

Date 4 September 2019

Recipient All Coverholders writing business in Québec

Subject Québec: Notice regarding information collection and insurance advice under the new Act respecting the distribution of financial products and services (the "Distribution Act")

<i>Purpose:</i>	The Autorité des marchés financiers seeks by way of this notice to clarify representatives' obligations related to the collection of information and the provision of insurance advice under the new "Distribution Act".
<i>Affects:</i>	All Coverholders writing business in Québec
<i>Line of Business:</i>	All
<i>Jurisdiction :</i>	Québec
<i>Effective:</i>	Immediately

What you need to know

This notice is to advise that the Autorité des marchés financiers (the AMF) has clarified the role of the insurance representatives' obligations relating to collection of information and the provision of insurance advice within the meaning of the *Act respecting the distribution of financial products and services* (the "Distribution Act"). In addition, the AMF has also clarified the role of a "non-certified" person by providing examples of services that can be handled by this group.

The collection of factual information on a client's situation can be executed by a "non-certified" person however, the analysis of the same information must be done by a "certified" person. In this situation, the insurance representative remains fully responsible for the collection of information and they cannot transfer the responsibility to the persons they have mandated.

The following is a non-exhaustive list of examples the AMF considers to be "Insurance Advice":

- Recommend an insurance product, coverage or an endorsement including its replacement
- Answer questions relating to contract in force including questions about the terms and conditions of cancellation
- Give clients explanations about their situation or a product which may lead them to make a decision about a product
- Compare insurance products
- Help clients choose a product or a product option

- Discuss choice of coverage with clients
- Present clients with the results of their needs analysis
- Submit and explain a quote to a client

What this means to you

If you are working in an environment where non-certified persons are collecting certain information on your clients, please ensure that they do not provide any services that are restricted to “certified” agents.

Please ensure that you review the notice from the AMF at the link below:

https://lautorite.gc.ca/en/general-public/media-centre/news/fiche-dactualites/notice-regarding-information-collection-and-insurance-advice/?utm_medium=rss

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