

Insurance Council
BRITISH COLUMBIA

COUNCIL RULES

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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 under its continuing education program for new licensees.

“**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.

“**insurance agency**” means a licensed corporation or partnership, or an individual sole-proprietor agent that meets the nominee requirements set out in Council Rules.

“**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.

DEFINITIONS – *continued*

“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 travel insurance licence” means a licence issued to a travel agent or travel wholesaler registered under the *Business Practices and Consumer Protection Act*, authorizing the licensee to act as an insurance agent in connection with travel insurance as defined in the Insurance Licensing Exemption Regulation to the Act, sold incidentally to the ordinary business of a travel agent or travel wholesaler.

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) Restricted Travel Insurance:
 - (i) Corporate, Partnership or Sole-Proprietor Agent

RULE 2 INDIVIDUAL AND BUSINESS QUALIFICATIONS

INDIVIDUAL LIFE INSURANCE LICENCES

- (1) An individual applying for a life insurance agent licence must:
- (a) successfully complete:
 - (i) the LLQP course; and
 - (ii) 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:
 - (i) the A&S LLQP course; and
 - (ii) 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:
- (a) within the 1 year preceding the application date have successfully completed:
 - (i) the courses approved by Council and administered by:
 - (A) the Insurance Brokers Association of British Columbia; or
 - (B) the Insurance Institute of Canada; or
 - (ii) the qualification exam(s) established by Council, if any.
- (4) An individual applying for a level 2 general insurance agent licence must:
- (a) within the 1 year preceding the application date have successfully completed:
 - (i) the courses approved by Council and administered by:
 - (A) the Insurance Brokers Association of British Columbia; or
 - (B) the Insurance Institute of Canada; or
 - (ii) 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) be an officer, director or partner of, or hold management responsibilities within, the general insurance agency;
 - (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) have successfully completed:
 - (i) the courses approved by Council and administered by:
 - (A) the Insurance Brokers Association of British Columbia; or
 - (B) the Insurance Institute of Canada; or
 - (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:
 - (i) the courses approved by Council and administered by the Insurance Institute of Canada; or
 - (ii) 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:
 - (i) the courses approved by Council and administered by the Insurance Institute of Canada; or
 - (ii) the qualification exam(s) established by Council, if any.

RULE 2 INDIVIDUAL AND BUSINESS QUALIFICATIONS – *continued*

INDIVIDUAL INSURANCE ADJUSTER LICENCES – *continued*

- (8) An individual applying for a level 3 insurance adjuster licence must:
- (a) be an officer, director or partner of, or hold management responsibilities within, the adjusting firm;
 - (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:
 - (i) the courses approved by Council and administered by the Insurance Institute of Canada; or
 - (ii) 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.

RESTRICTED TRAVEL INSURANCE SOLE-PROPRIETOR AGENT LICENCES AND COURSE FOR EXEMPT INDIVIDUALS

- (10) An individual applying for a sole-proprietor restricted travel insurance agent licence and employees of restricted travel insurance agencies exempt from licensing under the Insurance Licensing Exemption Regulation to the Act must successfully complete the restricted travel insurance course approved by Council.

RULE 2 INDIVIDUAL AND BUSINESS QUALIFICATIONS – *continued*

NOMINEE REQUIREMENTS

- (11) Every insurance agency or adjusting firm must designate an individual who meets the following criteria to act as a nominee:
- (a) An individual applying to act as a nominee for an insurance agency or adjusting firm must be:
 - (i) an officer, director or partner of the insurance agency or adjusting firm;
 - (ii) a senior manager in the Province; or
 - (iii) approved by Council.
 - (b) An individual applying to act as a nominee for a life or A&S insurance agency must have worked as a licensed life or A&S insurance agent for 5 of the last 7 years, unless the insurance agency will not have any authorized representatives other than the nominee.
 - (c) An individual applying to act as a nominee for a general insurance agency must be qualified to hold a level 3 general insurance agent licence.
 - (d) An individual applying to act as a nominee for an adjusting firm must be qualified to hold a level 3 insurance adjuster licence.
- (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 is qualified to hold a level 3 general insurance agent licence and have 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.

