J.6 – LICENCE QUALIFICATIONS

1. QUALIFYING FOR A LICENCE

This section will provide information on the qualifications (education and experience) for various licence types (including corporations and partnerships) and levels.

Applicants who have been out of the industry for some time, may also have to submit a police information check with their licence application form.

Applicants who are non-residents of British Columbia, must meet the same requirements as a resident, with some exceptions and additions. Read the *Getting a Licence* page.

All individuals, including non-residents, whose applications are received by Council must complete the Council Rules Course to qualify for licensure, except those that qualify for licensure under the Reactivation Provision in Council Rule 2(19) (see Council Notice *ICN 18-003 Revision of the Council Rules Course Requirement*).

Applicants who have or intend to conduct business activities, other than those authorized under the licence they are applying for, must read the page on *Other Business Activity* and submit a *Conflict of Interest Form*; there are some conditions for certain licence types.

2. GENERAL INSURANCE

Section 168 of the Act defines an insurance agent as:

> *"a person, other than an insurance company or an extraprovincial insurance corporation, who solicits, obtains or takes an application for insurance, or negotiates for or procures insurance, or signs or delivers a policy, or collects or receives a premium."*

Section 168 of the Act also defines an insurance salesperson as:

> *"an individual who is employed by an insurance agent or by an insurer to solicit, obtain or take an application for general insurance, or to negotiate for or procure general insurance, or to collect or receive a premium for general insurance."*

There are 6 types of general insurance licence:

- Level 1 General Insurance Salesperson Licence
- Level 2 General Insurance Agent Licence
- Level 3 General Insurance Agent Licence
- General Insurance Sole Proprietor Licence
- Corporate or Partnership General Insurance Agency Licence
- General Insurance Trainee Registration

The following information details the qualifications required by type/level[1] of insurance licence.

2.1 LEVEL 1 GENERAL INSURANCE SALESPERSON LICENCE

Licensees with this level of licensure only conduct business in their own name and may not act as an employer.

A level 1 general insurance salesperson licence is an entry-level licence that:

- requires the Level 1 salesperson to be under direct supervision.
- restricts where the Level 1 salesperson can work.
- prohibits the Level 1 salesperson from signing contracts of insurance.
- requires the Level 1 salesperson to meet education prerequisites.
- requires Level 1 salespersons who engage in the sale of automobile insurance outside of the agency to first have additional training, education, and experience; and
- requires at least 60% of the Level 1 salesperson's annual income from his or her employment at an insurance agency, be derived from a salary.

Education:

Applicants must have successfully completed one of the four education options listed below. Results (including those courses granted under equivalency*) remain valid up to one year from successful course or exam completion date, after which the applicant is required to retake the course or exam.

- Fundamentals of Insurance – Insurance Brokers Association of BC (IBABC)
- Canadian Accredited Insurance Broker (CAIB) 1 – Insurance Brokers Association of BC (IBABC)
- Chartered Insurance Professional (CIP) C11 and C130 – Insurance Institute of Canada (IIC)
- General Insurance Essentials Program (GIE) C81 and C82 – Insurance Institute of Canada (IIC)

[1]Note: For information on restricted motor vehicle dealerships and motor vehicle dealership sales staff, see Council Notice *ICN 12-006 Granting Restricted Licences to Motor Vehicle Dealers*.

*Equivalent program: Level 1 General Insurance Licensing Program – ILS Learning Corporation (ILScorp), as part of the education prerequisites towards a Level 1 general insurance salesperson licence, Level 2 general insurance agent licence, or Level 3 general insurance agent licence.

2.2 LEVEL 2 GENERAL INSURANCE AGENT LICENCE

Licensees with this level of licensure only conduct business in their own name and may not act as an employer.

A Level 2 general insurance agent:

- can work without supervision.
- is not restricted to conducting insurance activities at the agency.
- can sign contracts of insurance.
- must be authorized to represent a licensed general insurance agency.
- must have met the educational prerequisites.

Education:

Applicants must have successfully completed one of the four education options listed below. Results (including those courses granted under equivalency*) remain valid up to one year from successful course or exam completion date, after which the applicant is required to retake the course or exam.

