

CONDITIONS APPLICABLE TO RESTRICTED INSURANCE AGENT LICENCES

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.**