



Ethidex™

Governance • Risk • Compliance

Canada's Best Practice Solution

for Life Insurance and Reinsurance Companies

Modules for Life Insurers and Reinsurers

INSURANCE COMPANIES ACT

- ICA, Regulations, OSFI Guidelines
- Customized for Life Companies, Branches and Fraternal
- Quarterly legislative scan

MARKET CONDUCT

- Provincial & Territorial Requirements
- Concordance of equivalent sections
- Quebec module
- Quarterly legislative scan

PRIVACY

- Federal PIPEDA
- Related provincial acts
- Privacy Commissioner decisions

HUMAN RESOURCES

- Provincial and territorial Employment Standards Acts
- Accessibility for Ontarians with Disabilities

AML/ANTI-TERRORIST FINANCING

- Proceeds of Crime (Money Laundering) and Terrorist Financing Act, Regulations, Criminal Code, FINTRAC Guidelines

GOVERNANCE AND RISK MANAGEMENT

- Aligned with OSFI's expectations on sound business and financial practices
- Customizable risk structure for a Life insurer or reinsurer

Regulatory Forecast: Enhanced Focus on Governance

“In general, a challenge that management has always had is whether you drive a truck up to the board table and dump all the information or whether you are providing really clear, concise notes on what’s going on, what the big rocks are, and how to address them. I think that’s a huge challenge for everyone.”

- OSFI Superintendent Julie Dickson, December 12, 2012 at the KPMG 21st Annual Insurance Issues Conference

Entities can't assume the absence of problems means that controls and oversight are strong. Ethidex allows you to manage your company's controls, procedures and policies to ensure and demonstrate effective risk management and compliance to the board and other stakeholders.

Ethidex: Your Best Practice Solution

Our methodology allows financial institutions to focus on managing their business rather than managing legislative changes.

THE ETHIDEX ADVANTAGE

• **Ethidex is the Industry Standard**

Over the past 13 years, we have developed and continuously enhanced Compliance Office™ to suit the needs of the industry and our 100+ clients in charge of managing business and compliance risks.

• **Save Time, Save Money**

Web-based, secure, and backed up by our alliance with TELUS™, Compliance Office™ helps make The Ethidex Service the easiest and most cost-effective way to satisfy the risk-management and compliance expectations of your Directors, Auditors, Regulators and stakeholders.

• **Our Service Commitment**

Our commitment is to ensure that our clients are active, satisfied Ethidex users.

To this end, we undertake to provide, at no additional cost, whatever ongoing support and training you may require in order to get the maximum value from our offering.

• **Custom Regulatory Modules Provided by Leading Law Firms**

An Ethidex module is a set of digital documents that organizes your regulatory requirements in a framework tailored to your business structure. Requirements are presented as plain language control objectives backed up by specific citations and links to full-text sources. Modules are updated quarterly to meet changing requirements with the assistance of McMillan.

Checklists Are Not Enough

A best practice solution reduces risk and builds regulatory confidence.

Are requirements and risks evaluated in the context of the business processes that are affected?

❖ We clarify the relevant risks and requirements in plain, industry-specific language and organize them by business process.

Are appropriate auditable controls built into business processes to ensure on-going compliance and risk mitigation?

❖ We provide an efficient framework for controls documentation, assessment and reporting.

Are managers and other responsible individuals:

- *Aware of the risks and requirements?*
- *Accountable for control implementation and documentation?*
- *Self-assessing control effectiveness?*
- *Updating controls for a changing environment?*

❖ The system provides an auditable workflow to manage accountability, documentation, assessment and reporting.

❖ We alert you to relevant changes that apply to your business and advise you on where they impact your business processes.

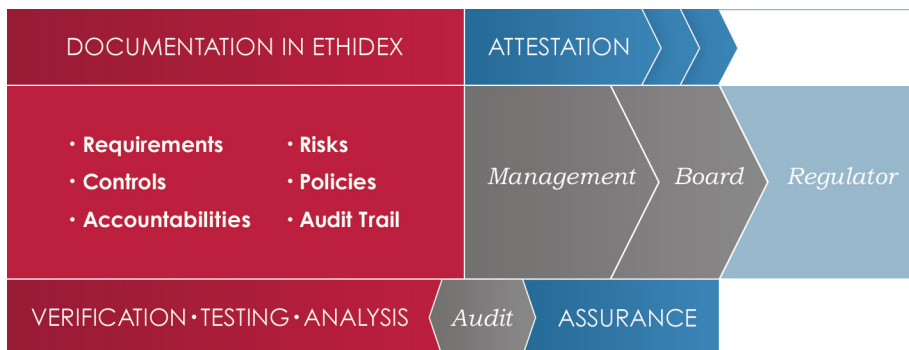
❖ We train and support your staff in using the Ethidex system on an on-going basis.

❖ **Learn more** about The Ethidex Service at: www.ethidex.com

A Reliable Basis for Attestation and Assurance

The dynamic documentation of requirements, risks, controls and policies within Ethidex establishes an effective foundation for attestation and reporting. At each point from management to the Board and then to the regulator, a well-maintained Ethidex database provides the basis for a reliable assertion of current and ongoing compliance.

Using the tools integrated in our system, Audit can efficiently carry out verification and testing of management's controls documentation in order to provide assurance of accuracy and completeness to all stakeholders.



ABOUT ETHIDEX

Governance is the combination of people, policies, and procedures that ensures the alignment of management's actions with stakeholders' legitimate interests.

Effective governance requires a foundation of clearly documented policy, a disciplined process of management accountability for policy implementation and controls, and a system to identify risks and to respond to a changing business environment.

Ethidex provides the methodology, framework and tools to implement a cost-effective solution for companies of any size.

ABOUT McMILLAN LLP

McMillan is a leading Canadian business law firm committed to client service and professional excellence for over 100 years. With recognised expertise and acknowledged leadership in major business sectors, McMillan provides definitive Canadian legal advice to businesses, financial institutions, governments and private individuals in Canada, the United States and internationally. McMillan has offices in Vancouver, Calgary, Toronto, Ottawa, Montréal and Hong Kong.

“Our collaboration with Ethidex demonstrates our firm’s commitment to providing useful tools and approaches to the insurance industry in an ever-increasing regulatory environment.”

Frank Palmay, Partner and National Co-chair Insurance



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