- Fundamentals of Insurance – Insurance Brokers Association of BC (IBABC) and Canadian Accredited Insurance Broker (CAIB) 2 and 3 – Insurance Brokers Association of BC (IBABC)
- Canadian Accredited Insurance Broker (CAIB) 1, 2 and 3– Insurance Brokers Association of BC (IBABC)
- Chartered Insurance Professional (CIP) C11, C130 and C131 – Insurance Institute of Canada (IIC)
- General Insurance Essentials Program (GIE) C81 and C82, and Chartered Insurance Professional (CIP) C130 and C131 – Insurance Institute of Canada (IIC)

*Equivalent program: Level 1 General Insurance Licensing Program – ILS Learning Corporation (ILScorp), as part of the education prerequisites towards a Level 1 general insurance salesperson licence, Level 2 general insurance agent licence, or Level 3 general insurance agent licence.

2.3 LEVEL 3 GENERAL INSURANCE AGENT LICENCE

Licensees with this level of licensure only conduct business in their own name and may not act as an employer.

A Level 3 general insurance agent must have a higher level of education and experience than a Level 2 general insurance agent. Applicants must:

- have been licensed for 5 of the last 7 years.
- have a minimum of 3 years as a Level 2 general insurance agent.
- have met the educational prerequisites.

Education:

Applicants must have successfully completed the mandatory Supervision Course for General Insurance Agents, and one of the four additional education options listed below. Results (including those courses granted under equivalency*) remain valid up to one year from successful course or exam completion date, after which the applicant is required to retake the course or exam.

- Supervision Course for General Insurance Agents (Insurance Council)

And one of:

- Fundamentals of Insurance – Insurance Brokers Association of BC (IBABC) and Canadian Accredited Insurance Broker (CAIB) 2, 3 and 4 – Insurance Brokers Association of BC (IBABC)
- Canadian Accredited Insurance Broker (CAIB) 1, 2, 3 and 4 – Insurance Brokers Association of BC (IBABC)
- Chartered Insurance Professional (CIP) C11, C130, C131 and C132 – Insurance Institute of Canada (IIC)
- General Insurance Essentials Program (GIE) C81 and C82, and Chartered Insurance Professional (CIP) C130, C131 and C132 – Insurance Institute of Canada (IIC)

*Equivalent program: Level 1 General Insurance Licensing Program – ILS Learning Corporation (ILScorp), as part of the education prerequisites towards a Level 1 general insurance salesperson licence, Level 2 general insurance agent licence, or Level 3 general insurance agent licence.

2.4 GENERAL INSURANCE SOLE PROPRIETOR LICENCE

Licensees with this type of licence are permitted to act as a general insurance agency, without forming a corporation or partnership.

A general insurance sole proprietor licence is subject to the same standard licence conditions as individual, corporate and partnership licences. An individual sole proprietor must:

- meet the same licensing requirements as an individual general insurance agent.
- meet the following corporate or partnership general insurance licensing requirements:
    - register with the BC Corporate Registry.
        - A sole proprietor intending to carry on business under a trade name, must register the desired trade name with the BC Corporate Registry and apply to have that name approved by Council.
    - meet the agency name requirements.
    - meet the nominee requirements. If the individual sole proprietor does not meet the requirements to act as a nominee, then a nominee must be appointed to represent the sole proprietorship.

2.5 CORPORATE OR PARTNERSHIP GENERAL INSURANCE AGENCY LICENCE

Licensees with this type of licence are permitted to open a general insurance agency as a corporation or a partnership.

There are a number of conditions a business must meet to become licensed as a corporate general insurance agency:

1) Represent an Insurance Company

An agency must obtain and maintain the ability to represent at least one insurance company,other than the Insurance Corporation of British Columbia (ICBC), authorized to conduct business in the province.

2) Nominee

An agency must designate a level 3 agent as nominee who will take on the rights and privileges of the agency licence, and is responsible and accountable to Council for all insurance activities undertaken by the agency and its employees. A nominee must be an officer, director, or partner of the agency, or a senior manager in the BC branch or office.

3) Office Supervision:

Each agency location must come under the direct supervision of a level 3 agent. All supervising level 3 agents are responsible and accountable for overseeing the work of those in their area of responsibility and for establishing and maintaining office procedures that support the competent and ethical conduct of the business of insurance. The agency's nominee is responsible for determining what constitutes adequate supervision at each agency location, taking into account:

- number of agents working in the office.
- levels of licence and experience of the agents.
- extent of written procedures.
- Council Rules and Council's Code of Conduct.

