LIFE LICENCE QUALIFICATION PROGRAM (LLQP)

DESCRIPTION OF THE COURSE CURRICULUM

INTRODUCTION

The following tables have been adapted from the LLQP Design Document dated May 11, 2001. This material describes the knowledge or information to be covered and the level of understanding, necessary for the Accident and Sickness, Restricted LLQP or the full LLQP course. The material uses the original Design Document matrix and is arranged in columns:

1. **ID**: Students need not concern themselves with this number.
2. **Ability Objectives and Level**: The broad ability or competency that the agent should have. The number after each objective refers to the cognitive or difficulty level of the objective (See discussion below).
3. **Measurable Objectives and Level**: The objectives to be measured in the course relate to the Ability Objective. The number (1-6) after each objective refers to the cognitive or difficulty level of the objective (See discussion below).

SUMMARY - COURSE REQUIREMENTS

1- FULL LLQP:

All measurable objectives in column 4 will be covered.

2- ACCIDENT AND SICKNESS:

The measurable objectives in column 4, which apply to the accident and sickness license, are those which are marked by an *.

These measurable objectives are also relevant during the optional equivalency period (see Web site for further information) when students, who have passed an LLQP exam, will have the pass recognized as equivalent to an existing qualification. The existing qualification to which there will be equivalency is determined on a jurisdiction by jurisdiction basis.

Discussion - Level of Objectives:

Each Ability Objective and Measurable Objective has been assigned a level. These levels indicate the level/depth of understanding that new agents need to have to enter the profession. The levels are:

1. **Knowledge**--ability to recall facts and information. Objectives begin with words such as define, state or list.
2. **Comprehension**--ability to demonstrate an understanding of the facts or information. Objectives begin with words such as describe, explain, or discuss.
3. **Application**--ability to apply knowledge and comprehension to a specific situation. Objectives begin with words or phrases such as compare and contrast, using an example describe the advantages and disadvantages of, etc.
4. **Analysis**--ability to break down a situation into its relevant component parts. Objectives begin with words or phrases such as using various customer profiles or given several case studies, determine the client's needs
5. **Synthesis**--ability to put various pieces of information together to create a new whole. Objectives begin with phrases such as using various customer profiles or given several case studies, recommend the most appropriate products to meet the client's needs.
6. **Evaluation**--ability to conduct a high level evaluation, to judge appropriateness against purpose. Create an overall financial strategy to meet a given client's needs.

Courses are Based on Design Document:

The Design Document matrix used here is also a guide for course providers in the development of their course material and learning activities. The course material and learning activities must be designed to meet the measurable objectives. However, the course need not follow the order of the modules or measurable objectives in the Design Document. In addition, the Measurable Objectives are presented as the minimum acceptable content. Course providers may include additional content related to the Ability Objective that they deem relevant and useful for new agents.

LLQP CURRICULUM OBJECTIVES BY MODULES

ID	ABILITY OBJECTIVE AND LEVEL	APPLICABLE TO: A&S *	MEASURABLE OBJECTIVE AND LEVEL
Module 1 – Insurance Industry Overview			
1	Define the principles of life and disability insurance. 2	* * *	1. Describe the history and philosophy behind insurance. 2 2. State and define three personal risks most people face. 1 3. State and define the insurance products and their benefits, including life, group, annuities, critical illness, long term care, disability, accident and sickness. 1
2	List/explain the various product distribution options in the Canadian Life Insurance Industry. 1	*	1. Define the primary types of product distribution options in the Canadian Life Insurance Industry. 1
3	Describe the basic role of the insurance agent in the sales and distribution process. 2	* * * *	1. Describe the life agent's role in the sales and distribution process. 2 2. State the major functions of the life agent. 1 3. Explain the term "pre-sale service" as it applies to the life agent. 2 4. Explain the term "post-sale service" as it applies to the life agent. 2
4	Describe the types of insurance policies: life, group, annuities, critical illness, long-term care, disability, accident and sickness. 1	* * * * * * *	1. Define Life Insurance. 1 2. Define Disability Insurance. 1 3. Define Group Insurance. 1 4. Define Annuities. 1 5. Define Critical Illness. 1 6. Define Accident & Sickness. 1 7. Define Long Term Care. 1
5	Describe the insurance underwriting process. 2	* *	1. Explain the insurance underwriting process. 2 2. Explain the agent's role in the underwriting process. 2
6	Describe the evolution of life insurance companies in Canada. 2	* * * *	1. Describe the differences between federally and provincially chartered life insurance companies in Canada. 2 2. Explain the differences among stock companies, mutual companies, and fraternals. 2 3. Describe the changes in distribution methods that have evolved in the life insurance industry (e.g., from "career" companies to "brokerages"). 2 4. Describe the size of the life insurance marketplace, i.e., the number of life insurance companies and premium volumes in Canada. 2
7	Demonstrate an understanding of insurance company financial ratings. 2	*	1. Explain the process of evaluating the financial ratings of insurance companies. 2

