

# **Insurance Council**

**BRITISH COLUMBIA**

## **Continuing Education Guideline Program for Life and/or Accident and Sickness Insurance Agents**

**V.1.0**

## CONTINUING EDUCATION GUIDELINE – PROGRAM FOR LIFE AND/OR ACCIDENT AND SICKNESS AGENTS

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### INTRODUCTION

In accordance with Council Rule 7(5) licensees must meet the requirements of the continuing education program established by Council, as amended from time to time. The Insurance Council of British Columbia (“Council”) last amended its continuing education program in 2008 (as per Council Notice ICN-08-005 – *The Continuing Education Program for Life and/or Accident and Sickness Insurance Agents*).

### CONTINUING EDUCATION

#### What is continuing education?

Continuing education is learning that helps fulfill the knowledge required to maintain a standard of professional competence and remain current with an ever-changing industry. This knowledge can be obtained through a variety of learning opportunities such as online or in-person courses offered by training institutions or attending professional development conferences.

#### Who needs to complete continuing education?

In accordance with Council Rule 7(5), all licensees are required to complete continuing education courses. As well, Licensees are expected to maintain competence as required under Section 5.2 of Council’s Code of Conduct: *“You must conduct all insurance activities in a competent manner. Competent conduct is characterized by the application of knowledge and skill in a manner consistent with the usual practice of the business of insurance in the circumstances. You must continue your education in insurance to remain current in your skills and knowledge.”*

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## **COUNCIL'S CONTINUING EDUCATION PROGRAM**

### **Definitions**

**Licence Period:** Annual licence period runs from June 1 to May 31.

**Annual Filing:** To continue to hold a licence, licensees must submit a fee and declare they understand they must meet their licence requirements, including those for continuing education, for the licence period.

**Continuing Education Records:** Documents confirming relevant knowledge was acquired for the purpose of continuing education (i.e. certificates of course completion, attendance records, written confirmation from course providers, etc.)

**Calendar Year:** January 1 to December 31

**Continuing Education Credits:** One hour of instruction is equal to one credit, not including breaks.

**Resident Licensee:** A licensee who is a resident of British Columbia.

**Non-Resident Licensee:** A licensee who is a resident of a Canadian province other than British Columbia.

**Home Jurisdiction:** The Canadian province where a licensee lives and holds and insurance licence.

### **NON-RESIDENT LICENSEES**

All licensees must complete continuing education regardless of their home jurisdiction. Non-resident licensees whose home jurisdiction has a mandatory continuing education requirement will not be required to meet Council's requirements provided they complete their continuing education in accordance with their home province's requirements and keep their licence in good standing in their home jurisdiction. If the home jurisdiction does not have a continuing education program, the licensee is required to meet Council's continuing education program requirements.

### **RESIDENT LICENSEES**

#### **Number of Continuing Education Credits Required**

Life and/or Accident and Sickness Insurance Agents are required to complete fifteen (15) hours of continuing education per licence period.

#### **Course Content**

Continuing education is learning that helps fulfill the knowledge required to maintain a standard of professional competence and remain current with an ever-changing industry. Licensees should complete sufficient

education to maintain and increase their knowledge in the insurance products they sell. Therefore, accepted continuing education is technical material directly related to:

- Insurance products;
- Compliance with insurance legislation and licensee requirements such as Council Rules, Council's Code of Conduct, the *Insurance Act*, and privacy legislation;
- Ethics;
- Errors and omissions;
- Financial planning (life and accident and sickness insurance agents only), provided the education is focused on life and accident and sickness insurance and not a non-insurance sector.

Continuing education courses that do not contribute to fulfilling knowledge to remain competent in the insurance industry will not be given credit toward meeting Council's continuing education program. Credit toward their continuing education requirement will not be granted if the course content primarily involves:

- Marketing or sales techniques;
- Service;
- Training on how to use computer programs;
- Self improvement or self help; or
- Non-insurance products.

### **Continuing Education Records**

Council's continuing education program requires licensees keep their continuing education records for five (5) licence periods. Records should indicate proof of course attendance or completion issued by the course provider including the licensee's full name, the course name and description, the relevant course content (see "Course Content") and the number of eligible continuing education credits granted. An optional form is included in Appendix 1 of this guideline to help licensees track their continuing education and keep their records organized. Please note this form does not replace the requirement to maintain continuing education records.

Examples of continuing education records:

- Continuing education certificates provided by the course provider;
- Attendance sheets provided by the course provider; or
- Written correspondence from the course provider confirming that the course was successfully completed.