4) Agency Name and Registration with the BC Corporate Registry

Council requires all agency names to be registered with the BC Corporate Registry. An insurance applicant or licensee is required by the Act to have a name that is neither misleading, nor likely to cause confusion for the public. The Act also requires that any time the word "insurance" or "assurance" or "mortgage" is used, the name cannot be used in a manner that would cause a member of the public to believe the entity is an insurance company.

5) Trade Name and Registration with the BC Corporate Registry

A corporation intending to carry on business under a trade name, that is, a name different than its legal corporate name, must register the desired trade name with the BC Corporate Registry and apply to have that name approved by Council.

2.6 GENERAL INSURANCE TRAINEE REGISTRATION

General insurance trainee registration is granted to new applicants as a one-time, temporary exemption from licensing.

Applicants:

- must never have previously held a general insurance salesperson or agent licence.
- may only conduct ICBC transactions.
- must be under the direct supervision of a licensee who initials or signs all transactions.
- must not conduct any form of insurance activities outside the premises of the employer under any circumstances.

- may only hold a trainee registration for a total of six months.
- must have met the educational prerequisites.

Education:

Applicants must have successfully completed the course listed below. Results remain valid up to one year from successful course or exam completion, after which the applicant is required to retake the course or exam.

- ICBC Autoplan Basics – Insurance Corporation of British Columbia (ICBC)

3. LIFE AND ACCIDENT AND SICKNESS INSURANCE

Section 168 of the Act defines an insurance agent as:

> *"a person, other than an insurance company or an extraprovincial insurance corporation, who solicits, obtains or takes an application for insurance, or negotiates for or procures insurance, or signs or delivers a policy, or collects or receives a premium."*

There are 3 types of life and accident and sickness insurance licence:

- Individual Life Insurance Agent Licence
- Sole Proprietor Life Insurance Agent Licence
- Corporate or Partnership Life Insurance Agency Licence

The following information details the qualifications required by type/level of insurance licence.

3.1 INDIVIDUAL LIFE INSURANCE AGENT LICENCE

Licensees with this type of licence only conduct business in their own name and may not act as an employer.

Supervision Requirement:

New life and/or accident and sickness insurance agents must be supervised for a minimum of 24 months. An exception to the 24-month supervision may be allowed to reduce to 12 months where an applicant holds a current Charted Life Underwriter (CLU), Certified Financial Planner (CFP), or Registered Financial Planner (R.F.P.) designation. See Council Notice *ICN 19-004 Guidelines for Supervision of New Life and/or A&S Agents* for who requires a supervisor and who qualifies to be a supervisor.

Education:

The Life Licence Qualifying Program (LLQP) is a required certification to sell life insurance products in BC. Before scheduling an LLQP exam, applicants must have successfully completed the Harmonized LLQP course through a Council approved Harmonized LLQP course provider and have confirmation of successful Harmonized LLQP course completion from Council.

After completing the course, applicants must successfully complete the LLQP exams within one year of completing the Harmonized LLQP course and apply for a life insurance agent licence within 1 year of completing the LLQP exams. Applicants who wait longer than 1 year to obtain a licence, must requalify.

Trade Names:

To sell life insurance as an individual business under a licensee's own name (for example, if John Doe wants to conduct business as "John Doe Insurance Services"), the licensee must have a sole proprietor life insurance agent licence.

Financial Planning:

Licensees intending to hold themselves out as a Financial Planner (or similar title) must follow specific Council guidelines (see Council Notice *ICN 02-001 Financial Planning*).

3.2 SOLE PROPRIETOR LIFE INSURANCE AGENT LICENCE

Licensees with this type of licence are permitted to act as a life and accident and sickness insurance agency, without forming a corporation or partnership.

A sole proprietor life insurance agent licence is subject to the same standard licence conditions as an individual, corporate and partnership, licence. An individual sole proprietor must:

- meet the same licensing requirements as an individual life and accident and sickness insurance agent.
- meet the following corporate or partnership life insurance agent licensing requirements:
    - register with the BC Corporate Registry.
        - A sole proprietor intending to carry on business under a trade name, must register the desired trade name with the BC Corporate Registry and apply to have that name approved by Council.
    - meet the agency name requirements.