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Module 2 – Individual Life Insurance Products			
8	Explain the role of insurance in estate creation and estate conservation. 2		1. Identify the personal needs met by life insurance products. 1 2. Explain the tax-favoured treatment of the proceeds of a life insurance policy to the policy beneficiary. 2 3. Explain the benefits of using life insurance proceeds to help defray the capital gains taxes triggered by death. 2
9	Identify the business needs met by life insurance products. 2		1. Discuss reasons why a business generally purchases life insurance. 2 2. Explain the nature of business continuation insurance. 2 3. Explain why a buy-sell agreement might be an important part of a business continuation insurance plan for a closely held business. 2 4. Explain the benefits to the business of purchasing key person life insurance. 2 5. Explain the tax-favoured treatment of the proceeds of a life insurance policy to the policy beneficiary. 2 6. Explain the benefits of using life insurance proceeds to help defray the capital gains taxes triggered by death. 2
10	Demonstrate an understanding of different product categories. 3		1. Given several case studies containing specific client information, select the most appropriate insurance product category; for example, life, disability, critical illness, accident and sickness, etc. 3
11	Compare and analyze the application of term life insurance products. 4		Term Life Insurance: 1. Using a scenario, explain how term life insurance works. 3 2. Explain the primary advantages/disadvantages and limitations of term life insurance for the policyholder. 2 3. Differentiate among level term, increasing term, and decreasing term life insurance. 2 4. Differentiate between renewable and non-renewable term insurance. 2 5. Explain the term “convertible term insurance”. 2 6. Using various customer profiles, recommend the most appropriate term individual life insurance products to meet their specific needs. 5
12	Compare and analyze the application of permanent life insurance. 4		Permanent Life Insurance: 1. Identify the primary characteristics that distinguish term insurance from permanent life insurance. 2 2. Compare the advantages/disadvantages of whole life insurance. 3 3. Explain the difference between a participating whole life contract, including dividend options available, and a non-participating whole life contract. 3 4. Identify the impact that a changing dividend scale has on the completion of a premium offset policy. 2

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			5. Compare the advantages/disadvantages of universal life (U.L.) insurance. 3 6. Explain the differences between guaranteed and adjustable whole life insurance. 2 7. Explain the benefits to a policyholder of the universal life insurance feature of unbundling the three pricing factors. 2 8. Explain the difference between yearly renewable term (YRT) and term 100 (T-100) mortality costing in a universal life product and the difference between guaranteed and adjustable mortality costs. Provide examples to support your explanation. 3 Note: T-100 is also known as Level Cost Of Insurance (LCOI). 9. Explain the impact of investment choices on the viability of a universal life contract. Provide examples to support your explanation. 3 10. Using various customer profiles, recommend the most appropriate permanent individual life insurance products to meet their specific needs. 5 11. Explain the implications of early withdrawals, loans, and leveraging of a universal life insurance policy. 2
13	Compare and analyze the application of supplementary benefits and riders. 4		Supplementary Benefits & Riders: 1. Describe the supplementary benefits that may be purchased with a life insurance policy, including: AD&D, monthly disability benefit, and waiver of premium etc. 2 2. Explain the purpose of accelerated death benefit riders and the key provisions of three common accelerated death benefits, the terminal illness (TI) benefit, the dread disease (DD) benefit, and the long-term care (LTC) benefit. 2 3. Explain the purpose of term insurance riders to permanent life insurance policies, including additional term insurance coverage for the primary insured, coverage for additional insureds -- including spousal and children's term rider and children's term rider. Provide examples of the benefits and appropriate use of each to support your explanation. 3 4. Explain the guaranteed insurability benefit (GIB) rider, its benefits and its appropriate use. 3 5. Explain the paid-up additions rider. 2
14	Compare and analyze the application of insurance policy limitations, provisions and beneficiaries. 4		Insurance Policy Limitations, Provisions and Beneficiaries: 1. Given a variety of case study examples, explain the impact to the client of the following standard policy limitations and provisions: 10 Day Right of Rescission; Entire Contract; Suicide and Incontestability; Grace Period; Reinstatement; Smoking Status; Misstatement of Age or Sex; Settlement Options; Material Misrepresentation. 4 2. List and describe the additional provisions that permanent life insurance policies generally include if they build a cash value-the non-forfeiture provision and a policy loan provision. 2 3. Explain the difference between primary and contingent

