December 2, 2004

To: Chief Executive Officers and Chief Agents of
Life Insurance Companies

**Re: Request for information about relationships to brokers, agents and other sales intermediaries.**

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The Canadian Council of Insurance Regulators (CCIR) has developed a risk-based market conduct assessment questionnaire to obtain information from insurers about their relationships with brokers, agents, and other sales intermediaries in Canada.

To reduce the need for separate requests being made by each jurisdiction, with the exception of Autorité des marchés financiers (AMF) in Quebec, the other regulators have asked that FSCO obtain Canada-wide information from companies on their behalf and share it with them. The AMF is planning to send the questionnaire to Quebec-based companies and to federal companies that have their head offices in Quebec. The information in this questionnaire is being requested by each regulator pursuant to the information gathering authority under its laws.

The completion of the questionnaire is mandatory. The assessment questionnaire is designed to gather information about practices in effect at the date the questionnaire is completed and signed. It is not designed to gather information about former practices, except where transactions are still pending completion.

The first phase of this review is to obtain a comprehensive understanding of the environment and controls around compensation to sales intermediaries and financial linkages between insurers and sales intermediaries and quotation practices. Once the responses have been received, the results will be studied and key areas identified for potential further review.

The regulators appreciate that the responses requested may contain confidential information relating to trade secrets as well as commercial, technical or financial information and the regulators will treat it as such, recognizing that confidentiality and access to information are governed by the relevant legislation in each jurisdiction. If your response contains information that you consider to be confidential trade, commercial or financial information, you may wish to highlight in the document that the information is explicitly being provided in confidence.

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The completed questionnaire is to be completed and delivered to FSCO by Friday, December 17, 2004, to be sent to the attention of:

Jai Persaud, Principal Examiner
Financial Services Commission of Ontario
Licensing and Market Conduct Division
5160 Yonge Street
Box 85, 4th Floor
North York ON  M2N 6L9

If you have any questions, please contact Anita Sastri, Senior Manager, Market Conduct Compliance; tel. (416) 590-7245, e-mail asastri@fsco.gov.on.ca or Jai Persaud, Principal Examiner, Market Conduct Compliance; tel. (416) 590-7244, e-mail jpersaud@fsco.gov.on.ca.

Yours truly,

Bryan Davies
Chief Executive Officer and
Superintendent of Financial Services

Enclosure: Risk-based Market Conduct Questionnaire