

This notice is no longer effect. Please refer to ICN 20-003 Requirements for Strata Insurance Business for the most current guidance.

INSURANCE COUNCIL OF BRITISH COLUMBIA
SALE OF INSURANCE TO STRATA CORPORATIONS

It has come to the attention of the Insurance Council of British Columbia (“Council”) that one or more property managers involved in the management of strata corporations are seeking to be compensated by insurance agents in return for placing a strata corporation’s insurance. Insurance agents are reminded that any payments made to a property manager or other third party, either directly or indirectly, must first be disclosed to the strata corporation. Failure by an insurance agent to disclose direct or indirect payments to a third party in relation to an insurance transaction is a breach of Council’s Code of Conduct and is subject to disciplinary action.

It is Council’s understanding that property managers are also required to make similar disclosure to clients. Any attempt by a property manager to solicit a direct or indirect payment from an insurance agent on the understanding it will not be reported to the client should be reported to the Real Estate Council of British Columbia.

The Code of Conduct is available on Council’s website under *Code of Conduct*.

January 17, 2011
ICN #11-001

NOTICE