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			beneficiaries. 2 4. Identify and explain the features of a preferred beneficiary clause. 2 5. Explain the difference between a revocable beneficiary and an irrevocable beneficiary. 2 6. Explain the consequences of an absolute assignment. 3 7. Recognize that there are issues to address and that assistance may be needed with a policy issued prior to 1962. 2 8. Recognize that there are issues to address and that assistance may be needed with a policy issued prior to 1982. 2 Analysis & Synthesis: 1. Given several case studies containing specific client information, select the most appropriate individual life insurance products to match a particular client's situation and needs. 5
Module 3 – Individual Disability and Accident & Sickness Insurance Products			
15	Compare and analyze the application of various individual disability insurance products. 4	* * * * * * * * *	Disability: 1. Explain the purpose of disability income insurance and the rationale for a client having this type of coverage. 2 2. Define and explain non-cancellable and guaranteed renewable, guaranteed renewable, and cancellable disability contracts. 3 3. Explain the meaning of the various definitions of total disability that are commonly used in disability income insurance policies. 2 4. Define and compare the benefit periods of short-term and long-term disability insurance. 2 5. Explain the meaning and purpose of an elimination period and qualification period. 2 6. Describe common methods to establish the amount of disability income benefits that will be paid to a disable person. Use examples to explain these methods. 3 7. Describe waiver of premium, presumptive disability, and supplemental/optional benefits available with disability income insurance policies, including partial disability benefits, residual disability benefits, future purchase option benefits, and cost-of-living adjustment (COLA) benefits, etc. Provide examples to show the benefits and the appropriate use of each to support your description. 3 8. Explain the common causes of disability that may be excluded from coverage under a disability income insurance policy. 2 9. Distinguish among specialized types of disability coverage, including key person disability coverage, disability buyout coverage, and business overhead expense coverage. 3

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		* * * *	10. Compare the federal government-sponsored programs to provide short-term and long-term disability benefits including Employment Insurance and CPP. 3 11. Describe the limitations and exclusions that could exist under a disability insurance contract. 3 12. Explain the impact of coordination of benefits on a disability insurance policy. 2 13. Describe the tax implications of various types of individual disability insurance policies. 4
16	Compare and analyze the application of various accident & sickness insurance products. 4	 ** * *	Accident and Sickness: 1. Explain the rationale for and coverage provided by individual A & S (health/travel) insurance policies to supplement provincial or territory coverage. 2 2. Describe the various provisions generally included in individual A & S insurance policies and the potential impact on a disability claim, including renewal, grace period, incontestability, pre-existing conditions, claims, physical examination, change of occupation, and over insurance. 3 3. Describe the tax implication of an A & S insurance policy. 2
17	Compare and analyze the application of other insurance products. 4	 * * * * * * * *	Other Insurance Products: 1. Describe the advantages of a critical illness policy. 2 2. Describe and provide examples of the conditions that are generally covered under a critical illness policy. 3 3. Explain the circumstances that will result in a payment of benefit under a critical illness policy. 2 4. Comprehend the complexity in the differences of medical definitions used in critical illness policies. 2 5. Describe the advantages of a long-term care policy. 2 6. Describe and provide examples of the conditions that are generally covered under a long-term care policy. 3 7. Explain the circumstances that will result in a payment of benefit under a long-term care policy. 2 8. Explain the value and use of Registered Disability Savings Plan. 3 Analysis & Synthesis**:** 1. Given several case studies containing specific client, information, select the most appropriate products from among: disability, A & S, critical illness, and/or long-term care insurance products to match a particular client's situation and needs. 5