### **Reporting Continuing Education**

Licensees are required to confirm they understand Council's continuing education requirements when they complete their annual filing each year. Licensees are not required to provide their continuing education records as part of their annual filing but must be in compliance with their continuing education requirements and keep a [detailed record](#) of their completed CE for five (5) licence periods.

### **Partial credits**

Each hour of instruction time is eligible for one continuing education credit. Partial credits will be granted in increments of fifteen (15) minutes for courses less than one (1) hour. For example, fifteen (15) minutes of instruction time amounts to a quarter (.25) of a credit and thirty (30) minutes of instruction time amounts to half (.5) of a credit.

### **Pro-rated continuing education**

Licensees who were issued a licence between March 1 and May 31 are not required to complete continuing education during their first licence period.

### **Carry-over continuing education credits**

Life and accident and sickness licensees can carry forward up to fifteen (15) continuing education credits to the next licence period.

### **Duplicate courses**

Licensees cannot complete the same course for continuing education credit within three (3) licence periods. Exceptions will be made where Council can confirm the course content has changed substantially enough to warrant retaking the course.

### **Audits**

Although licensees are not required to submit evidence of continuing education, Council conducts random audits. In the event of an audit, licensees will be required to provide their complete [continuing education records](#) for up to five (5) licence periods.

### **Compliance**

Council conducts random audits of licensees' continuing education records. Failure to complete continuing education or to keep continuing education records can result in disciplinary action.

**LIFE AND/OR ACCIDENT AND SICKNESS INSURANCE LICENCE**

For the licence year ending May 31, 20\_\_\_\_

The number of continuing education hours required is **fifteen (15)** per licence period. A licence period starts June 1<sup>st</sup> and ends May 31<sup>st</sup> annually. It is important to note that only technical education qualifies.

Please refer to Council’s *Continuing Education Guidelines* on Council’s website for more information.

**Complete a separate form for each licence and licence period.** A licence period starts June 1<sup>st</sup> and ends May 31<sup>st</sup> annually.

Licence Number: \_\_\_\_\_ Name: \_\_\_\_\_

**COURSES COMPLETED\***

List the continuing education you completed between June 1<sup>st</sup> and May 31<sup>st</sup>. Use a separate form for each licence period. If you require additional space, attach a separate page.

Keep this form with attendance certificates, as you may be asked to provide the certificates if you are audited.

DATE	COURSE NAME	COURSE PROVIDER	TYPE*	HOURS CREDITED

\* 1) Life insurance products; 2) Financial planning (insurance related); 3) Compliance with insurance legislation and requirements such as Council’s Code of Conduct, Council Rules, the Insurance Act, privacy legislation and anti-terrorism/money laundering legislation; 4) Ethics; or 5) E&O.

## CONTINUING EDUCATION (CE) REQUIREMENTS: WHAT COUNTS FOR CE CREDITS?

The intent of the Insurance Council’s CE program is for licensees to enhance their technical knowledge and competency in the business of insurance. As such, licensees must meet the CE requirements for their class of licence for each licence period (June 1 and May 31, annually).

While the Insurance Council does not currently accredit or approve courses, to be eligible as CE for the purposes of the Insurance Council’s continuing education program, CE courses must meet the technical content requirement.

Technical content includes courses, seminars or programs that directly relate to:

- Insurance products (based on the class of licence held)
- Financial planning focused on life insurance content (For Life and A&S agents only)
- Compliance with insurance legislation and requirements
- Errors & Omissions Insurance
- Ethics

\*Technical content for Level 3 licensees is broadened to include courses relating to management, accounting, and human resources.

Here are some examples of course material that would meet the Insurance Council’s technical content requirement; however, the list is not exhaustive. If you have questions about the Insurance Council’s CE requirements, please contact the Practice & Quality Assurance team for more information.

### Insurance Products

Maintaining technical knowledge in the area of insurance enables licensees to provide the best advice to their clients and ensures the insurance products and services recommended are suitable.

Examples of technical/non-technical content related to insurance products include:

Technical	Non-Technical
✓ Insurance product knowledge – i.e. features, coverages, and exclusions	× Marketing or sales techniques
✓ Technical insurance expertise specific to your licence class – i.e. claims adjudication (for Level 2 agents), underwriting requirements	× Software tools or systems
✓ How to analyze and mitigate emerging risks and insurance trends, such as cyber-related risks	

## Financial Planning (For Life and A&S Agents only)

Financial planning is defined as assessing an individual’s current financial and personal circumstances while considering their future financial needs and providing objective, integrated, and comprehensive insurance recommendations that can assist in meeting those needs.

