

# REPLACEMENT PROCEDURES – LIRD AND WRITTEN ANALYSIS

Effective January 6, 2014

Our Obligation as an insurer is (Ontario Regulations quoted below):

If an insurer receives from an agent an application for a contract of insurance indicating that replacement of life insurance is intended, the insurer has the following duties:

1. The insurer shall ensure that a completed life insurance replacement declaration and a written explanation, each are reviewed with the applicant and signed by the applicant, and are filed with the application.
2. The insurer shall keep a copy of all documents forwarded by its agent under this Regulation at the insurer's principal office or place of business in Canada for at least three years after receiving the documents.

What does this mean for us?

- 1) Mandated Provinces require the LIRD and Written Analysis to be received prior to issue
- 2) Once the forms are at Equitable our responsibility is to :
  - ensure that all of the questions are answered on the forms
  - ensure that the forms are signed and dated by the policy owner(S)
  - ensure that any of Equitable's product features listed on the LIRD are accurate.

PROVINCE	CLIENT SHOULD RECEIVE	NEW INSURER SHOULD RECEIVE	EXISTING INSURER SHOULD RECEIVE
Ontario	LIRD and written explanation	LIRD and written explanation	LIRD
Nfld & Labrador	LIRD and written explanation	LIRD and written explanation	LIRD
Quebec	Prior Notice of Replacement form must be completed	Prior Notice of Replacement form must be completed	Prior Notice of Replacement form must be completed
Manitoba	LIRD and written explanation	LIRD	
Alberta	LIRD and written explanation	n/a	n/a
British Columbia	LIRD and written explanation	n/a	n/a
New Brunswick	LIRD and written explanation	n/a	n/a
Northwest Territories	LIRD and written explanation	n/a	n/a
Nova Scotia	LIRD and written explanation	n/a	n/a
Nunavut	LIRD and written explanation	n/a	n/a
Prince Edward Island	LIRD and written explanation	n/a	n/a
Saskatchewan	LIRD and written explanation	n/a	n/a
Yukon	LIRD and written explanation	n/a	n/a

## PROVINCES IN BLUE - Mandated

- ✓ The policy will not be sent to issue if LIRD and Written Analysis still outstanding at the client level.

## PROVINCES IN PINK - Mandated

- ✓ Send email out advising LIRD required and advise policy will not be settled until receipt of this requirement
- ✓ Follow up for the outstanding LIRD after 5 days and Do not settle until receipt of outstanding LIRD
- ✓ For policies being issued COD it will become a delivery requirement as the policy will not be settled until this is received
- ✓ For policies issued COD- add the following note at the bottom of the Cover Memo (for Manitoba Only):



Completed and signed Life Insurance Replacement Declaration (LIRD)

## ALL OTHER PROVINCES – Non Mandated

No requirements at this time. File will move through New Business and Underwriting and be settled with or without the LIRD

Questions? Contact your Equitable Life Regional Service Representative nearest you.