- meet the nominee requirements. If the sole proprietor does not meet the requirements to act as a nominee, and the sole proprietor would like additional licensees to work for the sole proprietor, then a nominee must be appointed to represent the sole proprietorship.

3.3 CORPORATE OR PARTNERSHIP LIFE INSURANCE AGENCY LICENCE

Licensees with this type of licence are permitted to open a life insurance agency as a corporation or a partnership.

There are a number of conditions a business must meet to become licensed as a corporate life insurance agent:

1) Nominees

An agency must designate a nominee who will take on the rights and privileges of the agency licence, and is responsible and accountable to Council for all insurance activities undertaken by the agency and its employees:

- A nominee must be an officer, director, or partner of the agency or a senior manager in the BC branch or office.
- If the insurance agency has authorized representatives other than the nominee, the nominee must have worked as a licensed life insurance agent for 5 of the last 7 years.

2) Agency Name and Registration with the BC Corporate Registry

Council requires all agency names to be registered with the BC Corporate Registry. An insurance applicant or licensee is required by the Act to have a name that is neither misleading, nor likely to cause confusion for the public. The Act also requires that any time the word “insurance” or “assurance” or “mortgage” is used, the name cannot be used in a manner that would cause a member of the public to believe the entity is an insurance company.

3) Trade Name Registration with the BC Corporate Registry

A corporation intending to carry on business under a trade name, that is, a name different than its legal corporate name, must register the desired trade name with the BC Corporate Registry and apply to have that name approved by Council.

4) Financial Planning

If an agency intends to hold itself out as providing Financial Planning (or similar term), they must follow specific Council guidelines (see Council Notice *ICN 02-001 Financial Planning*).

4. ACCIDENT AND SICKNESS INSURANCE

Section 168 of the Act defines an insurance agent as:

> *"a person, other than an insurance company or an extraprovincial insurance corporation, who solicits, obtains or takes an application for insurance, or negotiates for or procures insurance, or signs or delivers a policy, or collects or receives a premium."*

There are 3 types of life and accident and sickness insurance licence:

- Individual Accident and Sickness Insurance Agent Licence
- Sole Proprietorship Accident and Sickness Insurance Agent Licence
- Corporate or Partnership Accident and Sickness Insurance Agency Licence

The following information details the qualifications required by type/level of insurance licence.

4.1 INDIVIDUAL ACCIDENT AND SICKNESS INSURANCE AGENT LICENCE

Licensees with this type of licence only conduct business in their own name and may not act as an employer.

Supervision Requirement:

New life and/or accident and sickness insurance agents must be supervised for a minimum of 24 months. An exception to the 24 month supervision may be allowed to reduce to 12 months where an applicant holds a current Charted Life Underwriter (CLU), Certified Financial Planner (CFP), or Registered Financial Planner (R.F.P.) designation. See Council Notice *ICN 19-004 Guidelines for Supervision of New Life and/or A&S Agents* for who requires a supervisor and who qualifies to be a supervisor.

Education:

The Accident and Sickness (A&S) Life Licence Qualification Program (LLQP) is a required certification to sell accident and sickness insurance products in BC. Before an applicant can schedule an A&S LLQP exam, they must have successfully completed the Harmonized LLQP course through a Council approved Harmonized LLQP course provider and have confirmation of successful Harmonized LLQP course completion from Council.

Once the applicant has completed the course, they must successfully complete the A&S LLQP exams within one year of completing the Harmonized LLQP course and apply for an accident and sickness insurance agent licence within 1 year of completing the A&S LLQP exams. Applicants who wait longer than 1 year to obtain a licence, must requalify.

Trade Names:

To sell accident and sickness insurance as an individual under their own name (for example, if John Doe wants to conduct business as "John Doe Insurance Services"), the licensee must apply for a sole proprietor accident and sickness insurance agent licence.

4.2 SOLE PROPRIETORSHIP ACCIDENT AND SICKNESS INSURANCE AGENT LICENCE

Licensees with this type of licence are permitted to act as an accident and sickness insurance agency, without forming a corporation or partnership.

