

CODE OF BUSINESS CONDUCT

PURPOSE AND SCOPE

The Canassurance Hospital Services Association and its regulated subsidiaries, Québec Blue Cross and Ontario Blue Cross (collectively, the "Company") are subject to provincial legislation governing the activities of insurers in Canada. The Company offers insurance products and high-quality services that bring tangible value to its clients and meet their personal needs.

In order to provide fair and ethical treatment to all its clients and the general public at all times, the Company has adopted a Code of Business Conduct that sets out the standards to which all independent agents, including distributors, must adhere (firms, brokers and general agents, herein referred to as "agents") in their business relationships with clients, other agents, the general public and regulators (the "Code").

The Code **complements** all existing codes of ethics and professional or business conduct of Canadian and provincial professional associations and regulatory bodies and applies to everyone. As the Company's agents are in a position of trust and assume significant responsibilities in the conduct of their promotional, distribution, sales and service activities related to the Company's products, they must adopt sound commercial practices.

OBLIGATIONS TOWARD THE CLIENT

1.0 Integrity and honesty

Personal and professional integrity and honesty are essential to the success of a business relationship. Having integrity and being honest imply that you behave in a transparent, reliable and ethical manner at all times.

Agents must put the client's interests ahead of their own to earn and maintain their clients' trust. You must act in the best interests of your clients when you offer them products and services.

Having integrity also means that you do not participate in or condone illegal, dishonest, fraudulent or deceptive activities.

2.0 Conflict of interest and equity

A conflict of interest is defined as an activity or relationship that places the agent's interests at odds with those of the client.

Being equitable involves treating others with the same respect and dignity that you expect from others. You must remain impartial in order to provide only services and products that meet the needs of your clients.

To act equitably, you must safeguard your independence and avoid conflicts of interest or the appearance of conflicts of interest.

For example, under no circumstances should agents:

- Serve as the executor or liquidator of a client's estate
- Borrow money from a client or lend money to a client
- Pay an insurance premium for a client
- Be designated as a beneficiary of a contract that the agent has sold or is serving (except for a close family member)

3.0 Communications and documentation

Agents must present products to their clients clearly, accurately and completely. Agents must explain all benefits of the products, as well as their limitations and exclusions.

When communicating with the client and presenting product documentation, agents must:

- Present their agent information (title, licence or registration, type of remuneration, etc.)
- Accurately explain the features of the products
- Not include false or misleading testimonials
- Not present any inaccurate, unverified or misleading information
- Present all the information required by the Company, legislation or regulations
- Not use technical insurance vocabulary, which may not be understood by the general public

Agents must also ensure that the client receives all the insurance-related documents, including information documents and client copies, in the prescribed time limits.

4.0 Confidentiality of your client's personal information

Agents must demonstrate a commitment to confidentiality in order to comply with federal and provincial privacy legislation and the Company's privacy guidelines. They must:

- Protect all personal and confidential information in their possession, whether in paper or electronic form
- Respect their clients' trust
- Use the personal information in their possession only for the purposes for which it was collected
- Not share client information with third parties without written authorization from the client

The business relationship with the client is based on trust, and trust can only be maintained if agents keep all personal information in their possession strictly confidential.

Agents are responsible for protecting their clients' personal and confidential information from theft, loss, unauthorized access, disclosure, destruction or misuse.

5.0 Professionalism

Agents' behaviour should always reflect positively on the profession. Professional conduct must be maintained at all times with clients and with other financial agents and service providers.

Agents must act with the highest ethical standards, in accordance with the expectations of regulators, the industry and the Company. To do this, agents must:

- Maintain the highest standards of professional conduct
- Act professionally so that the profession is perceived positively
- Hold a valid licence and liability insurance (errors and omissions)
- Practise their profession conscientiously and with integrity
- Consider the limitations of their knowledge before undertaking or pursuing an engagement
- Avoid any activity that could adversely affect the quality of their service

REGULATORY OBLIGATIONS

6.0 Legal obligations

Agents are required to know, understand and comply with all applicable laws, regulations, guidelines and policies in the life and health insurance industry. These are issued primarily by:

- Governments or government agencies
- Provincial and national regulators
- Professional associations

The requirements for the life and health insurance industry include, but are not limited to:

- Regulations, guidelines or laws related to product distribution, anti-money laundering and terrorist financing, privacy and confidentiality

Agents must ensure that their activities comply with both the spirit and the letter of the law.

7.0 Ethical obligations

Agents must be familiar with the code of ethics and standards of the regulatory bodies in the jurisdictions in which they operate.

They must act with the highest ethical standards, in accordance with the expectations of regulators, industry and the Company.

It is important for agents to cooperate with the regulators in disciplinary investigations or hearings.

OBLIGATIONS TOWARD THE COMPANY

8.0 Signature and documentation

With respect to signatures, the agent must not:

- Sign a document on behalf of the client, even if authorized to do so by the client, as it is essential for the signatures of the policyholder and, if applicable, the beneficiary(ies) to be authentic
- Attest to the veracity of a signature by signing as a witness if they did not personally witness the signature
- Have a client sign a blank or incomplete document
- Complete or modify a document after it has been signed by a client

With respect to the delivery and retention of documents, agents must:

- Provide the client with all the documents intended for them, within the prescribed time limits
- Establish secure methods of electronic document transmission with the client
- Maintain complete client files
- Promptly remit to the Company any cheques obtained on its behalf and duly made out to the Company; no cash payment is to be accepted
- Report to the Company any breach of confidentiality or any breach of the security of personal or other information as soon as it is detected, and keep the Company informed until the problem is resolved

In addition, agents must only use Company-approved marketing materials.

9.0 Vulnerable clients

At all times, the agent acts in accordance with the rights and interests of vulnerable individuals.

The agent must ensure that vulnerable clients are treated fairly and take reasonable measures to ensure that each client understands the advice provided.

The agent must follow the applicable law, regulations and best practices recommended by their regulatory body when they suspect that a vulnerable client is a victim of abuse or mistreatment.

10.0 Complaints and right of practice

Agents must promptly notify the Company of:

- Any situation that may affect their ability to act as an agent, such as bankruptcy, licence expiry or suspension, or a disciplinary, regulatory or criminal investigation
- Any customer complaints
- Any claims or legal proceedings

CONSEQUENCES OF ANY BREACH OF THIS CODE

To protect the reputation of the Company and its agents, and for the sake of integrity and the protection of the public, the Company will take any action deemed appropriate against any agent who has violated this Code.

These measures may include, but are not limited to:

- Submitting a declaration of irregularities to regulatory bodies
- Terminating the agent's contract
- Filing a formal complaint with the regulatory authorities
- Instituting legal proceedings against the agent(s) in question, in the event of damage to the reputation or losses suffered directly or indirectly by the Company as a result of their transgressions