Insurance Council
BRITISH COLUMBIA

COUNCIL RULES

Version: November 28, 2026

TABLE OF CONTENTS

DEFINITIONS 3

RULE 1 LICENCE CLASSES 5

RULE 2 INDIVIDUAL AND BUSINESS QUALIFICATIONS 7

- Individual Life Insurance Licences 7
- Individual Accident and Sickness Insurance Licences 7
- Individual General Insurance Licences 7
- Individual Insurance Adjuster Licences 8
- Restricted Insurance Agent Licences 9
- Nominee Requirements 9
- Additional Education 10
- Age Requirements 10
- Business Registration and Name Requirements 10
- Reinstatement Provision 11
- Equivalency Provision 11
- Non-Resident Requirements 11

RULE 3 LICENCE APPLICATIONS 12

- Complete Licence Application 12
- Applicants to Satisfy Council 12

RULE 4 LICENCE PERIOD 13

RULE 5 COUNCIL FEES 14

RULE 6 LICENCE RESTRICTIONS 16

- Level 1 General Insurance Salespersons 16
- Level 1 General Insurance (Grandfathered) Salespersons 16
- Level 1 Insurance Adjusters 16

RULE 7 LICENCE CONDITIONS 17

- Applicable to All Classes of Licences 17
- Conditions Applicable to Insurance Adjuster and General Insurance Licences 21
- Conditions Applicable to General Insurance Licences 21
- Conditions Applicable to Life Insurance Licences 22
- Conditions Applicable to A&S Licences 23
- Conditions Applicable to Insurance Adjuster Licences 23
- Conditions Applicable to Restricted Insurance Agent Licences 23
  - Designated Representative Ongoing Responsibilities 25
  - Disclosure Rules 25

RULE 8 GRANDFATHERING PROVISIONS 26

RULE 9 TRANSITIONAL PROVISIONS 27

- Discontinued Licence Class 27

DEFINITIONS

In these Rules:

"A&S" means Accident and Sickness.

"A&S agent supervisor" means an individual who holds and has held an active life insurance agent or an active A&S insurance agent licence for at least 5 of the previous 7 years or as approved by Council and who undertakes to supervise a new A&S agent.

"Act" means the *Financial Institutions Act* and its Regulations.

"adjusting firm" means a licensed corporation or partnership, or an individual sole-proprietor insurance adjuster that meets the nominee requirements set out in Council Rules.

"application date" is the date a fully completed application is received at Council's office.

"authorized representative" means a licensee who has the approval of the nominee to act on behalf of an insurance agency, adjusting firm or general insurance direct writer and is registered with Council in the required form.

"client" means a person who may reasonably be expected to rely on a licensee's advice or actions in relation to insurance.

"Council" means the Insurance Council of British Columbia.

"Council Rules Course" means a course established by Council that provides an overview of licensee responsibilities under the Council Rules, Code of Conduct, legislation, and other regulatory requirements.

"designated representative" means an individual approved by Council to carry out specified duties and responsibilities on behalf of a restricted insurance agency.

"E&O" means errors and omissions.

"general insurance direct writer" means an insurer authorized to conduct general insurance business in British Columbia, that distributes insurance directly through individuals licensed as insurance agents and salespersons who represent only that insurer.

"immediate family" means

(a) the spouse, child, parent, guardian, sibling, grandchild, or grandparent of an individual;

(b) the child, parent, or grandchild of an individual's spouse; and

(c) any other family member residing with the individual.

DEFINITIONS – *continued*

"insurance agency" means a licensed corporation or partnership, or an individual sole-proprietor agent that meets the nominee requirements set out in Council Rules, and includes a restricted insurance agency.

"jurisdiction" means any Canadian province or territory, or any other country.

"LLQP course" means the Life Licence Qualification Program course based on the LLQP Design Document adopted by the Canadian Insurance Self-Regulatory Organization and approved by Council.

"LLQP qualifying exam" means the exam(s) set by Council based on the LLQP Design Document.

"life agent supervisor" means an individual who holds and has held an active life insurance agent licence for at least 5 of the previous 7 years or as approved by Council and who undertakes to supervise a new life agent.

"life insurance agent licence" means a licence authorizing the licensee to act as an insurance agent in respect of both life and A&S insurance.

"new A&S agent" means an individual who obtains an A&S insurance agent licence on or after September 1, 2012 and has not been licensed as an active A&S insurance agent for a minimum of 24 months.

"new life agent" means an individual who obtains a life insurance agent licence on or after September 1, 2012 and has not been licensed as an active life insurance agent for a minimum of 24 months.

