



## **Life Insurance Council Bylaws**

**Effective January 1, 2020**

**Fees effective January 1, 2023**

**Continuing Education update effective  
July 1, 2024**

**Examination attempts update effective  
May 15, 2025**

### **These Bylaws encompass**

**Accident and Sickness Agents**

**Life including Accident and Sickness  
Agents**

**Managing General Agents;**

**Restricted Insurance Agents; and**

**Third Party Administrators**

# Life Insurance Council of Saskatchewan Bylaws

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**PART I**  
**Life Insurance Council of Saskatchewan**

**1-1 Interpretation**

In these bylaws:

- (a) **“the Act”** means *The Insurance Act*;
- (b) **“agency licence”** means an insurance agent licence for a business;
- (c) **“Compliance Program”** means a structured program that includes standards and procedures for broker screening, as well as oversight of all brokers under contract.
- (d) **“designated representative”** means the individual identified by the business as being responsible for the management and supervision of the business;
- (e) **“GICS”** means the General Insurance Council of Saskatchewan;
- (f) **“ICS”** means the Insurance Council of Saskatchewan;
- (g) **“licensee”** means a holder of a subsisting licence issued by LICs;
- (h) **“LICs”** means the Life Insurance Council of Saskatchewan;
- (i) **“management”** includes direction or control or both of the operations of a licenced business;
- (j) **“MGA”** means a Managing General Agent;
- (k) **“the regulations”** means *The Insurance Regulations*;
- (l) **“resident”** means a person who, under the laws of Saskatchewan, is subject to Saskatchewan Income Tax because of his, her or its domicile, residence, or citizenship;
- (m) **“supervision”** means:
  - (i) for a Designated Representative, reasonable and prudent oversight of a licensed business; and
  - (ii) for all other licensees:
    - (A) reasonable and prudent oversight over insurance transactions as outlined in Table 7-3-1; or
    - (B) any supervision responsibilities delegated to the licensee by their Designated Representative;
- (n) **“transaction”** includes any act, advertisement, or other conduct that pertains to the offering of or the sale of insurance;
- (o) **“TPA”** means a third party administrator; and
- (p) **“vulnerable person”** means an individual who cannot make sound or independent decisions, or is easily influenced due to factors which include, but are not limited to:
  - age; health; physical or cognitive impairment; language or literacy issues;
  - financial resources or knowledge limitations;

## **1-2 Powers and functions**

- (1) LICS shall:
  - (a) exercise the powers and carry out the functions and duties authorized, pursuant to the Act and the regulations;
  - (b) accept and exercise the powers and carry out the functions and duties delegated to it by the Superintendent; and
  - (c) carry out the functions and duties outlined in these bylaws.
- (2) LICS shall establish a process to regularly evaluate the effectiveness of LICS.
- (3) LICS shall appoint three members to ICS, pursuant to clause 5-26(1)(a) of the regulations.
- (4) LICS shall ensure that ICS obtains and maintains Directors and Officers liability insurance that protects the officers and members of LICS in the performance of their duties, pursuant to clause 5-85(1)(e) of the Act, and clause 5-32(1)(h) of the regulations.

## **1-3 Composition**

LICS shall be composed of nine members, pursuant to section 5-30 of the regulations, which shall include a chairperson and a vice-chairperson elected by the members.

## **1-4 Eligibility**

To be appointed to LICS as a member a person must:

- (a) be committed to the public interest regarding the insurance industry; and
- (b) not be an employee of ICS.

## **1-5 Term of office**

The term of office is as prescribed in section 5-30 of the regulations.

## **1-6 Council meetings**

Meetings of LICS shall be called by the chairperson or as arranged by previous meetings of LICS with not less than four meetings in each calendar year.

## **1-7 Quorum**

A quorum of LICS shall be the majority of its members.

### **1-8 Chairperson**

- (1) The chairperson shall be a member elected annually by a majority of the members.
- (2) The chairperson shall:
  - (a) preside over meetings of LICS;
  - (b) perform all acts pertaining to this office;
  - (c) subject to subsection 1-8(3), be an ex-officio non-voting member of all LICS committees, and may attend any committee meeting; and
  - (d) automatically be one of the three members appointed to ICS, pursuant to subsection 1-2(3).
- (3) LICS may appoint the chairperson as a voting member of any LICS committee.

### **1-9 Vice-Chairperson**

- (1) The vice-chairperson shall be a member elected annually by a majority of the members.
- (2) The vice-chairperson shall:
  - (a) perform the duties, pursuant to subsection 5-29(8) of the regulations; and
  - (b) perform such duties as may be assigned by LICS or the chairperson.

### **1-10 Administrator**

The administrator appointed, pursuant to section 1-1 (2)(a) of the ICS bylaws, shall be responsible to LICS, and shall:

- (a) carry out the policies established by LICS pertaining to the management and administration of the affairs of LICS;
- (b) act as secretary to LICS to:
  - (i) keep all records of LICS, including a record of all meetings of LICS;
  - (ii) notify all members of LICS and members of committees of all meetings and send out to members appropriate information and documentation prior to any meeting; and
  - (iii) issue all notices required by the Act, the regulations, these bylaws or by resolution of LICS;
- (c) act as an advisor to LICS; and
- (d) attend, or delegate a staff member to attend, all meetings of LICS.

### **1-11 Voting and parliamentary authority**

- (1) All motions voted on at a meeting of LICS shall be decided by a majority of votes of the members present.
- (2) Each member shall be entitled to one vote.

### **1-12 Remuneration**

Travel, honoraria and other expenses of members who are attending meetings or travelling on LICS business shall be paid from general funds, in accordance with policies established by ICS.

