

June 1, 2018

ADVISOR CODE OF CONDUCT

At Equitable Life®, we are committed to the fair treatment of our clients in every aspect of the insurance process and we know that our distribution partners have that same commitment. Advisors play a critical role as we work together to achieve the following outcomes:

- clients receive clear and sufficient information before, during and after the point of sale to make informed decisions;
- clients receive sound financial advice that is appropriate for their needs; and
- client complaints and disputes are addressed fairly.

This Code of Conduct (the “Code”) sets out our expectations of advisors in their dealings with clients and other stakeholders. The Code forms part of your contractual relationship with Equitable Life.

At a high level, we expect that you will abide by the following five principles. Further detail about each of the principles can be found in the body of the Code.

1. Integrity

You will act with honesty, integrity and fairness in all dealings with your clients, other members of the public, Equitable Life, and your distribution partners. You will prioritize your clients’ interests above your own and will comply with all relevant regulatory and industry requirements.

2. Suitability of Advice

Your product recommendations will be based solely on your clients’ needs, objectives and financial circumstances. You will ensure that your clients understand your recommendations and will retain documentation of your needs analysis and client interactions.

3. Disclosure

You will accurately represent yourself and your practice to clients and the public. You will disclose to your clients the companies you represent, how you are compensated, and any conflicts of interest, and will provide your clients with all of the information necessary to make an informed decision.

4. Confidentiality

You will obtain your clients’ consent to the collection, use and disclosure of their personal information and will only use their personal information in accordance with that consent. You will safeguard all personal information that is entrusted to you and otherwise comply with privacy legislation.

5. Competence

You will conduct all business in a professional manner and provide responsive and regular service to your clients. You will acquire appropriate education and training to keep current on product information and regulatory requirements in the financial marketplace.

The remainder of the Code sets out “Do’s” and “Don’ts” with respect to each of the five principles. Items marked as a “Do” are requirements that Equitable Life expects its advisors to follow in their interactions with clients, the public, Equitable Life, the advisor’s distribution partners (for example, MGAs) and other advisors. Items marked as a “Don’t” are prohibited activities.

An advisor’s responsibilities and the prohibited activities are not limited to those listed in the Code. Advisors must use integrity when dealing with their clients and Equitable Life in all situations.

Breaches of the Code will be investigated by Equitable Life and may result in consequences up to and including termination of the advisor’s contract and reporting to government authorities.

1. INTEGRITY

Advisors hold a position of trust and responsibility when engaged in the sale and servicing of our products. By consistently acting with integrity, you enhance our mutual reputation for the fair and ethical treatment of our clients.

Do:

- Act with honesty and fairness in all dealings with your clients, other members of the public, Equitable Life, and your distribution partners.
- Prioritize your client’s interests above your own.
- Avoid conflict of interest situations where your client’s interests may be divergent from your own interests.
- Comply with all relevant laws and regulations, as well as industry and professional body standards and best practices.
- Respond in a timely manner to requests from Equitable Life in connection with audits or investigations of business practices and conduct, client complaints and regulatory matters.

Don’t:

- Make any false or misleading statement in the course of selling or servicing an insurance policy.

- Use methods of solicitation or advertising that are misleading as to the terms, benefits or investment risk of any insurance policy.
- Use coercion or undue influence to control, direct or secure insurance business.
- Take advantage of a client who is unable to understand the character, nature, language or effect of a transaction.
- Submit an application for insurance knowing that the applicant or person to be insured has misrepresented or failed to provide information requested by Equitable Life.
- Charge an applicant or policy owner any fee, charge or other amount, in addition to the premium, that is unfair or unreasonable.
- Act as a trustee, executor or power of attorney for a client, be designated as a beneficiary on a client's policy, or take an ownership interest in a client's policy or account, unless the client is your immediate family member.
- Sign as a witness to a signature unless you are physically present when the signature is made.
- Obtain blank pre-signed forms, photocopy signatures, use electronic means to duplicate signatures, or sign your client's name to a form even if authorized to do so by the client.
- Engage in any activities involving fraud, dishonesty, or unfair or deceptive acts or practices.

2. SUITABILITY OF ADVICE

Each client is unique. Conducting a thorough fact-finding process with your clients will enable you to provide advice tailored to their particular needs and circumstances.

Do:

- Reasonably ensure that any product or service recommended is suitable to meet the client's needs.
- Base your recommendations solely on your client's needs, objectives and financial circumstances at the time of sale.
- Ensure that your client understands your recommendations.
- Before or at the time a policy is delivered, provide your client with documentation of the rationale for the sale (often referred to as a "reason why" letter) that briefly sets out your client's circumstances, your recommendation and the reason why your recommendation meets your client's needs.
- Retain documentation of your sales process, including needs analysis, reason why letter and other client interactions.

