication.

This proposed regulation sets forth the rules of ethics applicable to representatives in damage insurance and claims adjusters.

According to the Chambre, the regulation stipulates rules of ethics intended to promote the protection of the public and to promote integrity and competence in the way representatives carry out their activities. It sets forth the obligations of representatives, including their obligations towards the public, towards clients, insurers, and representatives, and towards the Bureau des services financiers and the Chambre de l’assurance de dommages. The regulation draws on the current rules of ethics set forth in the By-law of the Conseil des assurances de dommages respecting market intermediaries in damage insurance. However, adjustments and amendments have been made in order to clarify the current rules and provide greater detail regarding certain obligations, given the new environment created by An Act respecting the distribution of financial products and services, and in order to fill certain gaps which had been noted.

According to the Chambre, to date, a review of this file has not disclosed any impact upon the public, other than a greater degree of protection through effective monitoring of the representatives with whom the public will do business.

Additional information may be obtained by contacting Mrs. Maya Raic, Director General and Interim Secretary, Chambre de l’assurance de dommages, 500, rue Sherbrooke Ouest, 7<sup>e</sup> étage, Montréal (Québec) H3A 3C6, telephone number (514) 842-2591 or 1-800-361-7288, telecopier number (514) 842-3138, e-mail: [acapq@videotron.ca](mailto:acapq@videotron.ca).

Any interested persons wishing to comment on the above matter are requested to send two copies of their