## **PART II**

### **Committees and Subdelegation of Functions, Powers and Duties**

#### **2-1 LICs committees**

- (1) A committee is any committee created by LICs.
- (2) Each committee shall:
  - (a) perform its duties subject to the direction of LICs;
  - (b) meet as frequently as required to fulfill its terms of reference; and
  - (c) make timely reports to LICs on the business of the committee.
- (3) LICs shall make all committee appointments, including the Chair. LICs may specify an alternate who may be called upon to complete the term of any committee member who resigns during his or her term of office or cannot meet his or her obligations as a committee member.
- (4) Subject to subsection 2-1 (6), each member of the committee shall have voting privileges.
- (5) A quorum for a committee shall be the majority of its voting members, or no fewer than two voting members, whichever is greater.
- (6) No staff member shall have voting privileges on a committee.

#### **2-2 Required committees**

LICs hereby establishes the following standing committees:

- (a) Market Practices Committee;
- (b) Education Committee; and
- (c) Restricted Insurance Agent Advisory Committee.

#### **2-3 Market Practices Committee**

- (1) The Market Practices Committee (hereinafter "MPC") is composed of:
  - (a) three or more persons who are members of LICs, provided that:
    - (i) at least one of whom is an industry representative; and
    - (ii) at least one of whom is a superintendent appointee; and
  - (b) the administrator referred to in section 1-10, or his or her delegate.
- (2) The functions and powers delegated by LICs to the MPC, pursuant to clause 5-32(1)(a) of the regulations are:
  - (a) to hear and determine whether to grant or refuse a licence, pursuant to sections 5-14, 5-51 or 5-71 of the Act;
  - (b) to make decisions regarding the placement of terms or conditions on licences:
    - (i) on any new or subsisting licence pursuant to sections 5-17, 5-54, and 5-71 of the Act; or
    - (ii) as a penalty pursuant to sections 5-39, 5-64 and 5-82 of the Act;

- (c) to hear and determine applications for an extension of time to meet a licensing requirement, pursuant to section 3-2;
  - (d) to hear and determine applications for an exemption from meeting certain licence requirements, pursuant to section 3-3;
  - (e) to investigate complaints and adjudicate or mediate disputes respecting alleged non-compliance with the Act, the regulations or these bylaws by applicants, licensees or persons who are required to be licensees, pursuant to clause 5-31(3)(i) of the regulations;
  - (f) to dismiss a complaint if there is insufficient evidence to substantiate the complaint;
  - (g) to make decisions respecting penalties and other charges, pursuant to clause 5-31(3)(k) of the regulations; and
  - (h) to carry out examinations, inspections and investigations of licensees, pursuant to clause 5-31 3)(j) of the regulations.
- (3) When exercising the powers in subsection 2-3(2), the MPC is subject to the procedures outlined in section 10-11 of the Act.

#### **2-4 Education Committee**

- (1) The Education Committee is composed of:
  - (a) two or more persons who are members of LICS; and
  - (b) the administrator referred to in section 1-10, or his or her delegate.
- (2) The functions and powers delegated by LICS to the Education Committee, pursuant to clause 5-32(1)(a) of the regulations are to:
  - (a) review and approve requests for ethics courses, pursuant to section 9-3;
  - (b) approve Accredited Course Providers, pursuant to section 9-4; and
  - (c) review and approve requests for continuing education credits, pursuant to section 9-5.

#### **2-5 Restricted Insurance Agent Advisory Committee**

- (1) The Restricted Insurance Agent Advisory Committee (hereinafter "RIAAC") is established by agreement of GICS and LICS.
- (2) The RIAAC is composed of:
  - (a) at least two restricted insurance agent representatives with distribution expertise in restricted insurance agent products;
  - (b) at least two insurance company representatives with expertise in relevant products; and
  - (c) the administrator referred to in section 1-10, or his or her delegate.
- (3) As required, GICS and LICS shall call on the required industry associations to nominate a list of representative candidates, as outlined in the terms of reference.

- (4) The RIAAC shall:
  - (a) provide subject matter expertise to GICS and LICS regarding Restricted Insurance Agents;
  - (b) advise GICS and LICS on issues relating to the Restricted Insurance Agent licence;
  - (c) meet as frequently as required to fulfill its terms of reference; and
  - (d) make timely reports to GICS and LICS on the business of the committee.

## **PART III Licences**

### **3-1 Licences and obligations**

- (1) LICS may approve applications for licences in any of the life or accident and sickness classes of insurance set out in the Act or the regulations.
- (2) Subject to sections 3-2 and 3-3, LICS shall only issue a licence when:
  - (a) the person meets the requirements outlined in section 7-1; and
  - (b) LICS is satisfied that the person is suitable to be licensed and the proposed licensing is not for any reason objectionable.
- (3) Pursuant to sections 5-17, 5-39, 5-54, 5-64 and 5-71 of the Act, LICS may, at any time, impose terms and conditions on a licence, and amend, vary or repeal those terms and conditions.
- (4) A licence imposes on the licensee, and if a business, the designated representative, obligations including but not limited to, the following:
  - (a) to adhere to the Act, regulations and these bylaws;
  - (b) to follow established standards of competence, conduct and practice in the business of insurance;
  - (c) to immediately notify LICS of:
    - (i) the failure to maintain the prescribed financial security requirements (errors and omissions insurance or the bond), pursuant to sections 5-10 and 5-23 of the regulations;
    - (ii) any name change, personal or business;
    - (iii) any corporate change, such as:
      - (A) amalgamation of the business;
      - (B) sale of the business; or
      - (C) dissolution of the business;
    - (iv) for a partnership, any change in the membership of the partnership or of the general partners of a limited partnership;
    - (v) any withdrawal of a licence recommendation;
    - (vi) any change in designated representative;
    - (vii) any change in other employment;
    - (viii) any change in address or contact information; and