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Module 4 – Group Insurance Products			
18	Compare and analyze the application of various general group insurance products. 4		General: 1. Explain the medical services generally covered by provinces and territories, including hospital services, physician services, and surgical/dental services. 2 2. Compare and contrast individual and group insurance products. 3 3. Distinguish between a contributory and non-contributory plan. 2 4. Explain the terms deductible and co-insurance and how they impact benefit payments. 3 5. Distinguish among the following group insurance eligibility requirement terms : actively-at-work provision, probationary period, and eligibility period and waiting period. 2 6. Explain the relationship among credibility, manual rating, experience rating, and blended rating. 3 7. Compare and contrast the following funding methods: non-refund accounting, refund accounting, and administrative services only (ASO). 3 8. Explain the Coordination of Benefits guidelines (developed by CLHIA). 2 9. Using a case study example, determine how a primary and secondary carrier would coordinate benefits. 3 10. Discuss the agent's role in marketing group insurance. 2 11. Explain the definitions of the following: group insurance, member, group policyholder, and waiver of premium benefit. 3
19	Compare and analyze the application of various group life insurance products. 4		Group Life Insurance**:** 1. Define and explain the following types of group life insurance: term life, dependent life insurance, survivor income benefit, optional group life, accidental death and dismemberment (AD&D) and creditor group. 2 2. Explain the key group life insurance policy provisions established under the CLHIA Group Life Guidelines, including benefit amounts, beneficiary designation, conversion privilege, misstatement of age, and settlement options. 2 3. Describe the favourable tax treatment of group life insurance for both the employer and the employee. 2 4. Compare Basic AD&D and Voluntary AD&D plans and how employees qualify for each. 3 5. Describe the exclusions usually included in basic accidental death and dismemberment (AD&D) plans. 2 6. Describe the features, benefits and administration of group creditor's insurance. 2 7. Explain the definitions of the following: Disability income

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			benefit, group insurance, member, group policyholder, and waiver of premium benefit. 2
20	Compare and analyze the application of various group disability insurance products. 4		Group Disability: 1. Compare the definitions of disability as used by short-term income replacement plans and long-term income replacement plans. Use examples and sample calculations to explain the definitions. 3 2. Describe the rationale for the use of elimination periods in pricing group disability plans. 2 3. Describe the features and coverages of a group disability plan and how the plan functions. 3 4. Describe the benefit amounts and benefit period requirements of an STD plan to qualify for registration under the Employment Insurance (EI) Act for premium reduction purposes. 2 5. Describe the advantages to employers of having an STD plan that is registered with Human Resources Canada for premium reduction purposes. 2 6. Explain the rationale for having an employee pay the premiums for group long-term disability (LTD). 2 7. Explain the impact of coordination of benefits and subrogation on a group disability insurance policy. 3
21	Compare and analyze the application of various group accident and sickness insurance products. 4	* * *	Group A&S Insurance: 1. Describe the types of medical services usually included in employer-sponsored group A&S plans. 2 2. Explain the rationale for the inclusion of deductibles and copays in employer-sponsored group A&S plans. 2 3. Discuss the limitations and exclusions that are usually included in employer-sponsored group A&S plans. 3
22	Compare and analyze the application of other types of group insurance products. 4		Other Types of Group Insurance: 1. Describe a typical dental plan including coverages and coordination of benefits. 3 2. Describe a typical extended health plan including coverages and coordination of benefits. 3 3. Describe the primary features included in a typical Employee Assistance Program. 2
Module 5 – Investment Products **Module 5A: Other than Insurance**			
23	Define and explain fundamental investment terminology and the types of financial products available. 2		1. List the types of investment products available from insurance companies and other financial institutions. 1 2. Define what is meant by the power of compounded returns over time. 1 3. Explain the differences between registered versus non-registered products. 2 4. List the general considerations in evaluating investments. 1

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			5. List the major effects of economic activities on investments. 1 6. List the major types of financial institutions. 1 7. Define the various types of investment returns (net versus gross; after-tax; current yield; yield to maturity). 1 8. List the effects of inflation on investments. 1 9. Define the term "time-value of money." 1 10. Define how foreign content rules work in investments. 1 11. Define the role of a portfolio manager. 1 12. Define the "know your client" rule. 1 13. Identify non-insurance investment products where redemptions would have tax implications. 2 14. Describe the benefits, limitations, and institutions that issue Guaranteed Investment Contracts, Index linked GICs. 2 15. Define Rights of Withdrawal & Rescission. 1 16. Explain the value of having a Tax Free Saving Account in a client's portfolio. 3
24	Included in Module 5B.		1. Included in Module 5B under Fundamentals of Insurance Investments as Measurable Objective 24.1 Included above as part of Measurable Objective 23.14.
25	List the major types of securities. 1		Stocks and Bonds: 1. Define the major types of securities trading in capital markets including: stocks, bonds, derivatives, options, futures contracts , debentures, rights and warrants and stock market indices. 1
26	Explain investment products available from sources other than insurance companies. 3		Mutual Funds: 1. Describe how a mutual fund works. 2 2. Describe risk and volatility as they relate to mutual funds. 2 3. Differentiate between a segregated fund and a mutual fund in terms of product approval, rules governing the product, CLHIA IVIC Guidelines, sales licensing requirements, taxation, valuation and ownership of assets. 3 Government Investment Products: A. Describe the features, benefits and source of Treasury bills, Canada Savings Bonds, Federal government bonds, Provincial government bonds, municipal government bonds. 2
27	Explain the difference between guaranteed and non-guaranteed investments. 2		1. Describe what the term "guaranteed" means when discussing guaranteed investments, including guarantee of investment capital and guarantee of income. 2