"restricted insurance agency" means a licensee that has been issued a restricted insurance agent licence under section 174.1 of the Act.

"restricted insurance agency representative" means the employee or agent (a non-employee representative) authorized to conduct insurance business on behalf of a restricted insurance agency.

"significant individual" means an individual in respect of a private company as defined in Section 119.11 of the *Business Corporations Act*.

"strata corporation" means a strata corporation established under the *Strata Property Act*.

The definitions set out in the Act are also applicable for the purposes of Council Rules.

RULE 1 LICENCE CLASSES

(1) Subject to all other provisions of the Act and Council Rules, the following are the defined classes of licences issued by Council:

- (a) General Insurance:
  - (i) Level 1 Salesperson
  - (ii) Level 2 Agent
  - (iii) Level 3 Agent
  - (iv) Corporate or Partnership Agent
- (b) Life and Accident & Sickness Insurance:
  - (i) Agent
  - (ii) Corporate or Partnership Agent
- (c) Accident and Sickness Insurance:
  - (i) Agent
  - (ii) Corporate or Partnership Agent
- (d) Insurance Adjuster:
  - (i) Level 1
  - (ii) Level 2
  - (iii) Level 3
  - (iv) Corporate or Partnership
- (e) [Repealed 2026-11-28]
  - (i) [Repealed 2026-11-28]

RULE 1 LICENCE CLASSES – *continued*

(f) Restricted Insurance:
- (i) Construction Equipment Dealerships
- (ii) Credit Grantors
- (iii) Customs Brokers
- (iv) Deposit-taking Institutions
- (v) Extraprovincial Trust Corporations
- (vi) Farm Implement Dealerships
- (vii) Freight-forwarding Companies
- (viii) Funeral Providers
- (ix) Mortgage Brokerages
- (x) Motor Vehicle Dealers
- (xi) Peer-to-Peer Vehicle Service Providers
- (xii) Pleasure Craft Dealerships
- (xiii) Portable Electronics Vendors
- (xiv) Transportation Companies
- (xv) Travel Agents
- (xvi) Travel Wholesalers
- (xvii) Trust Companies
- (xviii) Vehicle Rental Agencies

RULE 2 INDIVIDUAL AND BUSINESS QUALIFICATIONS

INDIVIDUAL LIFE INSURANCE LICENCES

(1) An individual applying for a life insurance agent licence must:

(a) successfully complete:

(a) the LLQP course; and

(b) within 1 year of completing the LLQP course and within the 1 year preceding the application date, have successfully completed Council's LLQP qualifying exam; or

(b) within the 1 year preceding the application date have successfully completed the qualification exam(s) established by Council, if any.

INDIVIDUAL ACCIDENT AND SICKNESS INSURANCE LICENCES

(2) An individual applying for an A&S insurance agent licence must:

(a) successfully complete:

(a) the A&S LLQP course; and

(b) within 1 year of completing the A&S LLQP course and within the 1 year preceding the application date, have successfully completed Council's A&S LLQP qualifying exam; or

(b) within the 1 year preceding the application date have successfully completed the qualification exam(s) established by Council, if any.

INDIVIDUAL GENERAL INSURANCE LICENCES

(3) An individual applying for a level 1 general insurance salesperson licence must, within 2 years preceding the application date, have successfully completed:

(a) the prerequisite level 1 salesperson courses approved by Council; and

(b) the qualification exam(s) established by Council, if any.

(4) An individual applying for a level 2 general insurance agent licence must, within 2 years preceding the application date, have successfully completed:

(a) the prerequisite level 2 agent courses approved by Council; and

(b) the qualification exam(s) established by Council, if any.

RULE 2 INDIVIDUAL AND BUSINESS QUALIFICATIONS – *continued*

INDIVIDUAL GENERAL INSURANCE LICENCES – *continued*

(5) An individual applying for a level 3 general insurance agent licence must:

(a) [Repealed 2024-04-01]

(b) have been consecutively licensed as a general insurance agent or salesperson for 5 of the 7 years preceding the application date, with at least 3 of those years as a level 2 general insurance agent; and

(c) within 2 years preceding the application date have successfully completed:

(i) the prerequisite level 3 agent courses approved by Council; and

(ii) the qualification exam(s) established by Council, if any.

INDIVIDUAL INSURANCE ADJUSTER LICENCES

(6) An individual applying for a level 1 insurance adjuster licence must:

(a) within the 1 year preceding the application date, have successfully completed:

(a) the courses approved by Council and administered by the Insurance Institute of Canada; or

(b) the qualification exam(s) established by Council, if any.