- (ix) any proceeding in bankruptcy, including a Consumer Proposal;
- (d) to notify LICs within 30 days of:
  - (i) the commencement of any criminal proceedings against the licensee or the licensee's directors or officers;
  - (ii) the commencement of any professional, occupational or regulatory body proceedings against the licensee or the licensee's directors or officers anywhere in the world, including, but not limited to:
    - (A) actions by any organization in which the licensee holds a designation;
    - (B) any written notification regarding a suspension or cancellation of a contract from an insurer, MGA or any insurance business; or
    - (C) actions by any regulatory body in which the licensee holds a registration or a licence; and
  - (iii) the commencement of any other type of legal action, including but not limited to class action lawsuits or civil actions respecting the business of insurance;
- (e) to be supervised in accordance with these bylaws;
- (f) to abide by any limitations and conditions that may be attached to the licence;
- (g) to file with their annual reporting form the continuing education and ethics courses they have attended; and
- (h) to retain continuing education certificates issued by course provider(s) for a minimum of four years, for inspection by LICs in the event of an audit of licensee records.

### **3-2 Extension of time to meet licensing requirements**

- (1) An individual who cannot meet a requirement of the Act, regulations or these bylaws may, pursuant to section 10-12 of the Act, apply for an extension of time to meet that requirement.
- (2) LICs may authorize an extension of time to meet a requirement, on an application pursuant to subsection 3-2(1), provided that the extension is not contrary to the public interest.
- (3) LICs may, pursuant to sections 5-17, 5-39, 5-54, 5-64 and 5-71 of the Act, impose limitations or conditions on a licence to ensure compliance with the requirement within the extension of time granted.

### **3-3 Exemption from meeting certain licence requirements**

- (1) An individual may apply for an exemption from education or supervisory requirements in these bylaws.
- (2) LICs may grant an exemption from educational requirements on an application pursuant to subsection 3-(1) where LICs is satisfied that:
  - (a) the individual seeking the exemption has a combination of education, professional qualifications, training and work experience that are at least equivalent to the requirements contained in these bylaws;
  - (b) the individual seeking the exemption has complied with all other requirements of these bylaws; and

- (c) the exemption is not contrary to the public interest.
- (3) LICs may grant an exemption from supervisory requirements on an application pursuant to subsection 3-(1) where LICs is satisfied that:
  - (a) the individual seeking the exemption is subject to supervision procedures that are equivalent to the supervision requirements set out in Table 7-3-1;
  - (b) the individual seeking the exemption has complied with all other requirements of these bylaws; and
  - (c) the exemption is not contrary to the public interest.

### **3-4 Effect of licence cancellation**

A person whose licence has been cancelled in accordance with the Act, regulations or these bylaws shall cease to be a licensee effective the date of cancellation.

## **PART IV Professional Misconduct**

### **4-1 Professional misconduct**

- (1) For the purposes of the Act, the regulations and these bylaws, professional misconduct is a question of fact but includes any matter, conduct or thing, whether or not disgraceful or dishonorable that:
  - (a) is contrary to the best interest of the public;
  - (b) may harm the standing of persons licensed under the Act; or
  - (c) is a breach of the Act, the regulations or these bylaws.
- (2) Without limiting the generality of subsection 4-1(1), a licensee may be guilty of misconduct if the licensee:
  - (a) fails to place the interests of the consumer before those of the licensee or others;
  - (b) takes advantage of a vulnerable person;
  - (c) fails to disclose to a consumer or insurer any conflict of interest that may exist;
  - (d) fails to ensure that a consumer or insurer is fully informed of all relevant information that will allow the consumer or the insurer to make an informed decision;
  - (e) fails to reasonably ascertain through prudent fact gathering a consumer's insurance needs;
  - (f) fails to reasonably carry out a consumer's lawful instructions;
  - (g) fails to protect a consumer's personal information;
  - (h) divulges a consumer's personal information unless authorized to do so by the consumer or as required by law;
  - (i) engages in any practice that is coercive or has the intended effect of inducing a consumer into making a decision that is not in the best interests of the consumer, pursuant to section 7-12 of the Act;

- (j) in the course of promoting, selling or servicing insurance business, provides in any advertising or other communications information that is false or misleading, pursuant to section 7-12 of the Act;
- (k) makes a material misstatement in an application for licence or report to continue a licence, pursuant to clauses 5-39(1)(a) and 5-64(1)(a) of the Act;
- (l) rebates or offers to rebate all or any portion of an insurance premium;
- (m) indicates that the premium to be paid for a policy is an amount that is different from the amount of the premium set out in the policy, pursuant to subsection 7-5(1) of the Act;
- (n) gives or offers to give anything of value in excess of twenty-five dollars per year for the purposes of inducing a consumer to make an insurance decision, pursuant to section 7-4 of the regulations;
- (o) when charging a consumer a fee, fails to have the consumer agree in writing before the service is provided to the amount of the fee and the reason for the fee, pursuant to subsection 7-9(2) of the Act;
- (p) demonstrates an unsuitability or an untrustworthiness to act as a licensee, pursuant to clauses 5-39(1)(b) and 5-64(1)(b) of the Act;
- (q) fails to deal with consumer complaints or disputes in a timely forthright manner or to refer the consumer to the appropriate person or authority;
- (r) fails to follow sound business practices or maintain proper records;
- (s) is a Designated Representative and fails to carry out his or her responsibilities as outlined in the Act, the regulations, or these bylaws, including Schedule B – Operating Principles for the Designated Representative;
- (t) fails to exercise reasonable and prudent oversight and review when acting in a supervisory capacity; or
- (u) fails to reasonably respond to inquiries from LICs or ICs.

## **PART V**

### **Professional Incompetence**

#### **5-1 Professional incompetence**

For the purposes of the Act, the regulations and these bylaws, professional incompetence is a question of fact, but includes the display by a licensee of a lack of knowledge, skill or judgement of a nature or to an extent that the licensee is unfit:

- (a) to continue in the business of insurance; or
- (b) to provide one or more services ordinarily provided as part of the business of insurance.