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28	Explain basic investment strategies, concepts and terms. 2		1. Define the risks associated with investing, including market risk, business risk, interest rate risk, liquidity risk, currency risk, and inflation risk. 1 2. Draw and explain risk/reward graph placing investment products appropriately along the graph. 2
Module 5 – Investment Products Module 5B: IVICs (Segregated Funds)			
24	Compare, analyze and provide recommendations regarding investment products available from insurance companies. 4		Fundamentals of Insurance Investments: 1. List the investment products available from insurance companies. 1 2. Explain the age restrictions related to various investments. 2 3. Explain "adjusted cost base." 2 4. Explain "premium taxes." 2 5. Explain the insurance charges associated with an IVIC. 2 6. Explain the taxation of maturity and death benefit guarantees. 2 7. Describe taxation switches. 2 8. List the requirements for providing audited financial statements. 1 9. Describe the fees & expenses associated with various IVICs. 2 10. Explain the role of CompCorp in investment products offered by insurance companies. 2
24	Compare, analyze and provide recommendations regarding investment products available from insurance companies. 4		Annuities: 1. Define the term annuity. 1 2. Describe the difference between prescribed rate annuities and accrued rate annuities. 2 3. Explain the differences between immediate annuities and deferred annuities. 2 4. Compare the differences between an insurance company deferred annuity and a GIC issued by banks and trust companies. 3 5. Explain the withdrawal rights and the impact of market value adjustment on withdrawals. Use examples to support your explanation. 3 6. Describe the factors influencing annuity payments. 2 7. Explain the creditor protection available through a deferred annuity contract. 2 8. Explain the concept of a structured settlement annuity. 2 9. Describe the difference between a term certain annuity and a life annuity. 2 Individual Variable Insurance Contracts (IVIC -Segregated Funds): 1. Define and explain the term IVIC. 2 2. Analyze a variety of client-specific scenarios to determine the impact on the client of the distinguishing features of

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			segregated funds, including maturity guarantee, death benefit, creditor protection, reset options, and exemption from probate. 4 3. Explain the following terms as they apply to IVICs : Contract holder, Annuitant, Beneficiary, Contract Date, and Maturity Date. 2 4. Explain the content and purpose of the Information Folder and the benefits it brings to a client. 3 5. Explain the investment limitations and taxation of an IVIC. 2 6. Compare and contrast the investment instruments, risk, and volatility of various types of funds, including: money market funds, mortgage funds, bond funds, dividend funds, equity funds, international and global funds, specialty funds, real estate funds, balanced funds, asset allocation funds, index funds, and fund of funds. 3 7. Explain the various sales charge options and loads available and their impact on the investment decision. 3 8. Explain the requirements for reporting past performance in documentation or advertisements to/for the consumer. 2 9. Describe the disclosure requirements necessary when offering an IVIC and when they must be given to the consumer. 2 10. Describe the decision-making process to be used when determining the appropriate investment option to meet the risk tolerance of the client. Use examples to support your explanation. 3 11. Compare the consumer protection compensation funds available for IVICs, securities and bank offered investments (including CompCorp, CDIC, and CIPF). 3 12. Explain the valuation process for IVICs. Use examples to support your explanation. 3 13. Describe the regulatory requirements for issuers of IVICs including the role of the CLHIA IVIC Guidelines. 2 Analysis and Synthesis: 1. Given a variety of case study examples using client-specific information and various insurance company investment products to choose from, determine an overall investment strategy and recommend the most appropriate products for each client. 6 2. Using an example, determine what would happen when a client withdraws a portion of the funds invested in an IVIC with respect to the guarantee for maturity. Include such concepts as proportional and linear reduction methods, maturity and death benefit guarantees, adjusted cost basis, etc. 4
29	Describe the advantages/disadvantages of various life insurance investment vehicles as compared to non-		1. Describe the advantages/disadvantages of various life insurance investment vehicles as compared to non-insurance investment vehicles. 3