(7) An individual applying for a level 2 insurance adjuster licence must:

(a) have 2 years licensed adjusting experience; and

(b) within the 1 year preceding the application date, have successfully completed:

(a) the courses approved by Council and administered by the Insurance Institute of Canada; or

(b) the qualification exam(s) established by Council, if any.

(8) An individual applying for a level 3 insurance adjuster licence must:

(a) [Repealed 2024-04-01]

(b) have been consecutively licensed as an insurance adjuster for 5 of the 7 years preceding the application date, with at least 3 of those years as a licensed level 2 insurance adjuster;

(c) have successfully completed:

(a) the courses approved by Council and administered by the Insurance Institute of Canada; or

(b) the qualification exam(s) established by Council, if any.

(9) In the event of a catastrophe or disaster Council may issue a temporary insurance adjuster licence to an individual to adjust a specific loss on behalf of an insurer.

RULE 2 INDIVIDUAL AND BUSINESS QUALIFICATIONS – *continued*

RESTRICTED INSURANCE AGENT LICENCES

(10) [Repealed 2026-11-28]

(10.1) Every restricted insurance agency must designate and have approved by Council an individual to act as a designated representative who must be an officer, director, or partner of the restricted insurance agency, or be the sole proprietor of the restricted insurance agency.

(10.2) An individual being designated by a restricted insurance agency must have completed the designated representative courses as approved by Council.

NOMINEE REQUIREMENTS

(11) Every insurance agency or adjusting firm must nominate an individual to act as nominee who must be an officer, director or partner of the insurance agency or adjusting firm or a senior manager of the insurance agency or adjusting firm for the province of British Columbia.

(a) [Repealed 2023-06-30]

(b) An individual applying to act as a nominee for a life insurance agency must:

(i) hold a life insurance agent licence in British Columbia;

(ii) have held a life insurance agent licence for 5 of the last 7 years in a Canadian jurisdiction, unless the insurance agency will not have any authorized representatives other than the nominee; and

(iii) have successfully completed a nominee course as approved by Council.

(b.1) An individual applying to act as a nominee for an A&S insurance agency must:

(i) hold a life and/or A&S insurance agent licence in British Columbia;

(ii) have held a life and/or A&S insurance agent licence for 5 of the last 7 years in a Canadian jurisdiction, unless the insurance agency will not have any authorized representatives other than the nominee; and

(iii) have successfully completed a nominee course as approved by Council.

(c) An individual applying to act as a nominee for a general insurance agency must:

(i) hold a level 3 general insurance agent licence in British Columbia;

(ii) within 2 years preceding nomination have successfully completed the nominee courses as approved by Council; and

(iii) have successfully completed the qualification exam(s) established by Council, if any.

RULE 2 INDIVIDUAL AND BUSINESS QUALIFICATIONS – *continued*

NOMINEE REQUIREMENTS – *continued*

(d) An individual applying to act as a nominee for an adjusting firm must:
  (i) hold a level 3 insurance adjuster licence in British Columbia; and
  (ii) have successfully completed a nominee course as approved by Council.

(11.1) In exceptional circumstances, where an insurance agency or adjusting firm ceases or will cease to have a nominee, the insurance agency or adjusting firm may apply to Council to nominate, on a temporary basis to be determined by Council, an individual who does not meet the requirements under Rule 2(11).

(12) An individual applying to act as an agent or salesperson for a general insurance direct writer must identify an individual licensee to act as a nominee that holds a level 3 general insurance agent licence, has completed the nominee course as approved by Council and has the approval of the general insurance direct writer.

(13) Where a sole-proprietor acts as an insurance agency or adjusting firm, the individual:
  (a) must meet the requirements to be a nominee under subsection (11); or
  (b) may apply to Council to nominate another qualified individual to act as a nominee.

ADDITIONAL EDUCATION

(14) Council may determine that additional education or training relating to a specific area of knowledge may be necessary for a specific class of licence. Where such a determination is made Council can require completion of a specific course within a reasonable period of time.

AGE REQUIREMENTS

(15) An applicant for an insurance agent or adjuster licence must have attained the age of 19 years.

(16) An applicant for a general insurance salesperson licence must have attained the age of 16 years.

BUSINESS REGISTRATION AND NAME REQUIREMENTS

(17) An applicant or licensee that is a corporation or partnership must be registered with the British Columbia Corporate Registry.