## **PART VI Appeals**

### **6-1 Appeals**

A person affected by a decision or order of LICCS may appeal that decision or order to the appeal panel, pursuant to section 10-34 of the Act.

## **PART VII Licence Application Requirements**

### **7-1 Application for licence**

Persons applying for a licence in one of the life or accident and sickness categories set out in Schedule A, Table 1-1 shall provide to LICCS:

- (a) proof of having met the licence requirements as set out in sections 7-3, 7-4, 7-5, or 7-6;
- (b) proof of having met the financial security requirement (errors and omissions insurance and/or bond), pursuant to sections 5-10 or 5-23 of the regulations;
- (c) a completed application form as required by LICCS for the category of licence applied for;
- (d) payment of the required fee for the category of licence as set out in Schedule A;
- (e) if the person is an MGA or TPA, copies of all currently in force or draft agency contracts, pursuant to clauses 5-11(g) and 5-11(h) of the Act; and
- (f) if the person is a restricted insurance agent, copies of all currently in force or draft agency contracts, pursuant to clause 5-70(2)(b) of the Act.

### **7-2 Limitation on examination attempts**

- (1) A person is allowed to attempt each LLQP module identified in the bylaws subject to the following conditions:
  - (a) An examinee may take up to three supplemental exams (three retakes) after an initial failed attempt, provided their prerequisite qualifications remain valid.
    - (i) The validity period for the prerequisite qualification courses to write the LLQP is twelve months from the date the training was successfully completed.
  - (b) A mandatory waiting period of 24 hours is required between attempts.
  - (c) After a third retake (fourth unsuccessful attempt), the examinee must wait one year from the date of the failed attempt before registering for the initial exam.
    - (ii) The examinee must retake and successfully complete all prerequisite qualification courses to register for the initial exam.
  - (d) If an examinee does not register for a supplemental exam (retake) within one year of the failed attempt, they must complete the prerequisite qualification courses before registering for the initial exam.

### 7-3 Licensing requirements and licence restrictions – Agent and Insurer Representative

- (1) Subject to subsections (2) and (3), LICs hereby establishes in Table 7-3-1 the educational requirements and licence restrictions related to the licensing of individuals as agents for each category of licence.

**Table 7-3-1 Licensing Requirements and Licence Restrictions – Agent and Insurer Representative**

LICENSING REQUIREMENTS – AGENT OR INSURER REPRESENTATIVE	LICENCE RESTRICTIONS – ALL LICENSEES
<p><b>A person applying for a life and accident and sickness agent licence must successfully complete:</b></p> <p>a) The Life Licensing Qualifying Program (LLQP) course and examination.</p>	<p><b>1) A licensee who is subject to New Agent Supervision as outlined in subsections 7-3 (4) and (5) shall not:</b></p> <p>a) act in the transaction of insurance unless he or she is supervised by a licensee having at least three years experience as a licensed agent.</p> <p><b>2) A licensee who is subject to New Agent Supervision as outlined in subsections 7-3 (4) and (5) shall:</b></p> <p>a) within ten days of taking an application for insurance have a Supervision Certificate (Appendix A) completed and signed by a licensee who is qualified to act in a supervisory capacity; and</p> <p>b) if replacing a life insurance policy, attach a copy of the completed Life Insurance Replacement Declaration document (Appendix B) to the Supervision Certificate.</p>
<p><b>A person applying for an accident and sickness agent licence must successfully complete:</b></p> <p>a) the Life Licensing Qualifying Program (LLQP) Accident and Sickness course and examination</p>	<p><b>3) A licensee shall not:</b></p> <p>a) act as a supervisor unless he or she has:</p> <ul style="list-style-type: none"> <li><b>i)</b> at least three years experience as a licensed agent;</li> <li><b>ii)</b> is not subject to New Agent Supervision as outlined in subsections 7-3(4) and (5); and</li> <li><b>iii)</b> is knowledgeable about the product being sold by the supervised licensee; or</li> </ul> <p>b) act in the transaction of or supervision of segregated funds transactions unless he or she has passed an investment funds course approved by council.</p> <p><b>4) A licensee shall:</b></p> <p>a) prior to replacing an existing life insurance policy, present and review with the consumer a fully completed Life Insurance Replacement Declaration document that has been approved by LICs (Appendix B); and</p> <p>b) provide a copy of the Life Insurance Replacement Declaration document to the consumer and retain a copy in his or her client's file.</p>
<p><b>An individual applying for a Third Party Administrator Designated Representative licence must have knowledge of the administrative service(s) being provided.</b></p>	<p><b>A Third Party Administrator Designated Representative shall not:</b></p> <p>a) act as an agent for any type of insurance product.</p>

- (2) An individual applying for a licence, who has not held a life and/or accident and sickness agent licence in any jurisdiction in Canada during the past two consecutive years, will be considered a new applicant.
- (3) For a new applicant applying for a life and/or accident and sickness agent licence, only courses completed in the year prior to their application for licence are considered valid.
- (4) An individual licensed before January 1, 2020 is subject to New Agent Supervision until he or she completes two years as a licensee.
- (5) An individual licensed after January 1, 2020 is subject to New Agent Supervision until he or she:
  - (a) completes a minimum of 50 placed and inforce policies;
  - (b) completes a minimum of one year as a licensee; and
  - (c) provides evidence of completion to LICs.

**7-4 Licensing requirements – Agency or Restricted Insurance Agent**

- (1) LICs hereby establishes in Table 7-4-1 the licensing requirements for the licensing of an agency or Restricted Insurance Agent.