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	insurance investment vehicles. 3		
Module 6 – Underwriting, Issues and Claims			
30	Explain the importance of accurate field underwriting and its impact on the claims process. 2	*	1. Explain the agent's responsibility in collecting information as part of the underwriting process. 2
		*	2. Explain the agent's duty to educate the client in the consequences of incorrect information being provided for the underwriting process. Use examples to support your explanation. 3
		*	3. Explain the purpose of witnessing a client signature on an application. 2
		*	4. Understand the definition of a legal signature. 2
31	List and understand the information an agent should gather so a head office can underwrite the application. 3	*	1. Describe the key components of the life insurance application as they affect the underwriting process, including agent comment section, accurate completion of medical questions, financial information, and product selection. 3
		*	2. Explain the impact of incomplete or inaccurate information in the application. Use examples to support your explanation. 3
		*	3. Explain what a TIA is, how it impacts the applicant, and the limitations associated with the issuance of a TIA. 3
32	Explain how head office deals with an application, prior to policy issue or decline 2.	*	1. Describe the steps head office undertakes in processing an application for life insurance when it is received from the field, including doctor's medical, Attending Physician's Statement (APS), inspection reports, medical information bureau, hazardous sports and occupations, financial underwriting, etc. 3
		*	2. Describe what factors affect an increase or decrease in premium rates. 2 3.
33	Describe the key components of an insurance policy contract and common provisions. 2	*	1. Define the key components of an insurance policy. 2
		*	2. 2. List and explain the main provisions of an insurance policy. 2
34	Explain the agent's responsibilities in delivering the insurance contract. 2	*	1. Describe the agent's responsibilities in delivery of the insurance contract, including right of rescission, and proof of delivery and when there has been a change in health of the insured. Use examples to support your explanation. 3
35	Outline the key steps in completing a claim for benefits under the policy. 2	*	1. Describe the claims process for life, disability, A&S, and group insurance. 2
		*	2. Describe the role of the agent in settlement of a claim for life, disability, A&S, and group insurance. 2
		*	3. State and explain the company requirements for a death claim. 2
		*	4. Explain the role of the agent in liaison with the estate, such

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		*	as accountant, lawyer, etc. 2 5. List the applications that must be filed for payment of government benefits to the claimant. 1
36	Describe the process used in the development of insurance products and the integral role that reinsurance plays in the process. 2	* * *	1. Describe the factors that are relevant in the development and pricing of a life insurance product, e.g., mortality costs, administration costs, and expenses. 2 2. Explain how reinsurance works. 2 3. Explain the reasons why insurance companies use reinsurance. 2
Module 7 – Taxation			
37	Identify the tax systems in Canada. 1		1. List the federal and provincial tax requirements as they apply to life insurance products. 1
38	Understand/ Comprehend the tax consequences of Capital Gains, Dividends, Interest and Earned Income. 2		1. Explain the Capital Gains Tax. 2 2. Explain dividends and their tax implications. 2 3. Define and explain the types of interest costs that have tax implications. 2
39	Discuss the tax implications of a disability benefit. 2		1. Explain and interpret the tax consequences that could apply to disability benefits. 2
40	Describe the tax advantages available in a Registered Education Savings Plan. 2		1. Explain the tax benefits available through a Registered Education Savings Plan. 2
41	Identify situations when a tax expert is appropriate. 3		1. Using client specific data, identify individual situations where a life agent should recommend that a client should seek independent tax advice. 3
42	Understand the use of insurance as a solution for tax problems. 3		1. Using client specific data, identify individual situations where insurance can be used as a strategy to address and resolve tax issues. 3 2. Using specific data, identify business situations where insurance can be used as a strategy to address and resolve tax issues. 3
43	Understand the use of life insurance as a tool to address tax consequences. 5		1. Using client specific data, demonstrate the use of an insurance policy as a tax-planning tool. 5
44	Explain the purpose and concepts of the retirement planning process. 2		1. State the purpose of the retirement planning process. 1 2. Explain the steps in the retirement planning process. 2