RULE 2 INDIVIDUAL AND BUSINESS QUALIFICATIONS – *continued*

BUSINESS REGISTRATION AND NAME REQUIREMENTS – *continued*

(18) All names, including operating names or "doing business as" names, under which insurance business is conducted, other than an individual's own name must be:

(a) registered with the British Columbia Corporate Registry;

(b) a name that will not likely be confused with the name of an insurer, another licensed insurance agency or an adjusting firm; and

(c) approved by Council.

REINSTATEMENT PROVISION

(19) An applicant who previously held a licence may, within 2 years of the date the applicant ceased to be licensed, apply to reinstate that same licence without the need to repeat that licence's educational prerequisites.

EQUIVALENCY PROVISION

(20) Where an applicant does not meet the education and experience requirements under Council Rules, a licence application will be considered where the applicant:

(a) submits a completed licence application;

(b) submits a completed equivalency proposal in the form required by Council; and

(c) can demonstrate that alternate education and/or experience obtained is equivalent to the requirements set out in Council Rules.

NON-RESIDENT REQUIREMENTS

(21) Where an applicant is a resident of a jurisdiction other than the province of British Columbia, the applicant must:

(a) be licensed for the same class of insurance in the applicant's home jurisdiction;

(b) provide evidence that activities authorized under the class of licence being applied for are exempt from licensing in the applicant's home jurisdiction; or

(c) be approved by Council.

RULE 3 LICENCE APPLICATIONS

COMPLETE LICENCE APPLICATION

(1) An applicant must deliver to Council an application that is:

(a) in the form, including supporting documentation, required by Council; and

(b) accompanied by the fee as published in Council's Fee Schedule.

APPLICANTS TO SATISFY COUNCIL

(2) If an applicant satisfies Council that the applicant:

(a) has met all of the requirements set out in the Act and Council Rules;

(b) is trustworthy, competent and financially reliable;

(c) intends to publicly carry on business as an insurance agent, salesperson or adjuster in good faith and in accordance with the usual practice of the business of insurance;

(d) has not in any jurisdiction:

(i) been refused, or had suspended or cancelled, an insurance licence or registration;

(ii) been convicted of an offence; or

(iii) been disciplined by or refused a licence or registration by any financial services regulator, or any professional or occupational body;

for a reason that reveals the applicant unfit to be an insurance agent, salesperson or adjuster;

(e) does not hold other business interests or activities which would be in conflict to the duties and responsibilities of a licensee, or give rise to the reasonable possibility of undue influence; and

(f) in the case of an applicant for a restricted insurance agent licence, that they are licensed or registered with the regulator of their ordinary business, where applicable, and qualify for licensure under the *Restricted Insurance Agent Licence Regulation*;

then the Council may consent to issuing a licence.

RULE 4 LICENCE PERIOD

(1) Licences issued by Council may be continuous or for a term determined by Council.

(2) Licences issued for a specific term are subject to a minimum period of 1 year except:

(a) in the case of a temporary insurance adjuster licence; or

(b) for transition purposes as stated under Rule 9.

(3) Where a licence subject to an expiry date is issued:

(a) the expiry date will be contained on the licence;

(b) the licensee must submit to Council a completed renewal application on or before the expiry date of the licence; and

(c) where the licensee fails to meet the requirements of subsection (b), the licence is cancelled on the expiry date shown on the licence.

(4) Where a continuous licence is issued:

(a) Council will publish a mandatory annual licence fee;

(b) a licensee must submit to Council an annual licence fee, along with supporting documentation, in the form required by Council;

(b.1) a licensee must submit to Council an annual confirmation that they have met their continuing education and errors & omissions insurance requirements, in the form required by Council, and will not be able to complete their annual licence renewal unless they have done so;

(b.2) a licensee that is a restricted insurance agency must also submit to Council an annual confirmation of the following:

(i) the name and contact information of the designated representative;

(ii) the number of restricted insurance agency representatives; and

(iii) that the licensee still belongs to the prescribed class or classes of persons that is reflected on their licence, and is still acting as an insurance agent in respect of only the class or classes of insurance reflected on their licence;

and will not be able to complete their annual licence renewal unless they have done so;

(c) a licensee who fails to meet an annual licence fee deadline, or a deadline for submitting an annual confirmation will be required to pay a late fee, in accordance with Council's Fee Schedule; and

(d) the licence of a licensee who has not met the annual licence fee requirements or who has not submitted an annual confirmation within 60 calendar days of the due date is automatically cancelled, without Council taking any action.

