



INSURANCE COUNCIL OF BRITISH COLUMBIA

Please note the following Notice ICN #06-004 was published September 1, 2006. Council's licence application fees were increased effective June 1, 2007. As a result, the renewal application fees on page 5 of this Notice are no longer current.

The current renewal application fees are:

All Licence Categories	Council Fee	Government Fee	Total Fee
Licences <u>expiring</u> on September 30, 2007 until February 28, 2008	\$85.00	\$25.00	\$110.00
*Licences <u>expiring</u> on February 29, 2008 until May 30, 2008	\$125.00	\$50.00	*\$175.00

** Licences renewed between March 1, 2008 and May 31, 2008 will be renewed to May 31, 2009. The renewal fee is reflective of the fact that the licence will be renewed for more than one year.*

4Jan08

INSURANCE COUNCIL OF BRITISH COLUMBIA

CHANGES TO THE LICENSING PROCESS

In May 2006, the Insurance Council of British Columbia ("Council") published Notice ICN #06-003 *Important Changes to the Licensing Process*, which announced the move to a continuous licensing process. The first step commenced on June 1, 2006, when Council began issuing licences for a one year period, rather than two years. Council's objective is to have all licences with a common expiry date of May 31, which will be achieved by May 31, 2008.

Once all licences have a common expiry date, Council will be in a position to initiate continuous licensing. Continuous licensing will streamline the licensing process for both licensees and Council. Specific details on how the new licensing structure will function will be published closer to May 31, 2008.

The purpose of this Notice is to address issues that will arise during the transition from two year licensing to continuous licensing. As licences will be issued for varying lengths of time during the transition, there will be changes to both application fees and continuing education requirements for licence renewals. Set out below is the process Council will use to handle these issues.

Continuing Education

An individual is issued an insurance licence on the condition that during the licence period a minimum number of continuing education credits will be obtained. At licence renewal, a licensee must demonstrate sufficient continuing education credits were earned before a licence will be renewed. During the transition, the number of continuing education credits required will be based on the length of the licence period.

Two Year Licences:

Licensees currently holding a two year licence will be required to demonstrate they have completed the following number of qualified continuing education credits:

ADJUSTERS:

- Level 1 and Level 2 Insurance Adjusters - 16 credits (minimum 12 technical).
- Level 3 Insurance Adjusters - 16 credits (any mix of technical and professional).

GENERAL INSURANCE SALESPERSONS AND AGENTS:

- Level 1 General Insurance Salespersons - 15 credits (minimum 11 technical).
- Level 2 General Insurance Agents - 24 credits (minimum 12 technical).
- Level 3 General Insurance Agents - 24 credits (any mix of technical and professional).

LIFE INSURANCE AGENTS:

- Life Insurance Agents - 60 credits.

ACCIDENT & SICKNESS INSURANCE AGENTS:

- Accident & Sickness Insurance Agents - 60 credits.

One Year Licences:

As of June 1, 2006, Council ceased issuing licences for a two year period; all licences are now being issued for a one year period. As these one year licences come due for renewal, licensees will be required to have completed one half of the number of credits required for a two year licence. The following continuing education requirements will apply to licensees who are renewing an insurance licence that was issued for a one year period.

ADJUSTERS:

- Level 1 and Level 2 Insurance Adjusters - 8 credits (minimum 6 technical).
- Level 3 Insurance Adjusters - 8 credits (any mix of technical and professional).

GENERAL INSURANCE SALESPERSONS AND AGENTS:

- Level 1 General Insurance Salespersons - 7.5 credits (minimum 5 technical).
- Level 2 General Insurance Agents - 12 credits (minimum 6 technical).
- Level 3 General Insurance Agents - 12 credits (any mix of technical and professional).

LIFE INSURANCE AGENTS:

- Life Insurance Agents - 30 credits.

ACCIDENT & SICKNESS INSURANCE AGENTS:

- Accident & Sickness Insurance Agents - 30 credits.

The carry forward provision allowing credits earned in one licence period to be carried forward to the next licence period will remain in effect; the number of credits eligible to be carried forward, however, will be 50% of the continuing education requirements for the next licence period. *(Note: some licence categories limit the carry forward credits to technical credits only - this remains unchanged).*

As an example, a life insurance agent is required to earn 60 credits during a two year licence period. Once a life agent receives a one year licence, the life insurance agent may carry forward 15 credits into the next one year licence period. This represents 50% of the one year licence requirement of 30 credits.

Licences Issued For Less Than One Year (Commencing June 1, 2007):

In order to reach the common renewal date of May 31, 2008, licences with effective dates of June 1, 2007 or later will be issued for a period of less than one year. As a result, Council will pro-rate the continuing education requirements for those licence periods. The following continuing education credits will be required for licences renewed with effective dates of June 1, 2007 or later. *(Note: for licences that have a minimum technical credit requirement [Level 1 and Level 2 adjusters, Level 1 salespersons and Level 2 general insurance agents] the percentage split between technical and professional development will remain in effect).*

ADJUSTERS:

- Level 1, Level 2 and Level 3 Insurance Adjusters - 2 credits for every three months of licensing, or portion thereof.

GENERAL INSURANCE SALESPERSONS AND AGENTS:

- Level 1 General Insurance Salespersons - 2 credits for every three months of licensing, or portion thereof.
- Level 2 and Level 3 General Insurance Agents - 1 credit for every month of licensing, or portion thereof.

LIFE INSURANCE AGENTS:

- Life Insurance Agents - 5 credits for every two months of licensing, or portion thereof.

ACCIDENT & SICKNESS INSURANCE AGENTS:

- Accident & Sickness Insurance Agents - 5 credits for every two months of licensing, or portion thereof.

Licence Renewal Application Fees

Licences issued with effective dates between June 1, 2007 and May 31, 2008, will be renewed for periods of less than twelve months. Council recognizes the inequity in requiring that licensees pay the same fee for licences that will be renewed for different lengths of time. Therefore, Council will pro-rate application fees during this time. However, licensees should be aware that the work required to process a licence application remains the same, regardless of the period of time for which the licence is issued. As application fees are the primary source of Council's revenue, there is little flexibility available to alter fees. Consequently, these adjustments represent only a nominal reduction.

The following licence renewal application fees will apply to individual licensees holding licences with effective dates between June 1, 2007 and May 31, 2008. *(Note: renewal application fees for insurance agencies and firms, as well as application fees for first and reapplications, will remain unchanged at \$115.00).*

Licence Effective Date		Total Fee Required	Renewal Application Fee Breakdown	
From	To		Council	Government
June 1, 2007	September 30, 2007	100.00	75.00	25.00
October 1, 2007	January 31, 2008	85.00	60.00	25.00
February 1, 2008	May 31, 2008	65.00	40.00	25.00

As May 31, 2008 approaches, Council will publish details on how the new continuous licensing process will work. Prior to this, Council will meet with the industry to provide progress reports and obtain feedback.

If you have any questions regarding the continuing licensing process or the transitional changes coming into effect, please contact Gerald Matier, Executive Director, at 604-688-0321, ext 311, or toll-free within B.C. at 1-877-688-0321, ext 311.

September 1, 2006
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