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45	Describe employer sponsored retirement plans available (both accumulation and pay-out) 2		1. Describe employer-sponsored registered retirement plans including defined contribution, defined benefit, deferred profit-sharing plans, and group RSP. 2
46	Describe government-sponsored pension plans. 2		Government-Sponsored Pension Plans: 1. Describe Old Age Security (OAS), including its source, benefits provided, "claw back" provision, and the 2001 changes. 2 2. Describe the Canada Pension Plan, including contributions to the plan, age for receiving benefits, benefits provided, and penalties for choosing to receive pension benefits early. 2
47	Describe employer-sponsored pension plans. 2		Employer-Sponsored Pension Plans**:** 1. Describe the fundamental difference between defined benefit plans and defined contribution plans. 2 2. Describe the workings of a defined benefit plan, including funding the plan, payments received, and legislative restrictions on the maximum amount a person can receive. 2 3. Describe the workings of a defined contribution plan, including funding the plan, tax benefits, payments received, legislative restrictions on the maximum amount that can be contributed each year, and how investment options may be provided for the employee. 2 4. Using examples, describe the advantages of pension income splitting. 3
48	Describe RRSPs, LIFs, RRIF s, LIRAs, and LRIFs. 3		RRSPs, LIFs, RRIF s, LIRAs, and LRIFs: 1. Describe the primary advantage of a Registered Retirement Savings Plan (RRSP) over other investments held outside an RRSP. 2 2. Describe the benefits of an RRSP including annual contribution maximums, current and future tax implications, and who can contribute. 2 3. Identify sources that qualify as "earned income" for RRSP purposes. 1 4. Describe RRSP "carryforward" and the alternative minimum tax provision when carryforward is used. 2 5. Describe the types of investments that can be held inside an RRSP. 2 6. Describe the workings of the foreign content rule as it applies to RRSPs. 2 7. Describe what a Pension Adjustment (PA) is and what affect it will have on RRSP contributions. 3 8. Describe what a Retiring Allowance is. 2 9. Using examples, describe the advantages of income splitting through spousal RRSPs. 3

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			10. Describe how RRSPs may be used to finance buying a home for a first time buyer and the repayment provisions required. 2 11. Describe the role of an agent in assisting a client in selecting investments for an RRSP. 2 12. Describe how to establish a self-directed RRSP and the advantages of doing so. 2 13. Describe the process for transferring money accumulated in a registered pension plan to a locked-in RRSP upon termination of employment. 2 14. Define Life Income Fund (LIF), Registered Retirement Income Fund (RRIF). Locked –in Retirement Account (LIRA), Locked-in Retirement Income Fund (LRIF). 1 15. Explain at what age one must elect to annuitize a RRIF, LIF, or RRSP and the consequences of not making an election. 2 16. Describe the options available upon retirement including the purchase of an annuity, or a RRIF. 2 17. Describe the difference between a term certain annuity and a life annuity. 2 18. Describe the tax implications on early RRSP redemptions and death. 2
49	Using client-specific information, develop a basic retirement plan integrating registered and non-registered accumulations, as well as public and private pension funds. 5		1. Using a case study approach including client-specific information at different ages develop a retirement plan for each individual. 5 2. Develop a plan for an individual who has decided to retire. 5
50	Demonstrate the advantages of splitting income between spouses. 3		1. Provide an example to show the advantages of how income splitting between spouses can help to reduce taxes for both pre- and post-retirement. 3
51	Explain the purpose and concepts of a RRIF (Registered Retirement Income Fund). 3		1. Explain how to set up a RRIF. 2 2. Explain the payment stream options of a RRIF. 2 3. Using case studies describe the tax consequences on the payment flow from a RRIF. 3 4. Using case studies describe what happens to the balance of a RRIF upon death. 3
52	Explain the purpose and concepts of a LIF (Life Income Fund). 3		1. Explain how to set up a LIF. 2 2. Explain the payment stream options of a LIF. 2 3. Using case studies describe the tax consequences on the payment flow from a LIF. 3 4. Identify at what age one must annuitize a LIF. 1 5. Using case studies describe what happens to the balance of a LIF upon death. 3