RULE 5 COUNCIL FEES

(1) Council may collect and retain fees for the following:

(a) an application fee not to exceed:

(i) $425.00 for an individual licence;

(ii) $1000.00 for an insurance agency licence;

(iii) $1000.00 for an adjusting firm licence;

(iv) $1000.00 for a restricted insurance agency licence;

(b) an annual licence fee not to exceed:

(i) $400.00 per year for an individual licence;

(ii) $700.00 per year for an insurance agency licence;

(iii) $700.00 per year for an adjusting firm licence;

(iv) $750.00 per year for a restricted insurance agency licence with one to ten restricted insurance agency representatives;

(v) $1040.00 per year for a restricted insurance agency licence with 11 to 20 restricted insurance agency representatives;

(vi) $1950.00 per year for a restricted insurance agency licence with 21 to 99 restricted insurance agency representatives;

(vii) $3900.00 per year for a restricted insurance agency licence with 100 to 249 restricted insurance agency representatives;

(viii) $7000.00 per year for a restricted insurance agency licence with 250 to 499 restricted insurance agency representatives;

(ix) $8500.00 per year for a restricted insurance agency licence with 500 or more restricted insurance agency representatives;

(c) a fee not to exceed $50.00 to amend a licence;

(d) an exam fee not to exceed $125.00 per module attempt;

(e) [Repealed 2021-08-17]

(f) a fee for amendment of corporate ownership information not to exceed $800.00;

(g) [Repealed 2021-08-17]

(h) a late annual licence fee not to exceed:

(i) $260.00 for an individual licence;

(ii) $500.00 for an insurance agency licence;

(iii) $500.00 for an adjusting firm licence;

(iv) $500.00 for a restricted insurance agency licence;

(i) a fee for copying, printing or scanning not to exceed $1.00 per page;

(j) a fee for licence information lists not to exceed $300.00 per list;

(k) [Repealed 2021-08-17]

RULE 5 COUNCIL FEES – *continued*

(l) [Repealed 2021-08-17]

(m) a fee for courses offered by Council not to exceed $100.00 per credit;

(n) a trainee registration fee not to exceed $100.00;

(o) a fee not to exceed $300.00 to upgrade a licence within the same licence class; and

(p) a course accreditation application fee not to exceed $20,000.00, to be calculated based on the length and complexity of the course.

(2) For the purposes of Rule 5(1), the term “insurance agency” does not include restricted insurance agencies.

RULE 6 LICENCE RESTRICTIONS

LEVEL 1 GENERAL INSURANCE SALESPERSONS

(1) The following restrictions are imposed on every general insurance salesperson licence:

(a) the licensee must not sign contracts of insurance on behalf of an insurer;

(b) the licensee must not carry on general insurance business in any place other than on the premises of the insurance agency the licensee is authorized to represent, except where the licensee has completed the Council Rules Course;

(c) the licensee must only conduct general insurance business under the supervision of a general insurance agent; and

(d) the licensee's compensation must consist of a salary, whereby a minimum of 60% of the annual income is based on an hourly, daily, monthly, or other regular rate.

LEVEL 1 GENERAL INSURANCE (GRANDFATHERED) SALESPERSONS

(2) The following restrictions are imposed on every (grandfathered) general insurance salesperson licence:

(a) the licensee must not sign contracts of insurance on behalf of an insurer; and

(b) the licensee must only conduct general insurance business under the supervision of a general insurance agent.

LEVEL 1 INSURANCE ADJUSTERS

(3) The following restrictions are imposed on every level 1 insurance adjuster licence:

(a) the licensee must not make any adjustment or settlement of loss except under the direct supervision of a level 2 or level 3 insurance adjuster licensee; and

(b) the licensee must not report in relation to the adjustment of claims except by a report approved and countersigned by a level 2 or level 3 insurance adjuster licensee.

RULE 7 LICENCE CONDITIONS

APPLICABLE TO ALL CLASSES OF LICENCES

(1) A licensee must hold in strict confidence all information acquired in the course of the professional relationship concerning the personal and business affairs of a client, and must not divulge or use any such information other than for the purpose of that transaction or of a similar subsequent transaction between the licensee and the same client unless expressly authorized by the client or as required by law to do so.

(2) Where a licensee collects or receives funds on behalf of an insurer, the licensee must:

(a) not encumber the funds without the prior written consent of the insurer;

(b) not use or apply the funds for purposes other than as described in the agreement with the insurer; and

(c) pay to the insurer all funds collected or received less any deductions authorized by the insurer, including commissions.