A sole proprietor accident and sickness insurance agent licence is subject to the same standard licence conditions as an individual, corporate and partnership, licence. An individual sole proprietor must:

- meet the same insurance licensing requirements as an individual accident and sickness insurance agent licence holder.
- meet the following corporate or partnership life insurance agent licensing requirements:
    - register with the BC Corporate Registry.
        - A sole proprietor intending to carry on business under a trade name, must register the desired trade name with the BC Corporate Registry and apply to have that name approved by Council.
    - meet the agency name requirements.
    - meet the nominee requirements. If the individual sole proprietor does not meet the requirements to act as a nominee, and the sole proprietor would like additional licensees to work for the sole proprietor, then a nominee must be appointed to represent the sole proprietorship.

4.3 CORPORATE OR PARTNERSHIP ACCIDENT AND SICKNESS INSURANCE AGENCY LICENCE

Licensees with this type of licence are permitted to open an accident and sickness insurance agency as a corporation or a partnership.

There are a number of requirements to become licensed as an accident and sickness insurance agency:

1) Nominees

An agency must designate an accident and sickness agent as a nominee who will take on the rights and privileges of the agency licence, and is responsible and accountable to Council for all insurance activities undertaken by the agency and its employees:

- A nominee must be an officer, director, or partner of the agency, or a senior manager in the BC branch or office.
- If the insurance agency has authorized representatives other than the nominee, the nominee must have worked as a licensed accident and sickness insurance agent for 5 of the last 7 years.

2) Agency Name and Registration with the BC Corporate Registry

Council requires all agency names to be registered with the BC Corporate Registry. An insurance applicant or licensee is required by the Act to have a name that is neither misleading, nor likely to cause confusion for the public. The Act also requires that any time the word "insurance" or "assurance" or "mortgage" is used, the name cannot be used in a manner that would cause a member of the public to believe the entity is an insurance company.

3) Trade Name and Registration with the BC Corporate Registry

A corporation intending to carry on business under a trade name, that is, a name different than its legal corporate name, must register the desired trade name with the BC Corporate Registry and apply to have that name approved by Council.

5. INSURANCE ADJUSTING

Section 168 of the Act defines an insurance adjuster as:

> *"a person who makes an adjustment or settlement of a claim under a contract of insurance other than a contract of marine insurance."*

There are 5 types of insurance adjusting licence:

- Level 1 Insurance Adjuster Licence
- Level 2 Insurance Adjuster Licence
- Level 3 Insurance Adjuster Licence
- Insurance Adjuster Sole Proprietor Licence

- Corporate or Partnership Insurance Adjuster Licence

The following information details the qualifications required by type/level of insurance licence.

5.1 LEVEL 1 INSURANCE ADJUSTER LICENCE

Licensees with this level of licensure only conduct business in their own name and may not act as an employer.

A Level 1 insurance adjuster licence is an entry level licence that:

- requires the Level 1 insurance adjuster to have all reports signed by a Level 2 insurance adjuster or Level 3 insurance adjuster.
- requires the Level 1 insurance adjuster to be authorized to represent a licensed adjusting firm.
- requires the Level 1 insurance adjuster meet education prerequisites.

Education:

Applicants must complete the course listed below. Results (including those courses granted under equivalency*) remain valid up to one year from successful course or exam completion date, after which the applicant is required to retake the course or exam.

- General Insurance Essentials Program (GIE) C81 and C82 – Insurance Institute of Canada (IIC).

*Equivalent program: Level 1 Adjuster Licensing Program – ILS Learning Corporation (ILScorp), as part of the education prerequisites towards a Level 1 insurance adjuster licence, Level 2 insurance adjuster licence, or Level 3 insurance adjuster licence.

5.2 LEVEL 2 INSURANCE ADJUSTER LICENCE

Licensees with this level of licensure only conduct business in their own name and may not act as an employer.

A Level 2 insurance adjuster:

- must be authorized to represent a licensed firm.
- must have met the education prerequisites.

Education and Experience:

Applicants must successfully complete one of the four education options and experience combinations listed below. Results (including those courses granted under equivalency*) remain valid up to one year from successful course or exam completion date, after which the applicant is required to retake the course or exam.