ID	ABILITY OBJECTIVE AND LEVEL	APPLICABLE TO: A&S *	MEASURABLE OBJECTIVE AND LEVEL
53	Design a pre-and post-retirement plan for a specific client. 5		Analysis and Synthesis: 1. Given a variety of case study examples using client-specific information, design a pre- and post-retirement plan using the most appropriate products for each client. 5
Module 9 – Needs Analysis/Risk Management			
54	Describe the principles, concepts and techniques involved in needs analysis and fact-finding. 2		1. Describe the principles, concepts and techniques involved in needs analysis and fact-finding. 2
55	Explain how the fact-finding process serves as the foundation for determining future interactions with the client. 5		1. Given client-specific information, recommend the type(s) and amounts of insurance required to provide for the financial needs for an individual and their family. 5
56	Define Risk Management in the context of life insurance and disability insurance. 2		1. Define risk of death and how it can be managed. 2 2. Define a risk management process as it applies to the risk of death. 2 3. Describe the impact of changes in mortality rates in Canada. 2 4. Define risk of disability and how it can be managed. 2 5. Define a risk management process as it applies to the risk of disability. 2 6. Describe the impact of changes in morbidity rates in Canada. 2
57	Perform a variety of mathematical calculations involving addition, subtraction, multiplication, division, fractions, ratios, percentages, etc. 3		1. Demonstrate proficiency in performing a variety of mathematical calculations involving addition, subtraction, multiplication, division, fractions, ratios, percentages, etc., for a life insurance application. 3
58	Use common insurance mathematical formulas and concepts – e.g. present value calculations. 3		1. Using typical insurance mathematical formulas and concepts, prepare reports for insurance applications, demonstrating proficiency. 3
59	Research product availability based on benefits and pricing and select the most appropriate product (s) to address the client's needs		1. Explain the steps in researching product availability and pricing. 2 2. Given several case studies containing specific client information, select the most appropriate insurance products (life, health, and/or disability) to match a particular client's situation/needs. 6

ID	ABILITY OBJECTIVE AND LEVEL	APPLICABLE TO: A&S *	MEASURABLE OBJECTIVE AND LEVEL
	6.		
60	Understand the role of insurance in managing risk as a part of financial planning. 2		1. Explain the role of insurance in managing risk as a part of financial planning. 2
61	Describe the principles, concepts and techniques involved in personal financial planning. 2		1. Explain the basic concepts of developing a personal financial plan for a client. 2 2. Define and explain financial planning in the context of selling insurance. 2
62	Create a strategy for insurance and risk management, retirement planning, investment planning, tax planning and estate planning for the client. 6		1. Design and develop a financial needs analysis for a client to reduce the severity and frequency of risk covering the areas of retirement planning, investment planning, tax planning and estate planning. 6
63	Develop a client service strategy that includes ongoing clarification of client financial goals and reassessment of client needs. 5		1. Using an effective financial planning process, develop a strategy to address a client's ongoing financial needs. 5
Module 10 – Common/Contract Law Statutes			
64	Describe the legal issues concerning an insurance contract. 2	* * * * *	1. Define the term Common Law. 1 2. Define the term Law of Contract. 1 3. Define the law of Tort. 1 4. List and explain the fundamental prerequisites for a legal contract, focusing on insurance. 2 5. Explain remedies available for disputes over a life insurance contract. 2
65	Understand and comprehend the regulations governing the distribution of insurance products as they relate to the criminal code in regard to misrepresentation, theft and forgery. 3	*	1. Describe the implications of the regulations governing the distribution of insurance products as they relate to the criminal code in regard to misrepresentation, theft and forgery. 3

ID	ABILITY OBJECTIVE AND LEVEL	APPLICABLE TO: A&S *	MEASURABLE OBJECTIVE AND LEVEL
Module 11 – Professional Standards			
70	Explain the benefits of Errors and Omissions Insurance for the Consumer, the Agent, and the Insurance Company. 3	* * *	1. Describe the benefits of Errors and Omissions Insurance for the Consumer, the Agent, and the Insurance Company. 2 2. Using a client–specific situation, explain how Errors and Omissions Insurance could respond to a consumer loss. 3 3. Explain how CompCorp would be accessed in the event of an insurance company insolvency and the limits that would apply. 2
71	Explain the responsibilities of an Agent with respect to his/her role with the client, the insurance company, and regulators. 2	* * *	1. Explain the responsibilities and obligations of the agent in an agent-client relationship including agency law. 3 2. Explain the agent's duties pertaining to the client, including disclosure, putting the client's interest first, coercion, undue influence, due diligence, etc. Use examples to support your explanation. 3 3. Explain the agent's responsibility with respect to the "know your client" rule and suitability of product for the client. 2
72	Describe the components of an effective client monitoring system. Emphasize the agent's responsibilities. 2	*	1. List and define five components of an effective client monitoring system. 2
73	Describe the sections of provincial acts and regulations governing the distribution of Insurance products. 2	* * *	1. State and define the appropriate provincial regulations that govern the distribution of Insurance products. 2 2. Explain the mandate and role of the regulatory bodies in relation to life insurance agents. 2 3. Identify the agent's responsibility in determining the requirements for replacing one life insurance contract with another. 1
74	Using case studies, analyze the responsibilities of an Agent with respect to his/her role with the client and the insurance company. 4	*	1. Using case studies, analyze the responsibilities of an Agent with respect to his/her role with the client and the insurance company. 5

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