



SSC # 62 - CANADIAN SEGREGATED FUNDS: CONTRACTS, GUARANTEES, AND ADVISOR OBLIGATIONS

This course is eligible for:

3 Life & A&S CE Credits for BC, SK, MB & ON.

3 Life ONLY CE Credits for AB

Target Audience

This course is designed for licensed Canadian life and health insurance professionals who advise clients on investment, retirement, estate, and risk-management strategies. *It is appropriate for:*

- Life Insurance Agents and Brokers (LLQP-licensed)
- Financial Planners and Financial Advisors
- Insurance-licensed Bank Advisors
- Wealth and Retirement Specialists
- Estate and Legacy Planning Professionals
- Compliance Officers and Supervisors in Insurance Distribution
- MGA and Agency Training Staff

The course is suitable for both new and experienced advisors who require a deeper understanding of segregated funds (IVICs), their regulatory environment, and the enhanced expectations introduced by the 2025 CCIR/CISRO Guidance.

Course Overview

Canadian Segregated Funds: Contracts, Guarantees, and Advisor Obligations provides a comprehensive, structured examination of Individual Variable Insurance Contracts (IVICs), commonly known as segregated funds. These products occupy a unique position in the Canadian financial services landscape: they are insurance-based investment vehicles that combine market participation with maturity and death benefit guarantees, potential creditor protection, and estate planning advantages unavailable through mutual funds or other securities-based investments.

This course arrives at a critical time for the industry. The **November 2025 CCIR/CISRO Segregated Funds Guidance** introduced the most significant regulatory changes in the history of segregated funds, establishing new national expectations for product design, distribution, disclosure, suitability, advertising, and ongoing servicing. Advisors must now demonstrate a

heightened level of product knowledge, documentation, and client-focused conduct to remain compliant.

Across twelve modules, the course builds advisor competency from foundational concepts through advanced planning applications. *Participants will learn to:*

- Distinguish segregated funds from mutual funds
- Explain guarantee structures and reset provisions
- Apply creditor protection and estate planning strategies
- Understand tax implications for contract holders
- Conduct compliant suitability assessments under the new Guidance
- Evaluate cost-benefit trade-offs and product appropriateness
- Integrate segregated funds into retirement income and wealth-preservation plans

Practical scenarios, worked examples, and compliance-focused practice points ensure that advisors can translate regulatory expectations into real-world professional behaviour.

Course Purpose

The purpose of this course is to:

- Strengthen advisor proficiency in segregated fund product knowledge, contract mechanics, and guarantee structures
- Equip advisors to meet the enhanced expectations of the **2025 CCIR/CISRO Segregated Funds Guidance**
- Improve advisor ability to conduct and document compliant suitability assessments
- Support advisors in integrating segregated funds into holistic financial, retirement, and estate planning strategies
- Enhance client outcomes through transparent disclosure, informed recommendations, and ongoing service
- Elevate professional standards across the insurance industry by reinforcing ethical, client-focused conduct

Ultimately, this course ensures that advisors can confidently and compliantly recommend segregated funds as part of a well-constructed financial plan.

Learning Objectives

Upon successful completion of this course, participants will be able to:

Foundational Understanding

1. Define segregated funds (IVICs) and distinguish them from mutual funds with respect to legal structure, regulation, guarantees, and investor protections.
2. Explain the regulatory framework governing segregated funds in Canada, including the roles of provincial regulators, CLHIA Guideline G2, OSFI, and Assuris.

Guarantees, Resets & Contract Mechanics

3. Describe maturity and death benefit guarantee structures (75/75, 75/100, 100/100) and calculate the impact of withdrawals on guaranteed values.
4. Explain reset provisions — including manual resets, automatic resets, and death benefit resets — and their effect on guaranteed values and maturity dates.

Creditor Protection & Estate Planning

5. Analyse creditor protection benefits and articulate their limitations, including fraudulent conveyance rules, CRA collection powers, and family law considerations.
6. Apply estate planning strategies using segregated fund features such as probate bypass, beneficiary designations, and successor annuitant provisions.

Costs, Fees & Product Comparison

7. Compare segregated fund fee structures with mutual fund alternatives, quantify the “insurance premium” embedded in the MER, and determine when the additional cost is justified.

Taxation

8. Describe the tax implications for segregated fund contract holders, including annual T3 allocations, adjusted cost base (ACB) tracking, and tax treatment at maturity and death.

Regulatory Compliance & Advisor Obligations

9. Apply the CCIR/CISRO Segregated Funds Guidance (November 2025) and CLHIA Guideline G2 to daily advisor practice, including suitability, disclosure, advertising, and Total Cost Reporting (TCR).
10. Conduct a compliant suitability assessment for segregated fund recommendations, including full KYC, needs analysis, product selection rationale, and documentation requirements.