- General Insurance Essentials Program (GIE) C81 and C82, and Chartered Insurance Professional (CIP) C110 and C111 – Insurance Institute of Canada (IIC), and 2 consecutive years' experience as a licensed Level 1 insurance adjuster.
- Chartered Insurance Professional (CIP) C11, C110, and C111 – Insurance Institute of Canada (IIC), and 2 consecutive years' experience as a licensed Level 1 insurance adjuster.
- Chartered Insurance Professional (CIP) C110, C111, and C112 – Insurance Institute of Canada (IIC), any other 4 IIC courses, and 2 consecutive years' adjusting experience.**
- All Chartered Insurance Professional (CIP) courses – Insurance Institute of Canada (IIC) leading to a CIP designation, and 1 year adjusting experience.**

*Equivalent program: Level 1 Adjuster Licensing Program – ILS Learning Corporation (ILScorp), as part of the education prerequisites towards a Level 1 insurance adjuster licence, Level 2 insurance adjuster licence, or Level 3 insurance adjuster licence.

**Please note: With the additional education, Council will consider adjusting experience in a capacity that did not require a licence, for example, a staff adjuster.

5.3 LEVEL 3 INSURANCE ADJUSTER LICENCE

Licensees with this level of licensure only conduct business in their own name and may not act as an employer.

A Level 3 insurance adjuster is in a supervisory or management position and must have a higher level of education and experience than a Level 2 insurance adjuster. Applicants must:

- have been licensed as an adjuster for 5 of the last 7 years.
- have a minimum of 3 years as a licenced Level 2 insurance adjuster.
- have met the education prerequisites.

Education:

Applicants must successfully complete courses leading to a Chartered Insurance Professional (CIP) or Fellow Chartered Insurance Professional (FCIP) designation.

Results (including those courses granted under equivalency*) remain valid up to one year from successful course or exam completion date, after which the applicant is required to retake the course or exam.

*Equivalent program: Level 1 Adjuster Licensing Program – ILS Learning Corporation (ILScorp), as part of the education prerequisites towards a Level 1 insurance adjuster licence, Level 2 insurance adjuster licence, or Level 3 insurance adjuster licence.

5.4 INSURANCE ADJUSTER SOLE PROPRIETOR LICENCE

Licensees with this type of licence are permitted to act as an adjuster, without forming a corporation or partnership.

An insurance adjuster sole proprietor licence is subject to the same standard licence qualifications and conditions as individual, corporate and partnership, licences. An individual adjuster sole proprietor must:

- meet the same licensing requirements as an individual insurance adjuster.
- meet the following corporate or partnership insurance adjuster licensing requirements:
    - register with the BC Corporate Registry.
        - A sole proprietor intending to carry on business under a trade name, must register the desired trade name with the BC Corporate Registry and apply to have that name approved by Council.
    - meet the firm name requirements.
    - meet the nominee requirements. If the individual sole proprietor does not meet the requirements to act as a nominee, then a nominee must be appointed to represent the sole proprietorship.

5.5 CORPORATE OR PARTNERSHIP INSURANCE ADJUSTER LICENCE

Licensees with this type of licence are permitted to open an adjusting firm as a corporation or a partnership.

There are a number of requirements to become licensed as an adjusting firm:

1) Nominee

A firm must appoint a designated Level 3 insurance adjuster nominee who will take on the rights and privileges of the firm's licence, and is responsible and accountable to Council for all insurance activities undertaken by the firm and its employees. A nominee must be an officer, director or partner of the firm, or senior manager in the BC branch or office.

2) Office Supervision

Each branch of the firm must be under direct supervision of a Level 3 insurance adjuster. All supervising Level 3 adjusters are responsible and accountable for overseeing the work of those in their area of responsibility and for establishing and maintaining office procedures that foster competent and ethical insurance adjusting. The firm's nominee is responsible for determining what constitutes adequate supervision at each branch of the firm, taking into account:

- the number of adjusters working in the office.
- the levels of licenses and experience of the adjusters.
- the extent of written procedures.
- Council Rules and Council's Code of Conduct.

3) Firm Name and Registration with the BC Corporate Registry

Council requires all names of the firm to be registered with the BC Corporate Registry. An applicant or licensee is required by the Act to have a name that is neither misleading, nor likely to cause confusion for the public. The Act also requires that any time the word "insurance" or "assurance" or "mortgage" is used, the name cannot be used in a manner that would cause a member of the public to believe the entity is an insurance company.

