

Life Insurance Replacement Form (LIRD)

Questions and Answers

Can I simply continue to use the Disclosure Form rather than the new format?

The Disclosure Form cannot be used effective December 1, 2009. It is being replaced with the LIRD and written comparative analysis.

Where do I find/buy the new Life Insurance Replacement Form (LIRD)?

The new LIRD is found on the Insurance Council of Manitoba website: www.icm.mb.ca. Simply download it from the site.

Is the LIRD the only form required to replace the Disclosure Form?

In addition to the LIRD, the agent is required to develop a written comparative analysis in conjunction with the LIRD.

What is the acceptable format for the written comparative analysis?

There is no prescribed format for the written comparative analysis. When developing the analysis, remember that the purpose is to provide a meaningful document for the applicant. It should be comprehensive and stand the test of time. If there are questions in the future regarding whether or not this replacement was in the best interest of the applicant, will this document provide proof that all advantages and disadvantages of the replacement were fully discussed with and understood by the applicant?

Must the LIRD form be double-sided?

No, but if the form is provided to the applicant as two separate pages, the applicant must sign and receive both sides. Both pages would then be kept in the applicant's file and in the agent's file, as well as, one set sent to the replacing insurer.

Do I need to complete a LIRD for each policy being replaced?

While there might be an occasional time when a separately completed LIRD would not be required, keep in mind that it might be advantageous to complete a separate LIRD for each policy to ensure that the applicant is clear about each policy being replaced, and the advantages and disadvantages of each policy.

Can I use the existing Disclosure Form format for the written comparative analysis?

The format of the Disclosure Form might form the basis of your written comparative analysis. Are all the advantages and disadvantages of the replacement covered? The Disclosure Statement may serve as a guide and starting point, however you must ensure that all of the relevant information to determine the advantages and disadvantages of replacement are included in the written comparative analysis.

Must the LIRD be sent to the replacing insurer and the existing insurer?

One copy of the signed LIRD will be kept by the applicant, one copy of the signed LIRD will be kept by the agent, and one copy will be forwarded to the replacing insurer along with the application. No copy is required to be sent to the existing insurer.

Must the written comparative analysis be sent to the replacing insurer and the existing insurer?

One copy of the signed written comparative analysis will be kept by the applicant and one copy of the signed written comparative analysis will be kept in your agent's file. Copies are not required to be sent to either the existing insurer or the replacing insurer.

Must the copies of the LIRD and written comparative analysis be originals or can I send photocopies?

While it would be ideal to have multiple copies for the applicant to sign at the time the form is being discussed that might not always be possible, especially if the client needs coverage immediately. Therefore where original copies are not available at the time an application is taken, a photocopy of the original document with the original signatures will be sufficient.

**The supervising agent did not sign a copy of the LIRD and the written comparative analysis.
How can that be corrected?**

The supervising agent must sign a copy of the LIRD and the written analysis, however this may be a photocopy or scanned copy and need not be the original. A copy of the LIRD and written comparative analysis, with the signature of the supervising agent, must be maintained on file.