

Case Study – Witnessing Policy Documents

Having never met with the client, a life insurance agent signed as a witness to client signatures on a life insurance application and declared that they completed the application in person with the client.

Section 375(1)(a) of the *Act* prohibits deceit, dishonesty and/or misrepresentations. Council concluded the agent violated section 375(1)(a) of the *Act* by falsely witnessing client signatures and falsely reporting that the application was completed in person with the client.

It is mandatory that an agent collect sufficient information to determine client identity and ensure all transactions are lawful. Having not met the client, the agent was unable to fulfill mandated protocol and was therefore in violation of section 3 of the *Code of Conduct* – Legitimate Business Interests.

Furthermore, false witnessing of signatures and false declarations also violates section 4 of the *Code of Conduct* – Professionalism, where agents must act in a manner that is honest, fair, and diligent.

The Life Insurance Council of Manitoba has reviewed a number of instances where agents have signed, as a witness, an application for insurance when they have not in fact observed the client sign the document. The definition of “Witness” is to attest to the documents authenticity or to approve its execution.

Signing as a witness indicates that you were present and observed the person executing the documents actually sign his/her name. If you sign as witness to a document which you have not in fact observed signed, you are misrepresenting material fact to those subsequently relying on the document. This is knowingly submitting a false document. Council views this conduct seriously.