



NEWS RELEASE

For Immediate Release

Canadian Council of Insurance Regulators
Canadian Insurance Services Regulatory Organizations

CCIR and CISRO Release Consolidated Segregated Funds Guidance for Consultation

January 8, 2025

TORONTO and MONTREAL – The Canadian Council of Insurance Regulators (CCIR) and the Canadian Insurance Services Regulatory Organizations (CISRO) have released proposed consolidated segregated funds guidance for public consultation.

The proposed guidance sets out expectations for insurers and intermediaries relating to the design, sale and servicing of individual variable insurance contracts (IVICs) (also known as individual segregated fund contracts).

“This guidance closes gaps in the conduct standards related to the sale and servicing of IVICs as opposed to mutual funds, ensuring that customers are treated fairly,” said Huston Loke, Chair of CCIR.

“The proposed CCIR/CISRO Consolidated Segregated Funds Guidance creates a consistent national standard for insurers and intermediaries, to be implemented by each province and territory,” said Patrick Ballantyne, Chair of CISRO.

The proposed Consolidated Segregated Funds Guidance includes expectations concerning:

- Know your customer, know your product, needs analysis and recommendations;
- Robust controls around the use of a sales charge option in which an insurer pays an intermediary for selling segregated fund contracts and requires the intermediary to repay some or all of the commission if customers withdraw money within a specified time (advisor chargeback sales charge option or ACB) as per the [CCIR-CISRO Position on Upfront Compensation in Segregated Funds published May 15, 2023](#);
- [IVIC Ongoing Disclosure \(TCR\) \(final guidance published April 20, 2023\)](#); and
- Corporate governance, segregated fund administration and financial matters.

CCIR and CISRO invite all interested parties to review and comment on this guidance. The guidance is available on the [CCIR](#) and [CISRO](#) websites. The consultation period will be 90 days in

length and the deadline to provide written submissions is April 8, 2025. Please send comments to the CCIR Secretariat at ccir-ccrra@fsrao.ca.

Please note that CCIR and CISRO may publish on their respective websites all submissions received pursuant to this consultation process.

About CCIR

The Canadian Council of Insurance Regulators is an inter-jurisdictional association of insurance regulators. The mandate of the CCIR is to facilitate and promote an efficient and effective insurance regulatory system in Canada to serve the public interest. CCIR members work together to develop solutions to common regulatory issues.

About CISRO

The Canadian Insurance Services Regulatory Organizations is a forum of Canadian regulatory authorities who are dedicated to consistent qualifications and conduct of business standards for insurance intermediaries. CISRO members collaborate on initiatives that support a consistent approach to consumer protection through the regulation of insurance intermediaries.

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