- Recommend leveraging only where it is appropriate for your client, given their risk tolerance and personal circumstances such as the client's investment knowledge, income, life stage, cash flow and ability to withstand loss.

Don't:

- Induce a client to replace any insurance policy unless the replacement is in the best interests of the client.
- Engage in, or adopt a sales strategy of, indiscriminate replacement of insurance policies.
- Engage in or facilitate trafficking or trading in life insurance policies. Equitable Life does not condone or support life settlements, viatical settlements or stranger-originated life insurance.

3. DISCLOSURE

To make a properly informed decision, your client needs full and accurate information about you and your practice, as well as the benefits and risks of the product you are recommending.

Do:

- Accurately represent yourself and your practice to clients and the public. Always hold yourself out using the name shown on your license.
- Disclose to your client the companies you represent, how you are compensated, and any conflicts of interest, all in accordance with regulatory requirements and industry standards.
- Ensure that your client has all information necessary to make an informed decision. Discuss the advantages and disadvantages of your recommendation, including the benefits and any relevant risks, limitations and exclusions.
- Obtain a signed illustration for products where this is required by Equitable Life.
- For leveraged transactions, ensure that your client understands the risks associated with leveraging.
- When a client is replacing a policy, provide the required disclosure and obtain the applicable signed replacement forms.
- For segregated fund sales: (i) provide your client with the information folder and fund facts documents; (ii) discuss with your client all sales charge options available; and (iii) if a sales charge option with deferred sales charges is chosen, ensure the option chosen is appropriate for your client's age, time horizon for investing and personal circumstances.

Don't:

- Hold yourself out in any way that is misleading about the services that you can provide or misrepresent your training, qualifications or skills.
- Make any changes to or tamper with the Equitable Life illustration.
- Use Equitable Life's name or logo in any advertising or other materials unless you have obtained our prior approval for that specific use.

4. CONFIDENTIALITY

Insurance requires that clients share highly sensitive and confidential information about their health and financial situation. It is critical that clients be confident that the information will be held securely and will be collected, used and disclosed only in accordance with their consent.

Do:

- Obtain your client's consent to the collection, use and disclosure of their personal information.
- Use your client's personal information only in accordance with your client's consent.
- Inform your clients of how their personal information will be shared.
- Safeguard all personal information that is entrusted to you against unauthorized access, theft, loss, misuse and destruction.
- Create a privacy policy that meets regulatory requirements and make that policy available to your clients.
- Comply with all applicable privacy legislation.

Don't:

- Use unfair or deceptive means to collect personal information.
- Conduct tele-marketing or send electronic messages in violation of Do Not Call or Anti-Spam legislation.
- Share your EquiNet® ID and password. Contact us if you need an ID for your assistant.

5. COMPETENCE

As a trusted advisor, clients depend on your skills, knowledge and experience. By acting at all times with diligence and professionalism, you will inspire confidence and assist clients in achieving their financial goals.

Do:

- Conduct all business in a professional manner and provide responsive and regular service to your clients.
- Clearly communicate to your client the nature of services you will provide, any associated fees, and the level of ongoing service the client can expect. Contact your client at least once a year, unless you have agreed to less frequent check-ins.
- Handle complaints promptly and fairly.
- Maintain appropriate education and training to keep current on product information and regulatory requirements in the financial marketplace. You must comply with all applicable continuing education requirements.
- Maintain your insurance license and errors and omissions insurance in good standing.
- Deliver insurance policies to your clients in a timely manner.
- Comply with requirements of anti-money laundering and anti-terrorist financing (AML/ATF) legislation, including reporting suspicious transactions and terrorist property to the appropriate government authorities. You must have AML/ATF policies and procedures that are documented and followed by yourself and your employees.
- Monitor the activities of your employees to ensure that they comply with regulatory and industry requirements.
- Know your limitations and refer clients to other professionals in situations that are beyond your experience or expertise.
- Immediately notify Equitable Life and your MGA regarding any change in circumstances that may impact your suitability to act as an advisor (e.g. bankruptcy, unlicensed, criminal conviction, client complaints, disciplinary actions and decisions by regulators etc.).

Don't:

- Deliver an insurance policy if you believe that the insured person has undergone a change in insurability since the application was made. Instead, contact Equitable Life for further instructions.
- Accept cash from a client or accept premium payments that are payable to you. All client payments must be payable to Equitable Life.
- Provide Equitable Life with trading instructions under limited trading authority unless you have documented the instructions from your client in your file. Discretionary trading is not permitted.

- Allow your assistants to perform activities on your behalf if they are not licensed to do so.
- Engage with clients in product areas, industries and jurisdictions for which you are not licensed to provide advice.

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