



Association of Car Rental Operators (ACRO) Backgrounder

As of January 1, 2019, the Saskatchewan insurance industry will be governed by a new Act: *The Insurance Act*.

There are several changes in the Act that will affect how you do business in Saskatchewan.

To ensure a smooth transition and compliance with the new Act, the Insurance Council of Saskatchewan (ICS) is committed to educating all our stakeholders about key changes in the Act and any actions that you must take as a result of these changes.

This backgrounder covers the changes you need to know and tells you what you need to do to make sure your business is in line with the new Act.

Specific Changes

Car Rental Agencies

Car Rental Agencies will be required to apply for a General Insurance Restricted Insurance Agent (RIA) licence to sell:

- rented-automobile accidental injury or death insurance;
- rented-automobile contents insurance; and,
- rented-automobile liability insurance.

The new Act prohibits tied selling.

You cannot require your customers to purchase one product or service to receive the initial product or service they want to purchase. For example:

- You cannot require your customers to purchase an insurance policy from you in order to rent the customer a car.
- You cannot require tenants to purchase insurance from you in order to rent from you.

Disclosures

The General Insurance Council of Saskatchewan (GICS) Bylaws already require your members to tell their customers about any fees they charge over and above the insurance premium (advising customers in writing of both the fee and the reason for the



fee). As of January 1, 2020, consumers must also **agree in writing to any fees** before those fees can be charged.

Audits

As of January 1, 2020, GICS and LICS will have the ability to audit licensees.

The Regulations allow the GICS and the LICS to carry out audits, examinations, inspections and investigations of licensees and persons who are required to be licensed

Designated Representatives

A Designated Representative (DR) of a RIA must be an individual. The DR is responsible for receiving notices and other documents on behalf on the restricted licensee.

For applications and more information, please visit www.saskinsuranceact.info, email saskinsuranceact@skcouncil.sk.ca, or call [306-527-4202](tel:306-527-4202).