

Adjusting Firms Backgrounder

As of January 1, 2020, 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 Councils 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 legislation.

Audits

As of January 1, 2020, ICS will have the ability to audit your business.

The Insurance Regulations allow the General Insurance Council (GICS) to carry out audits, examinations, inspections and investigations of licensees and persons who are required to be licensed.

Designated Representatives

There are many changes and new responsibilities for Designated Representatives (DRs) under the new Act; we've included a summary here.

Adjusting firms are required to have a DR. That DR must understand their responsibilities.

As the DRs new and expanded role is so important to the business, ICS must immediately be notified if the DR of the business leaves or dies. The business licence will be cancelled if there is no qualified DR appointed.

Adjusting firm DRs are responsible for screening new licence applicants and for the ongoing monitoring of licensees that represent the business. The DR must have procedures in place and use those procedures to ensure that applicants and licensees have the knowledge needed to obtain and maintain the licence for the classes of insurance they are adjusting.



When an adjuster licensee leaves the adjusting firm, the DR of that firm must immediately notify the GICS that the licensee's recommendation is cancelled and why the recommendation has been cancelled.

The DRs responsibilities can be assigned to other licensees but ultimately it is the DR that will be held responsible.

Specific Changes

Hail Insurers and Licensees

The Hail Insurance Council will be wound down January 1, 2020. Persons holding a crop hail insurance adjuster licence will now be represented by the GICS which will also issue all crop hail insurance adjuster licenses.

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