RULE 2 INDIVIDUAL AND BUSINESS QUALIFICATIONS – *continued*

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.
- (18) All 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 another licensed insurance agent or adjuster; and
 - (c) be registered with Council in the form approved by Council.

REACTIVATION PROVISION

- (19) An applicant who previously held a licence:
- (a) within the 2 years preceding the application date, may apply for the same licence subject to:
 - (i) the class of licence being issued under Council Rules;
 - (ii) the applicant having held a licence of the same class:
 - (A) for 5 of the 7 years preceding the application date; or
 - (B) for the 2 years preceding the termination date of the licence and being able to demonstrate that the applicant was actively engaged in the business of insurance authorized under the licence for that 2 year period; and
 - (iii) any other provision of the Act and Council Rules; or
 - (b) within 1 year preceding the application date, may apply for the same licence subject to:
 - (i) the class of licence being issued under Council Rules;
 - (ii) the applicant having held a licence continuously for the 1 year preceding the termination date of the licence and being able to demonstrate that the applicant was actively engaged in the business of insurance authorized under the licence for that 1 year period; and
 - (iii) any other provision of the Act and Council Rules.

RULE 2 INDIVIDUAL AND BUSINESS QUALIFICATIONS – *continued*

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 refused or had suspended or cancelled a licence or registration in any other financial services sector or professional field;for a reason that reveals the applicant unfit to be an insurance agent, salesperson or adjuster; and
 - (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.

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 terminated on the expiry date shown on the licence.
- (4) Where a continuous licence is issued:
 - (a) Council will publish a mandatory filing schedule;
 - (b) a licensee must submit to Council a filing, including supporting documentation, in the form required by Council;
 - (c) a licensee who fails to meet a filing deadline will be required to pay a late filing fee, in accordance with Council's Fee Schedule; and
 - (d) the licence of a licensee who has not met the filing requirements within 60 calendar days of the filing date is automatically terminated, without Council taking any action.

RULE 5 COUNCIL FEES

- (1) Council will collect and retain fees from licensees and applicants for the following:
- (a) an application fee not to exceed \$200.00 per year for a licence;
 - (b) a filing fee for continuous licences not to exceed \$200.00 per year;
 - (c) an application fee not to exceed \$50.00 to reinstate, amend or transfer a licence;
 - (d) an exam fee not to exceed \$125.00 per sitting;
 - (e) a non-resident endorsement fee not to exceed \$50.00 for each original;
 - (f) a fee for amendment of information not to exceed \$50.00 per each amendment;
 - (g) a fee for each request for licence information not to exceed \$25.00;
 - (h) a late filing fee not to exceed \$200.00 ;
 - (i) a photocopy fee not to exceed \$1.00 per page;
 - (j) a fee for licence information lists not to exceed \$300.00 per list;
 - (k) a fee for a certificate of a true exact copy of any document not to exceed \$25.00 per page;
and
 - (l) a fee for each replacement licence certificate not to exceed \$50.00.

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 and held an active general insurance salesperson licence for 6 of the preceding 9 months;
 - (c) the licensee must only conduct general insurance business under the direct 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 direct 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.
- (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.

RULE 7 LICENCE CONDITIONS – *continued*

APPLICABLE TO ALL CLASSES OF LICENCES – *continued*

- (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 terminated.

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.

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 terminated.

RULE 7 LICENCE CONDITIONS – *continued*

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 terminated.
- (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 terminated.

(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 terminated.
- (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 TRAVEL INSURANCE LICENCES

- (19) A restricted travel insurance agent must notify Council within 5 business days where the licensee is not registered as a travel agent or wholesaler under the *Business Practices and Consumer Protection Act* for a period of 30 days.

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.