Examples of technical/non-technical content related to financial planning include:

Technical	Non-Technical
<ul style="list-style-type: none"> <li>✓ Financial planning focused on life insurance products – i.e. how insurance is affected by tax changes at retirement, estate planning and trusts, segregated funds, protecting income and retirement planning, insurance and risk management</li> </ul>	<ul style="list-style-type: none"> <li>× Financial planning in a non-insurance sector, such as securities or mutual funds</li> </ul>
<ul style="list-style-type: none"> <li>✓ Identifying client’s risk exposure and making appropriate insurance recommendations</li> </ul>	

## Compliance with insurance legislation and requirements

These courses provide licensees with information regarding regulatory requirements and proper conduct of an insurance licensee.

Examples of technical/non-technical content related to compliance with insurance legislation and requirements include:

Technical	Non-Technical
<ul style="list-style-type: none"> <li>✓ Education related to Council Rules, Council’s Code of Conduct, the <i>Financial Institutions Act</i>, the <i>Insurance Act</i>, privacy legislation, and anti-terrorism/money laundering legislation</li> </ul>	<ul style="list-style-type: none"> <li>× Compliance related to mutual funds or securities products and services</li> </ul>
<ul style="list-style-type: none"> <li>✓ Insurance case laws</li> </ul>	<ul style="list-style-type: none"> <li>× Legislation that does not have any application to the business of insurance</li> </ul>
<ul style="list-style-type: none"> <li>✓ Legal requirements related to insurance claims</li> </ul>	
<ul style="list-style-type: none"> <li>✓ Needs based sales approach practices, which includes conducting a needs-based analysis, completing and providing an explanatory letter, and advisor disclosures to ensure the recommendations are suitable to the client’s needs and objectives</li> </ul>	

**Errors and Omissions**

Education focused on understanding E&O policies and what the coverage entails. This includes exposures, coverage, exclusions, and policy conditions.

Examples of technical content related to Errors and Omissions include:

- ✓ Exposure to E&O claim and how to mitigate risk to the insurance professional.
- ✓ Importance of why E&O insurance is needed.
- ✓ How to underwrite an E&O application (general insurance licensees only).

**Ethics**

Insurance professionals have a duty to demonstrate ethical behaviour. This helps to ensure that insurance professionals are conducting themselves lawfully and morally to the clients.

Examples of technical/non-technical content related to ethics include:

Technical	Non-Technical
<ul style="list-style-type: none"> <li>✓ Ethical decision-making which assists the learner to identify and address ethical dilemmas within the context of the insurance profession</li> </ul>	<ul style="list-style-type: none"> <li>× Ethics unrelated to insurance</li> <li>× Courses in personal ethics/ values</li> </ul>
<ul style="list-style-type: none"> <li>✓ Professional obligations and responsibilities of insurance professionals and how it is integrated into their business practices, such as recognizing and managing situations that could result in a conflict</li> </ul>	<ul style="list-style-type: none"> <li>× Training on customer service or sales techniques</li> </ul>
<ul style="list-style-type: none"> <li>✓ Council’s Code of Conduct which outlines Council’s expectations of ethical behaviour and models best practices for insurance professionals</li> </ul>	<ul style="list-style-type: none"> <li>× Professional development – mentoring, coaching, leadership</li> </ul>
	<ul style="list-style-type: none"> <li>× Communication skills – writing, social media</li> </ul>

Tip: To determine whether a CE course meets the Insurance Council’s technical requirements, we recommend that you review and maintain copies of the course objectives and the course content. If audited, you may be asked to provide evidence of how the course meets the technical education requirements for your class of licence.

## Check Your Understanding:

Which of the following course descriptions meet the Insurance Council's technical content requirement for CE?

- a. How to be successful in sales: prospecting and marketing to retain clients
- b. Develop time management skills to be an efficient insurance broker
- c. Protecting client information and privacy for insurance brokers
- d. Mutual fund essentials
- e. Resume writing for success

The answer is C. Licensees are required to protect client information and privacy, as part of their regulatory responsibilities in the Insurance Council's Code of Conduct. This course meets the Insurance Council's technical content requirement as it is related to *compliance with insurance legislation and requirements*.

Which of the following course descriptions meet the Insurance Council's technical content requirement for CE?

- a. Introduction to Office 365
- b. Segregated funds and tax considerations
- c. How to handle angry customers
- d. Basic vehicle damage coverage
- e. Both B and D

The answer is B and D. Licensees are required to maintain product knowledge for their class of licence in order to provide suitable recommendations to their clients that meet their needs. Option B meets the technical content requirement for life insurance agents as it is related to *life insurance products* and Option D meets the technical content requirement for general insurance salespersons and agents as it provides *general insurance product knowledge*.