**Table 7-4-1 Licensing Requirements – Agency or Restricted Insurance Agent**

LICENCE CATEGORY	LICENCING REQUIREMENTS – AGENCY OR RESTRICTED INSURANCE AGENT
<p><b>All Agencies and Restricted Insurance Agents</b></p>	<ul style="list-style-type: none"> <li>1) An agency must:               <ul style="list-style-type: none"> <li>a) provide evidence that the agency is registered with the Corporate Registry of the Information Services Corporation; and</li> <li>b) maintain that registration for as long as they hold an active licence.</li> </ul> </li> <li>2) Unless exempt from the requirement to register with the Corporate Registry of the Information Services Corporation, a Restricted Insurance Agent must:               <ul style="list-style-type: none"> <li>a) provide evidence that the Restricted Insurance Agent is registered with the Corporate Registry of the Information Services Corporation; and</li> <li>b) maintain that registration for as long as they hold an active licence.</li> </ul> </li> <li>3) An agency or Restricted Insurance Agent must appoint an individual to be the designated representative, subject to subsection 7-4(2).</li> <li>4) Failure to appoint and maintain a designated representative shall result in the suspension of the licence of the business.</li> </ul>

- (2) For the purposes of subsection 7-4(1), a designated representative must be:
  - (a) for life and/or accident and sickness agencies, an individual who holds an active life and/or accident and sickness licence; and
  - (b) for Restricted Insurance Agents, an individual who is responsible for receiving notices and other documents, pursuant to the Act, on behalf of the Restricted Insurance Agent.

**7-5 Licensing requirements – Managing General Agent**

- (1) LICs hereby establishes in Table 7-5-1 the licensing requirements for the licensing of an MGA.

**Table 7-5-1 Licensing Requirements – Managing General Agent**

LICENCE CATEGORY	LICENCING REQUIREMENTS – Managing General Agent
<b>Managing General Agent</b>	<ol style="list-style-type: none"> <li>1) An MGA must:               <ol style="list-style-type: none"> <li>a) provide evidence that the MGA is registered with the Corporate Registry of the Information Services Corporation; and</li> <li>b) maintain that registration for as long as they hold an active licence.</li> </ol> </li> <li>2) An MGA must appoint an individual to be the designated representative, pursuant to subsection 7-5(2).</li> <li>3) Failure to appoint and maintain a designated representative shall result in the suspension of the MGA's licence.</li> <li>4) An MGA must have in place a Compliance Program approved by LICs.</li> </ol>

- (2) For the purpose of subsection 7-5(1), a designated representative must be an individual who holds an active life and accident and sickness licence.

**7-6 Licensing requirements – Third Party Administrator**

- (1) LICs hereby establishes in Table 7-6-1 the licensing requirements for the licensing of a TPA.

**Table 7-6-1 Licensing Requirements - Third Party Administrator**

LICENCE CATEGORY	LICENCING REQUIREMENTS - Third Party Administrator
<b>Third Party Administrator</b>	<ol style="list-style-type: none"> <li>1) A TPA must:               <ol style="list-style-type: none"> <li>a) provide evidence that the TPA is registered with the Corporate Registry of the Information Service; and</li> <li>b) maintain that registration for as long as they hold an active licence.</li> </ol> </li> <li>2) A TPA must appoint and maintain an individual to act as a designated representative, subject to subsection 7-6(2).</li> <li>3) A TPA must have a written agreement with an insurer acceptable to LICs, setting out the specific responsibilities of the TPA, pursuant to clause 7-1(e).</li> <li>4) A TPA must establish reasonable procedures to ensure the TPA's employees are properly trained and knowledgeable about the insurance being administered on behalf of the insurer and ensure the procedures established are being used.</li> </ol>

- (2) For the purposes of subsection 7-6(1), the designated representative must be licensed.

## **PART VIII**

### **Annual Reporting Requirements**

#### **8-1 Annual requirements for maintaining eligibility for a licence**

- (1) A licensee shall provide to LICCS, on or before the annual reporting date shown on the licence:
  - (a) a completed annual reporting form as required by LICCS;
  - (b) payment of the required non-refundable annual licensing fee established by ICS as set out in Schedule A;
  - (c) proof of having met the financial security requirements (errors and omissions insurance and/or bond) of the Act as set out in sections 5-10 or 5-23 of the regulations;
  - (d) proof of having met the continuing education and ethics requirements as set out in section 9-1;
  - (e) payment of all outstanding fees, fines, costs or penalties owing to any insurance council;
  - (f) if the licensee is an MGA or TPA, copies of all agency agreements entered into with insurers since the licensee's last annual report, pursuant to clauses 5-11 (g) and 5-11 (h) of the Act; and
  - (g) if the licensee is a Restricted Insurance Agent, copies of all agency contracts entered into since the licensee's last annual report, pursuant to clause 5-70(2) (b) of the Act.
- (2) A licensee who has not met all the requirements of section 8-1 (1) within 30 days of the annual reporting date shall have his, her or its licence cancelled.

## **Part IX**

### **Continuing Education**

#### **9-1 Rules for qualifying for continuing education**

- (1) Licensees are required to earn a minimum of fifteen credit hours of continuing education in each annual reporting period
- (2) The education must take place in an environment structured for learning which can include, but is not limited to, classroom, seminar, on-line and self-study.
- (3) 30 minutes of instruction is equal to 0.5hours of continuing education credit.
- (4) Courses less than 30 minutes in duration do not qualify for credit.
- (5) A maximum of eight credit hours will be allowed in any calendar day.
- (6) Only credit hours earned in a reporting period are eligible unless written consent is provided by LICCS.
- (7) Courses must be taken through course providers outlined in sections 9-4 and 9-5.
- (8) Failure to comply with the continuing education requirements shall result in a suspension of licence until the licensee has earned the required continuing education credit hours.