(3) A licensee must notify Council within 5 business days:

(a) where the licensee or any business the licensee owns or has participated in as a director, officer or partner:

(i) is disciplined by any financial sector regulator, or any professional or occupational body;

(ii) has any judgment rendered in relation to any insurance activities, fraud or breach of trust;

(iii) declares bankruptcy; or

(iv) is charged or convicted of any criminal offence or any offence under any law of any jurisdiction, excluding traffic offences resulting in monetary fines only;

(b) when a licensee's authorization to represent an insurance agency, adjusting firm or general insurance direct writer is withdrawn;

(c) in the case of subsection (b) if the reason for withdrawing the authorization relates to the individual's suitability or conduct as a licensee, of the reasons for the action taken; and

(d) of any change in name, including trade names.

RULE 7 LICENCE CONDITIONS – *continued*

APPLICABLE TO ALL CLASSES OF LICENCES – *continued*

(4) A licensee must notify Council within 30 calendar days:

(a) of any change in residential or business address and telephone numbers; or

(b) in the case of an insurance agency, adjusting firm or the nominee of a direct writer:

(i) of the opening or closing of branch offices; and

(ii) of a material change in the ownership of an insurance agency or adjusting firm.

(5) A licensee must meet the requirements of the continuing education program established by Council, as amended from time to time.

(6) A licensee that is a nominee of, or a sole-proprietor acting as an insurance agency or adjusting firm, is responsible to Council for all activities of the insurance agency or adjusting firm.

(7) A licensee that is a nominee for authorized representatives of a general insurance direct writer is responsible to Council for all activities of the authorized representatives.

(8) A licensee must comply with the Council's Code of Conduct, as amended from time to time.

(9) A licensee shall keep books, records and other documents necessary for the proper recording of insurance transactions and related financial affairs.

(10) Where an insurance agency, adjusting firm or an authorized representative of a general insurance direct writer no longer has a licensed nominee, the licence of the insurance agency, adjusting firm and/or the authorized representatives is automatically suspended, unless otherwise approved by Council.

RULE 7 LICENCE CONDITIONS – *continued*

APPLICABLE TO ALL CLASSES OF LICENCES – *continued*

(11) Effective January 1, 2006, unless otherwise determined by Council a licensee:

(a) must maintain or be covered by E&O insurance, which extends to all activities as a licensed insurance agent, salesperson or adjuster, with:

(i) a minimum limit of $1,000,000.00 per claim; and

(ii) a minimum aggregate limit of $2,000,000.00;

(b) who is a direct employee of an insurer is exempt from subsection (a) where:

(i) the licensee only sells the products of that insurer; and

(ii) the licensee provides certification from the insurer that:

(A) the licensee is an employee of the insurer;

(B) the company accepts responsibility for the licensee's activities as a licensee; and

(C) the company will respond to E&O claims against the licensee on the same basis as set out in subsection (a);

(c) that is no longer insured as required under subsection (a) or (b) must:

(i) notify Council within 5 business days; and

(ii) immediately stop conducting any insurance activities;

(d) will have the licence automatically suspended without Council taking any action, where the licensee remains uninsured for a period exceeding 30 calendar days; and

(e) will have the licence suspended under subsection (d) automatically reinstated where:

(i) the licensee obtains the required E&O insurance within 30 calendar days from the date of the suspension; and

(ii) the licensee delivers to Council the required verification;

otherwise the licence is cancelled.

RULE 7 LICENCE CONDITIONS – *continued*

APPLICABLE TO ALL CLASSES OF LICENCES – *continued*

(11.1) A licensee that intends to conduct insurance transactions with an unauthorized insurer pursuant to section 76(1)(c) of the Act:

(a) must, in advance of conducting any transaction, provide Council written notification in the form approved by Council;

(b) that is acting as an authorized representative of an insurance agency that has already met the requirement outlined in subsection (a) is exempt from subsection (a);

(c) must for each transaction conducted:

(i) take all reasonable steps to ensure that the insurance coverage is not available from an authorized insurer;

(ii) obtain written consent of the client, prior to the insurance transaction, to negotiate or procure insurance coverage with an unauthorized insurer;

(iii) prior to completing the insurance transaction, provide written disclosure to the client of the responsibilities and risks involved in dealing with an unauthorized insurer, including but not limited to:

(A) the financial strength or creditworthiness of the unauthorized insurer;

(B) course of action available or consequences to the client if a claim is not paid or the unauthorized insurer ceases to do business;

(C) that the client must pay the insurance premium tax; and

(iv) hold all premiums collected in a trust account established with a Canadian financial institution.

(11.2) A licensee cannot engage in insurance business for a strata corporation when there is common ownership between the licensee and a corporation, business or other entity that provides strata management services as defined by the *Real Estate Services Act* to that same strata corporation. Common ownership includes ownership arrangements involving holding companies, immediate family, and significant individuals.