4) Trade Names

A corporation intending to carry on business under a trade name, that is, a name different than its legal corporate name, must register the desired trade name with the BC Corporate Registry and apply to have that name approved by Council.

6. TRAVEL INSURANCE

Only the travel agency or wholesaler (corporate, partnership or sole proprietor), registered under the provincial *Business Practices and Consumer Protection Act*, must hold a restricted travel agent licence (see Council Notice *ICN 05-001 Travel Agents Engaged in the Sale of Travel Insurance Receive a Limited Conditional Exemption From the Licensing Requirements Under the Financial Institutions Act*). Employees or commissioned salespeople of the licensed travel insurance agency do not need to hold a licence if their only insurance-related activity is to sell travel insurance incidental to the ordinary business of the travel agent or wholesaler. However, exempt employees still need to meet education requirements.

There are 2 types of travel insurance licence:

- Travel Insurance Sole Proprietor Licence

- Corporate or Partnership Travel Insurance Licence

The following information details the qualifications required by type of licence.

6.1 TRAVEL INSURANCE SOLE PROPRIETOR LICENCE

Licensees with this type of licence may act as a travel insurance agency without forming a partnership or corporation.

The travel insurance sole proprietor licence holder must meet the same licensing requirements as corporate or partnership travel insurance licence holders:

- register with the BC Corporate Registry.
    - A sole proprietor intending to carry on business under a trade name, must register the desired trade name with the BC Corporate Registry and apply to have that name approved by Council.
- meet the agency name requirements.
- register with Consumer Protection BC.

Education

Employees or commissioned salespeople of the licensed travel insurance agency do not need to hold a licence if their only insurance-related activity is to sell travel insurance incidental to the ordinary business of the travel agent or wholesaler.

Employees of the licensed travel insurance agency or wholesaler must meet education requirements to qualify for the individual licensing exemption:

- Pass the Council-approved travel insurance exam from the Association of Canadian Travel Agencies (ACTA)

Exam results are valid for a period of 1 year. An individual is not eligible for a licensing exemption and must retake the exam if:

- they have not worked in the travel insurance industry for 1 year after successful exam completion.
- they have not been actively involved in the travel insurance industry for 2 or more years.

The licensed travel agency or wholesaler is responsible for ensuring its exempt employees meet these education requirements.

Exempt employees must also complete a minimum of 2 hours of continuing education each calendar year, following specific content and record-keeping requirements.

6.2 CORPORATE OR PARTNERSHIP TRAVEL INSURANCE LICENCE

Licensees with this type of licence may open a travel insurance agency as a partnership or corporation.

There are a number of conditions a business must meet to become licensed as a travel agency:

1) Consumer Protection BC Registration

Council will only issue travel insurance licences to agencies registered to act as a travel agent with Consumer Protection BC.

2) Agency Name and Registration with the BC Corporate Registry

Council requires all agency names to be registered with the BC Corporate Registry. An insurance applicant or licensee is required by the Act to have a name that is neither misleading, nor likely to cause confusion for the public. The Act also requires that any time the word “insurance” or “assurance” or “mortgage” is used, the name cannot be used in a manner that would cause a member of the public to believe the entity is an insurance company.

3) Trade Name and Registration with the BC Corporate Registry

A corporation intending to carry on business under a trade name, that is, different than its legal corporate name, must register the desired trade name with the BC Corporate Registry and apply to have that name approved by Council.

4) Education

Employees or commissioned salespeople of the licensed travel insurance agency do not need to hold a licence if their only insurance-related activity is to sell travel insurance incidental to the ordinary business of the travel agent or wholesaler.

Employees of the licensed travel insurance agency or wholesaler must meet education requirements to qualify for the individual licensing exemption:

- Pass the Council-approved travel insurance exam from the Association of Canadian Travel Agencies (ACTA)

Exam results are valid for a period of 1 year. An individual is not eligible for licensing exemption and must retake the exam if:

- they have not worked in the travel insurance industry for 1 year after successful exam completion.

- they have not been actively involved in the travel insurance industry for 2 or more years.

The licensed travel agency or wholesaler is responsible for ensuring its exempt employees meet these education requirements.

Exempt employees must also complete a minimum of 2 hours of continuing education each calendar year, following specific content and record-keeping requirements.

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