## **9-2 Definition of continuing education**

- (1) Only courses that provide technical education are considered to qualify as continuing education including courses that directly relate to:
  - (a) life or accident and sickness insurance products;
  - (b) financial planning provided that a maximum of five hours per year is related to non-insurance sectors such as securities and mutual funds;
  - (c) compliance with insurance legislation and requirements such as LICs' Code of Conduct, the Act, the regulations, these bylaws, privacy legislation, anti-spam legislation and anti-money laundering, and anti-terrorist financing legislation;
  - (d) ethics;
  - (e) errors and omissions insurance; and
  - (f) courses leading to an approved designation such as:
    - (i) Chartered Life Underwriter (CLU);
    - (ii) Certified Financial Planner (CFP);
    - (iii) Registered Financial Planner (RFP);
    - (iv) Certified Health Insurance Specialist (CHS);
    - (v) Certified Employee Benefit Specialist (CEBS);
    - (vi) Personal Financial Planner (PFP);
    - (vii) Certified International Wealth Manager (CIWM);
    - (viii) Elder Planning Counselor (EPC); and
    - (ix) such other designations as are approved by Council.
- (2) To receive credit for the purposes of continuing education, the licensee must successfully complete the course.
- (3) Courses, programs or meetings related to sales promotion, promotion or motivation do not qualify for credit hours.
- (4) Courses related to computer training do not qualify.

## **9-3 Mandatory ethics training**

- (1) All resident licensees must, within the cycles set out below, complete one or more LICs approved ethics courses totalling at least three hours in duration.
- (2) Resident licensees who hold a licence issued prior to January 1, 2013 must complete ethics training:
  - (a) by their annual reporting date in 2016; and
  - (b) within each subsequent five-year cycle.
- (3) Resident licensees who hold a licence issued on or after January 1, 2013 must complete ethics training within:
  - (a) three years of becoming licensed; and
  - (b) each subsequent five-year cycle.
- (4) The five-year cycles referred to in clauses 9-3(2)(b) and 9-3(3)(b) begin when the previous cycle ended.

- (5) Credit hours earned for an ethics course can be applied towards a licensee's continuing education requirements.
- (6) For the purpose of this section each individual ethics course must be at least one hour in duration.

#### **9-4 Accredited course providers**

- (1) LICCS may grant, at its sole discretion, accredited course provider status to providers of insurance training.
- (2) LICCS shall set guidelines to be used for obtaining accredited course provider status.
- (3) LICCS may at any time withdraw accredited course provider status by providing notice of and reasons for withdrawal to the course provider.

#### **9-5 Non-accredited course providers or licensees**

- (1) Non-accredited course providers must apply for approval of course credits.
- (2) Licensees may apply for approval of course credits offered by non-accredited course providers.
- (3) LICCS may, at its sole discretion, after receiving an application for approval of course credits, grant or refuse credit hours with respect to a course provided by a non-accredited course provider.

#### **9-6 Conditions of course credit**

- (1) LICCS reserves the right to audit any course for which credit has been approved and to withdraw approval of credit hours awarded.
- (2) Where LICCS directs that approval of a course be withdrawn, LICCS shall provide reasons for the withdrawal of accreditation noting the deficiencies to the person or firm having made the original application for accreditation.

#### **9-7 Non-resident licensees**

Non-resident licensees are required to comply with the continuing education requirements in this part unless they can provide evidence they are complying with a continuing education requirement in their resident jurisdiction.

## Schedule A Fees Charged by ICS

Pursuant to Part V of the ICS bylaws, the following are the fees established by ICS.

### 1 Annual licence fees

**Table 1-1 Annual Licence Fee Per Category**

ANNUAL LICENCE FEE	LICENCE CATEGORY
\$125	<p><b>The following licence categories:</b></p> <ul style="list-style-type: none"> <li>a) a business or individual licence:               <ul style="list-style-type: none"> <li>i) for life and accident and sickness insurance;</li> <li>ii) for accident sickness insurance;</li> </ul> </li> <li>b) an individual licence:               <ul style="list-style-type: none"> <li>i) for an insurer's representative; and</li> <li>ii) for a designated representative of a third party administrator; and</li> </ul> </li> <li>c) a business licence:               <ul style="list-style-type: none"> <li>i) for a managing general agent; and</li> <li>ii) for a third party administrator.</li> </ul> </li> </ul>

**Table 1-2 Annual Licence Fees for Restricted Insurance Agents**

Number of employees of restricted insurance agent	Fee
1 to 4	\$150
5 to 10	\$225
11 to 15	\$375
16 to 20	\$500
21 to 99	\$700
100 to 249	\$1,500
250 to 499	\$3,000
500 or more	\$5,500

### 2 Late filing fees

A licensee who fails to comply with the requirements outlined in section 8-1 on or before the annual reporting date shall be assessed, in addition to the annual fee, a late filing fee equal to 50% of the annual fee.

### 3 Licence fees non-refundable

A refund of an annual fee shall not be made once a licence has been issued.

#### **4 Denial of licence**

An administration fee of \$50 shall be retained when an application for a licence has been denied.

#### **5 Administration fees**

- (1) An administration fee of \$50 shall be charged for:
  - (a) a reinstatement of a licence; and
  - (b) discontinuation of a licence application after processing by ICS has begun.
- (2) Subject to subsection 5(3), an administration fee of \$25 shall be charged for:
  - (a) a certificate of licence status;
  - (b) a non-resident endorsement used to apply for licensing in another jurisdiction;
  - (c) a duplicate receipt;
  - (d) a duplicate licence;
  - (e) cheques returned to ICS;
  - (f) deletion or addition of licence class to an existing licence;
  - (g) a change of licence recommendation; and
  - (h) changes to a licence that may be required to ensure compliance with the requirements of the Act, regulations and or an insurance council's bylaw.
- (3) In cases where the administration fee in clauses 5(2)(g) or 5(2)(h) involves all licensees in an agency or adjusting firm, council may, at its sole discretion, set a flat rate for completion of the transactions. The total flat rate fee cannot exceed the per transaction fee amount generated by applying clauses 5(2)(g) or 5(2)(h).