RULE 7 LICENCE CONDITIONS – *continued*

CONDITIONS APPLICABLE TO INSURANCE ADJUSTER AND GENERAL INSURANCE LICENCES

(12) Where an insurance adjuster or general insurance salesperson or agent is no longer an authorized representative of an insurance agency, adjusting firm or general insurance direct writer:

(a) the licence of the individual is automatically suspended without Council taking any action; and

(b) the licence suspended under subsection (a) is automatically reinstated, where the licensee obtains the required authorization within 90 calendar days of the date of the suspension and the licensee:

(i) meets all licence conditions; and

(ii) delivers to Council the required verification in the form approved;

otherwise the licence is cancelled.

CONDITIONS APPLICABLE TO GENERAL INSURANCE LICENCES

(13) Every general insurance agency:

(a) must have a written agreement to represent and collect premiums on behalf of at least 1 insurer authorized to do general insurance business in British Columbia, other than the Insurance Corporation of British Columbia, except where approved by Council;

(b) will have its licence and all licences of its authorized representatives automatically suspended without Council taking any action, where the insurance agency no longer meets the requirements of subsection (a) for a period exceeding 21 calendar days;

(c) must notify Council of the automatic suspension under subsection (b) within 5 business days of the suspension; and

(d) will have the licences suspended under subsection (b) automatically reinstated where:

(i) the deficiency is corrected within 30 calendar days of the date of suspension; and

(ii) the licensee delivers to Council the required verification;

otherwise the licences are cancelled.

(14) Every general insurance nominee and general insurance agency must ensure that all insurance activities are actively supervised by a licensed level 3 general insurance agent.

(15) A general insurance salesperson or general insurance agent must only conduct insurance activities as an authorized representative of:

(a) a general insurance agency; or

(b) a general insurance direct writer.

RULE 7 LICENCE CONDITIONS – *continued*

CONDITIONS APPLICABLE TO LIFE INSURANCE LICENCES

(16) A life insurance agent:

(a) must have written authorization to represent at least one insurer authorized to do life insurance business in British Columbia;

(b) will have the licence automatically suspended without Council taking any action, where the agent no longer meets the requirements of subsection (a) for a period exceeding 21 calendar days;

(c) must notify Council of the automatic suspension under subsection (b) within 5 business days of the suspension; and

(d) will have the licence suspended under subsection (b) automatically reinstated where:

(i) the deficiency is corrected within 30 calendar days of the date of suspension; and

(ii) the licensee delivers to Council the required verification;

otherwise the licence is cancelled.

(16.1) Unless otherwise approved by Council, a new life agent must only conduct insurance activities under the supervision of a life agent supervisor.

(16.2) A life agent supervisor must notify Council within 5 business days, if:

(a) a life agent supervisor ceases to supervise a new life agent before a new life agent's period of mandatory supervision is complete; and

(b) in the case of subsection (a), provide the reason for ceasing to supervise a new life agent if the reason for ceasing to supervise relates to a new life agent's suitability or conduct as a licensee.

RULE 7 LICENCE CONDITIONS – *continued*

CONDITIONS APPLICABLE TO A&S LICENCES

(17) An A&S agent:

(a) must have written authorization to represent at least one insurer authorized to do A&S business in British Columbia;

(b) will have the licence automatically suspended without Council taking any action, where the agent no longer meets the requirements of subsection (a) for a period exceeding 21 calendar days;

(c) must notify Council of the automatic suspension under subsection (b) within 5 business days of the suspension; and

(d) will have the licence suspended under subsection (b) automatically reinstated where:

(i) the deficiency is corrected within 30 calendar days of the date of suspension; and

(ii) the licensee delivers to Council the required verification;

otherwise the licence is cancelled.

(17.1) Unless otherwise approved by Council, a new A&S agent must only conduct insurance activities under the supervision of an A&S agent supervisor.

(17.2) An A&S agent supervisor must notify Council within 5 business days if:

(a) an A&S agent supervisor ceases to supervise a new A&S agent before a new A&S agent's period of mandatory supervision is complete; and

(b) in the case of subsection (a), provide the reason for ceasing to supervise an A&S agent if the reason for ceasing to supervise relates to a new A&S agent's suitability or conduct as a licensee.

CONDITIONS APPLICABLE TO INSURANCE ADJUSTER LICENCES

(18) An individual insurance adjuster must only conduct insurance activities as an authorized representative of a licensed adjusting firm.

