

## INSURANCE COUNCIL OF BRITISH COLUMBIA

### THE CONTINUING EDUCATION PROGRAM FOR GENERAL INSURANCE AGENTS, ADJUSTERS AND SALESPERSONS

Set out below are the principles that will govern the continuing education programs for general insurance agents, adjusters and salespersons (“General C/E Program”) effective June 1, 2008. These principles are based on the discussion paper published in November 2007 and subsequent feedback received from industry stakeholders.

#### C/E Content Requirements

The purpose of the General C/E Program is to develop and maintain an agent’s, adjuster’s and salesperson’s knowledge of general insurance products, practice and business. While the non-insurance areas of education are useful to the overall development of a licensee, the General C/E Program will focus on education directly related to developing insurance knowledge.

Only C/E credits based on technical education will qualify. Technical education includes courses, programs or seminars that directly relate to:

1. general insurance products;
2. compliance with insurance legislation and requirements such as the Insurance Council of British Columbia’s (“Council”) Code of Conduct, Council Rules, the *Insurance Act* and privacy legislation;
3. ethics; or
4. errors and omissions.

Education dealing with professional development issues such as computer training, sales practices and communication will not qualify.

The one exception will be for Level 3 agents and Level 3 adjusters. As these licence categories relate primarily to management and supervisory positions, the definition is broadened to include courses relating to management, accounting and human resources.

Because there are so many opportunities for C/E both in British Columbia and in other jurisdictions, it is neither reasonable nor effective for Council to pre-approve or accredit C/E. The responsibility to determine what qualifies as C/E will continue to rest with the licensee.

The above technical education definition should be viewed as a guideline. A licensee is expected to take reasonable steps to satisfy him/herself that a particular course, seminar or program meets the above definition and, if questioned, should be able to demonstrate why it meets the above definition.

## **Annual Number of C/E Credits**

The starting point for the minimum number of C/E credits required will be uniform for general insurance agents, adjusters and salespersons and is set at eight credits per licence period.

A licence period is between June 1<sup>st</sup> and May 31<sup>st</sup> of each year.

## **Graduated Program**

There is a significant learning curve for new licensees and therefore the graduated program sets a higher C/E requirement for new licensees. The intent of a graduated program is to encourage licensees to work towards a designation.

### **1. New Licensees**

On June 1, 2008, a graduated General C/E Program will come into effect which requires *new* general agents, adjusters or salespersons to obtain a minimum of eight C/E credits per licence period.

### **2. Licensees with 5 Years' Experience**

A person who meets the following experience criteria will not be considered a *new* licensee and will have the C/E requirement reduced to six C/E credits per licence period:

- the person has been licensed continuously for five years; or
- the person has been licensed for five of the past seven years.

Licensed experience in another Canadian jurisdiction will count towards the experience criteria.

If a licensee reaches the experience criteria and qualifies for the reduction in C/E credits, the reduction will not take effect until the next licence period.

### **3. Licensees with Recognised Designation**

If a licensee obtains a recognised insurance designation, the C/E requirement drops to four credits per licence period regardless of whether he/she meets the aforementioned experience criteria.

Canadian insurance designations recognized for the C/E reduction are CAIB, CIB, CIP (*formerly AIIC*), CCIB, FCIP and CRM. Designations from other countries will be considered where it can be demonstrated to Council they are equivalent to one of the approved Canadian designations.

## **Maximum C/E credits permitted per day**

The maximum C/E credits that can be earned in one day is seven.

### **Number of C/E Credits per Course**

To qualify for a C/E credit, the course, seminar or program must be a minimum of 60 minutes, exclusive of any breaks. Providers of C/E credits over the internet must be able to demonstrate that their programs require a minimum of 60 minutes of training before promoting their programs as qualifying for C/E credits in British Columbia.

The maximum C/E credits that can be earned for any one course is eight hours, so long as the course involves eight or more hours of classroom (or equivalent) time and is based on successful completion of the course.

Where a course involves an examination, credits will only be granted if the exam is successfully passed. Partial credits will not be permitted if the course is not successfully completed.

Licensees who develop and/or present a course, seminar or program are entitled to earn double the credits. This can only be earned once during each licence period (e.g., if a licensee gives the same one hour seminar on three different occasions during one licence period, only two credits can be claimed). A licensee who presents a course, seminar or program for C/E must be qualified in the area for which they are presenting.

### **Carryover of C/E Credits**

Commencing June 1, 2008, excess C/E credits cannot be carried over into the next licence period (i.e., excess credits cannot be carried over into the 2009 to 2010 licence period, or beyond).

As part of transitioning into the new C/E Program, licensees will be permitted to carry over excess C/E credits from their last licence period prior to June 1, 2008, into the June 1, 2008 to May 31, 2009 licence period as long as:

- the credits meet the new definition of a C/E credit as outlined in this Notice; and
- the maximum that can be carried over is 50% of what was required during the last licence period before June 1, 2008.

### **Pro-rating of C/E Credits**

There is no provision for the pro-rating of C/E requirements for licensees who were licensed for less than the 12 month licence period, regardless of the reason for the absence. There are no exceptions.

A licensee who is licensed for any part of the 12 month licence period will be required to complete the minimum C/E requirement as a condition of maintaining his/her licence.

## **Structure of C/E**

C/E is usually offered in formal, organized settings by organizations that specialize in providing education. It is also possible for C/E to be offered in-house in more informal settings. In these cases, C/E must occur in a structured setting dedicated to learning. As an example, a separate training meeting for the purposes of reviewing the details of a specific product line may qualify, but regular staff meetings that cover a myriad of topics do not.

Day-to-day business meetings, or business and professional reading or writing of any kind, does not qualify.

## **C/E Records - Proof of Attendance**

Licensees are not required to report C/E credits to Council except when audited. Licensees must maintain C/E records for a period of five years from the end of the current licence period.

Licensees may choose the format for their C/E records (e.g., certificate, letter, etc.), however, each record should be an original and contain the following information: education provider's name; date of the education; licensee's name; number of education credits earned; topic(s) covered with sufficient detail to determine eligibility; and the name and signature of the individual (provider) who may be contacted to verify the information.

## **Non-Resident Licensees**

Non-resident licensees whose principal jurisdiction has a C/E requirement will not be required to meet Council's C/E requirement provided they keep their licence in good standing in their home jurisdiction.

Should questions arise after reading this Notice, please contact the Regulatory Services Department by calling Council's office, at the main menu press "2".

April 18, 2008  
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