#### **6 Examination fees**

Refer to Insurance Council of Saskatchewan website at [www.skCouncil.sk.ca](http://www.skCouncil.sk.ca).

#### **7 Electronic Copies of Insurance Register**

An administration fee of \$250 will be charged for electronic copies of the Insurance Register.

## Schedule B

### Operating Principles for the Designated Representative

Council has established the following principles to outline the standard of conduct a Designated Representative is expected to meet. To fulfill his or her obligations, the Designated Representative must be familiar with *The Insurance Act*, *The Insurance Regulations*, and these Bylaws. In this Schedule, these documents are referred to collectively as the "Insurance Legislation".

The Designated Representative must ensure that:

- The Agency or Firm and all of its licensees adhere to the CCIR/CISRO Fair Treatment of Customers Guidance Document, dated September 2018.

The Canadian Council of Insurance Regulators ("CCIR") and the Canadian Insurance Services Regulatory Organizations ("CISRO") have jointly published a document entitled "**Guidance: Conduct of Insurance Business and Fair Treatment of Customers**". This guidance is based on Insurance Core Principles of the International Association of Insurance Supervisors. It was created to support insurers and licensees in achieving fair treatment of customers while complying with existing laws and regulations. It also aims at strengthening public trust and consumer confidence and minimizing reputational risks.

The Insurance Councils of Saskatchewan have fully endorsed the principles outlined in the CCIR/CISRO guidance document. The Fair Treatment of Customers guidance is an overarching principle for the Designated Representative to follow, while ensuring that all licensees within their agency also follow the guidance. The full guidance document can be accessed at:

<https://www.cisro-ocra.com/Documents/View/5>

- Only licensed persons act as an insurance agent for the business;
- Licence applications, annual reporting and transfer of recommendation forms are filed, and prescribed fees and fines are paid in accordance with the Insurance Legislation;
- All licensees of the business comply with the Insurance Legislation and any other legislation governing their business practices;
- Licensees are provided with, and use, all information respecting insurance that is necessary to properly conduct insurance business;
- All books, records and accounts are maintained by the business in accordance with the Insurance Legislation;
- Errors and Omissions insurance is maintained by licensees of the business in accordance with the Insurance Legislation; and
- Appropriate procedures are established by the business and are followed such that the requirements of the above principles are met.

## Appendix A

# Supervision Certificate

I, \_\_\_\_\_, certify that I am a holder of an insurance licence authorizing me to  
(Supervising Licensee)  
transact the class of insurance for which I am completing this supervision certificate. I also certify that I hold  
qualifications specified in the Life Insurance Council Bylaws that permit me to sign as a supervisor. I have reviewed the following  
insurance related material used or prepared by \_\_\_\_\_.  
(Supervised Licensee)  
for \_\_\_\_\_ and believe that the insurance applied for is appropriate to the needs  
(Applicant)  
and circumstances of the applicant and/or insured.

### **I have reviewed**

Type of Insurance Need

(✓ Check one or more)

Accident & Sickness Insurance

Business Insurance

Debt/Mortgage Insurance

Disability Insurance

Annuities

Other (Please specify) \_\_\_\_\_

Education Funding

Estate Preservation

Family Survivorship Needs

Segregated Funds

Insurance Product(s) Applied For \_\_\_\_\_

Insurance Amount(s) Applied For \_\_\_\_\_

Life Insurance Replacement  
Declaration form (If no, why not)

Yes  No \_\_\_\_\_

Insurance Needs Analysis  
(If no, why not)

Yes  No \_\_\_\_\_

Policy Illustrations  
(If no, why not)

Yes  No \_\_\_\_\_

Reason(s) Why Letter  
(If no, why not)

Yes  No \_\_\_\_\_

Anti-Money Laundering/Anti-Terrorist  
Financing questions reviewed (If no, why not)

Yes  No \_\_\_\_\_

\_\_\_\_\_  
**Supervising Licensee's Signature**

\_\_\_\_\_  
**Date**

I certify that I have provided to the licensee signing this Certificate, a copy of all material I have used with the named  
applicant/insured.

\_\_\_\_\_  
**Supervised Licensee's Signature**

\_\_\_\_\_  
**Date**

## Instructions

The licensees signing the Certificate must retain a copy of this Certificate for their records

## **The Purpose of the Supervision Certificate**

The Supervision Certificate has two distinct purposes:

- its primary purpose is to ensure that sales made by new, inexperienced licensees are reviewed by a more experienced licensee – to confirm whether the product and amount sold are appropriate to the client's situation and needs; and
- its secondary purpose is as a teaching tool to help develop the knowledge of new licensees through their first 50 placed and enforce policies as a Life including Accident & Sickness licensee.

## **Expectations of the Supervised Licensee**

As outlined in Bylaw 4-1(2)(e), licensees are required to "reasonably ascertain, through prudent fact gathering, a consumer's insurance needs" when making a sale. Further, as outlined in Bylaw 7-3, new licensees are subject to specific supervision on a minimum of their first 50 sales. The specific supervision includes the completion of this Supervision Certificate on those 50 sales.

The supervised licensee must complete the form **fully and accurately** and provide the supervising licensee with all pertinent information required for the supervising licensee to review the sale and assess whether the product and amount sold are appropriate to the client's situation and needs.

When the supervised licensee signs the Supervision Certificate, he or she is attesting to the fact that the information is accurate, and that they have provided to the supervising licensee a copy of all material used with the named applicant/insured.