CONDITIONS APPLICABLE TO RESTRICTED INSURANCE AGENT LICENCES

(19) [Repealed 2026-11-28]

(20) A restricted insurance agency:

(a) must have written authorization to represent at least one insurer authorized to carry on the applicable type of insurance business in British Columbia.

RULE 7 LICENCE CONDITIONS – *continued*

CONDITIONS APPLICABLE TO RESTRICTED INSURANCE AGENT LICENCES – *continued*

(21) A restricted insurance agency must ensure that before acting as a restricted insurance agency representative:

(a) an individual successfully completes the applicable course or courses approved by Council; and

(b) an individual who previously acted as a restricted insurance agency representative but who has not acted in that capacity for two or more years successfully recompletes the applicable course or courses approved by Council.

(22) A restricted insurance agency that ceases to have a designated representative:

(a) must notify Council of the absence of a designated representative, if one is not designated within 30 calendar days;

(b) will have its licence automatically suspended if it does not have a designated representative approved by Council within 60 calendar days of ceasing to have a designated representative; and

(c) will have that licence that was suspended under subsection (b) automatically reinstated if it has a designated representative approved by Council within 120 calendar days of ceasing to have a designated representative, otherwise the licence is cancelled.

(23) A restricted insurance agency that ceases to be licensed or registered with the regulator of its ordinary business:

(a) must immediately cease conducting insurance business;

(b) must notify Council of the cessation of its licence or registration with the regulator of their ordinary business within 60 calendar days of ceasing to be licensed or registered;

(c) will have its licence automatically suspended if it does not become licensed or registered with the regulator of its ordinary business within 60 calendar days of ceasing to be licensed or registered; and

(d) will have the licence that was suspended under subsection (c) automatically reinstated if it becomes licensed or registered with the regulator of its ordinary business within 120 days of ceasing to be licensed or registered with the regulator of its ordinary business, otherwise the licence is cancelled.

RULE 7 LICENCE CONDITIONS – *continued*

Designated Representative Ongoing Responsibilities

(24) A restricted insurance agency is responsible to Council for ensuring that its designated representative fulfills the following duties and responsibilities:

(a) acting as the primary contact person for the restricted insurance agency, receiving notices and other documents from Council, and communicating with Council on the restricted insurance agency's behalf;

(b) overseeing the restricted insurance agency's compliance with regulatory requirements, including those set out in the Act, Council Rules, and Code of Conduct; and

(c) ensuring that all insurance activities of the restricted insurance agency are properly carried out.

Disclosure Rules

(25) In addition to disclosure requirements set out in legislation and the Code of Conduct, every restricted insurance agency, when soliciting, negotiating, or procuring an application for a contract of insurance, must disclose to the client in writing:

(a) that purchase of the insurance product is optional and can be declined;

(b) that there may be other sources of coverage available to or currently held by the client;

(c) the name of the insurance product and insurer, and the insurer's contact information;

(d) that the client is entering into a contract with an insurer, and not with the restricted insurance agency itself;

(e) that upon approval of the application,

(i) the insurance policy and documentation describing the coverage, or

(ii) in the case of group insurance, a certificate describing the coverage,

will be provided to the client, and by whom;

(f) that under the restricted insurance agency's licence, the restricted insurance agency representatives are unlicensed;

(g) the full amount of any direct or indirect commission, compensation, inducement, or benefit that is paid to the restricted insurance agency, restricted insurance agency representative, or another licensee as a result of the insurance transaction if this amount exceeds 30% of the price paid by the client for an insurance product;

(h) whether the client has a right of rescission, and if so, its terms; and

(i) that the duration of the insurance is less than the term of the amortization period of any related loan, or that the amount of the insurance is less than the client's indebtedness, if either is the case.

RULE 8 GRANDFATHERING PROVISIONS

(1) An applicant who previously held a general insurance salesperson (grandfathered) licence within the 2 years preceding the application date may apply for the same licence, subject to meeting the requirements of Rule 2 subsection (19).

(2) An individual who within the 2 years preceding the application date previously held a level 2 insurance adjuster licence as a sole-proprietor is qualified to apply for the same licence, without being subject to Rule 2 subsection (13), where the applicant:

(a) held the licence without meeting the nominee requirements;

(b) held the licence without being an authorized representative of a licensed adjusting firm; and

(c) meets the requirements of Rule 2 subsection (19).

RULE 9 TRANSITIONAL PROVISIONS

(1) For the one year period preceding June 1, 2008, Council may issue a licence for a term of less than one year.

Discontinued Licence Class

(2) All restricted travel insurance licences issued under Rule 1(1)(e) will be cancelled on December 31, 2027.