



Dear Colleagues,

We write to formally address unfounded allegations that Lavie Financial (“**Lavie**”) has been restricting the transfer of its brokers’ contracts. These baseless allegations are rumors and have negatively impacted Lavie’s reputation. Thus it is imperative to set the record straight:

1. Lavie, as a learning-oriented team, is committed to mutual success with its listed brokers. Since its inception, Lavie has always supported its listed brokers in acquiring and maintaining their clients, fostering joint development. Lavie has never used any means to hinder or restrict brokers from transferring their contracts out. Lavie believes that a broker’s clients belong to the broker, not to Lavie. Lavie respects brokers’ decisions and assists in the transfer of contracts to ensure the broker’s professional choices are honored;
2. Lavie continuously strives to ensure within its power that broker contracts are “open contracts”, which demonstrates respect and recognition for its listed brokers. This approach has been integral to Lavie’s growth and the attraction of new members;
3. However, the rumors misrepresent Lavie’s use of the “close contract” model, insinuating and/or alleging that Lavie might exploit this model for profit and withhold its brokers’ contracts. This misrepresentation disregards Lavie’s business philosophy and practices, and therefore serves as irresponsible misinformation and potentially deliberate defamation;
4. Lavie has never, and will never, unduly withhold any of its broker’s contracts or coerce its brokers during the contract transfer process. While the insurance companies’ contract management models may change, Lavie’s principles remain unaltered: Lavie respects the efforts and values of its brokers in client development, policy application, and customer service. Lavie agrees that the business conducted by a broker is entirely the broker’s own. Should a broker decide to transfer their contract out of Lavie, and there are no prohibitions from other supervising bodies (such as insurance companies or Insurance Council) or amounts owing to Lavie and/or MGA, Lavie endeavors to assisting in the transfer, irrespective of its rights as granted by insurance companies; and
5. Specifically, regarding amounts owing to Lavie and/or MGA, Lavie will provide details and basis for such amounts. Once cleared, Lavie will assist in the transfer of contracts and will not use outstanding amounts as an excuse to hinder the transfer process.

All insurance companies have their respective contract management models which apply to all MGAs and AGAs, including Lavie and some identified individuals and entities who propagated the rumors. Lavie operates within this framework but strives to assist in its brokers’ contract transfers and professional transitions. It is uncertain if the propagators have achieved the same.

Since these rumors were not directly communicated to Lavie’s management, direct communication with the propagators has not been possible. Lavie has collected and archived documentary evidence and reported the incident to relevant insurance companies and Insurance Council of British Columbia. Lavie urges all parties involved in spreading these baseless rumors, directly and indirectly, to cease immediately. To verify or clarify, please engage directly with Lavie. For legal inquiries, please direct same to Yuan Ye of McCague Borlack LLP at [yuyan@mccaugeborlack.com](mailto:yuyan@mccaugeborlack.com).



Lastly, Lavie's position on competition is as follows. Lavie's foundation is built on comprehensive training systems, professional coaching, and adherence to high industry ethics. Lavie opposes any unfair competitive practices, does not mislead listed brokers or partners, does not defame or antagonize other MGAs or AGAs, does not coerce its brokers or their contracts to stay, nor secretly entice any to join. Lavie supports market competition, is confident in its continuous development in a fair and open market, and welcomes like-minded professionals like you to join.

Sincerely,

Lavie Financial

December 26, 2023