## **Expectations of the Supervising Licensee**

As outlined above, the Supervision Certificate has two distinct purposes. Based on that, the role of the supervising licensee also has two distinct parts:

- the primary role of the supervising licensee is to verify that the product and amount sold are appropriate to the client's situation and needs; and
- the secondary role of the supervising licensee is to identify learning opportunities for the supervised licensee so that they can fully develop an ability to assess and meet the needs of consumers.

The supervising licensee should ensure that they receive all of the information they need from the supervised licensee in order to review the sale and assess whether the product and amount sold are appropriate to the client's situation and needs.

When the supervising licensee signs the Supervision Certificate, he or she is attesting to the fact that they have reviewed the material provided by the supervised licensee, and that the insurance applied for is appropriate to the needs and circumstances of the applicant/insured.

The supervising licensee should also take the opportunity to dialogue with the supervised licensee to fully understand the process they completed, and their reasons for the product/amount that were recommended to the applicant/insured. That dialogue should also cover any possible areas for development that the supervising licensee has identified during the review process.

## Appendix B Life Insurance Replacement Declaration

**Do not cancel your existing policy until the new policy is in force and you accept it.** Before you cancel your life insurance policy you should have answers to the questions below. Ask any insurance agent or broker, or an independent person, for help if you need it.

### Questions about your present life insurance policy

1. Why do you want to replace your policy? Is the new policy better for you? How?
2. Should you just buy more insurance or change your policy? How much will these changes cost?
3. When should you cancel your present policy? When is your next annual dividend paid? Will the timing affect your cancellation charges?
4. Will you pay more income tax if you cancel your present policy?

### Questions on the advantages and disadvantages of a new life insurance policy

1. Do you understand the type of insurance policy you are buying? Is it a *term life*, *whole life*, or *universal life* insurance policy? You should know the differences.
2. Are there times when the new policy will not pay all the benefits that your present policy does? Examples are suicide and contestable periods and contractual exclusions.
3. Will the new policy pay as much as your present policy? Examples are death benefits, cash values, and dividends.
4. Does the new policy have the same extra, or optional, benefits as your present policy? Examples are waiver of premium, guaranteed insurability, accidental death, and family member riders.
5. Are there cancellation charges on the new policy?
6. What guarantees apply to your present and proposed policies? Which policy has the best guarantees?
7. Will either of the policy premiums (payments) go up? For how long will the premiums stay the same? How much will they increase?

**Important:** The agent needs to give you copies of the documents used to compare the two policies.

I confirm that I have received this document.

\_\_\_\_\_  
**Client's signature**

\_\_\_\_\_  
**Date**

I have given the client this document, and a written explanation of the advantages and disadvantages of replacing their life insurance policy, before starting the application for a new policy.

\_\_\_\_\_  
**Agent or broker's signature**

\_\_\_\_\_  
**Date**

**Note:** Your agent or broker should deliver and review the new policy with you. If it is **not** satisfactory for any reason, you may have the right to reject it and receive a full refund. Check the policy for the right of rejection and the time limit for the rejection.

## CONTACT INFORMATION

<p>Insurance Council of B. C. Suite 300, 1040 W Georgia St. P.O. Box 7 Vancouver, BC V6E 4H1</p> <p>Ph. (604) 688-0321 Fax. (604) 662-7767</p>	<p>Alberta Insurance Council 901 Toronto Dominion Tower 10088 - 102 Avenue Edmonton, AB T5J 2Z1</p> <p>Ph. (780) 421-4148 Fax. (780) 425-5745</p>	<p>Insurance Councils of Saskatchewan 310, 2631 - 28th Avenue Regina, SK S4S 6X3</p> <p>Complaints (306) 757-1988 Fax. (306) 347-0525</p>
<p>Insurance Council of Manitoba Suite 466 167 Lombard Avenue Winnipeg, MB R3B 0T6</p> <p>Ph. (204) 988-6800 Fax. (204) 988-6801</p>	<p>Financial Services Regulatory Authority of Ontario (FSRA) 5160 Yonge Street P.O. Box 85 Toronto, ONT M2N 6L9</p> <p>Ph. (416) 250-7250 Fax. (416) 590-7070</p>	<p>Autorité des marchés financiers Place de la Cité, tour Cominar 2640, boulevard Laurier, bureau 400 Québec, QC G1V 5C1</p>
<p>New Brunswick Superintendent of Insurance Kings Place P. O. Box 6000 Fredericton, NB E3B 5H1</p> <p>Ph. (506) 453-2541 Fax. (506) 453-7435</p>	<p>Nova Scotia Superintendent of Insurance 5151 Terminal Road, 7th Fl. PO Box 2271 Halifax, NS B3J 1A1</p> <p>Ph. (902) 424-6331 Fax. (902) 424-1298</p>	<p>Prince Edward Island Superintendent of Insurance 4th Floor, Shaw Building 105 Rochford Street Charlottetown, PE C1A 7N8</p> <p>Ph. (902) 368-6478 Fax. (902) 368-5283</p>
<p>Newfoundland and Labrador Superintendent of Insurance Confederation Building P.O. Box 8700 Prince Philip Drive St. John's, NL A1B 4J6</p> <p>Ph. (709) 729-2570 Fax. (709) 729-4151</p>	<p>Yukon Superintendent of Insurance Administration Building 2071 Second Avenue Whitehorse, Yukon Y1A 2C6</p> <p>Ph. (867) 667-5710 Fax. (867) 393-6218</p>	<p>Northwest Territories Superintendent of Insurance P.O. Box 1320 Yellowknife, NT X1A 2L9</p> <p>Ph. (867) 920-8056 Fax. (867) 873-0325</p>
	<p>Nunavut Superintendent of Insurance P.O. Box 1320 Yellowknife, NT X1A 2L9</p> <p>Ph. (867) 920-8056 Fax. (867) 873-0325</p>	