Insurance Council
BRITISH COLUMBIA

Licence Upgrade Policy

Contact: Licensing Department

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1.0 PURPOSE

To outline the Insurance Council of British Columbia (Insurance Council)'s requirements when applicants apply for a Licence Upgrade.

2.0 SCOPE

This policy applies to applicants who hold a general insurance or adjuster licence and wish to upgrade their licence.

3.0 DEFINITIONS

Complete Application: An application that is in the form, including supporting documentation, required by Council; and accompanied by the fee as published in Insurance Council's Fee Schedule.

Licence Upgrade: A change to a higher licence level within the same licence class per Council Rule 1(1), which includes: level 1 general insurance salesperson licence to level 2 general insurance agent licence; level 2 to level 3 general insurance agent licence; level 1 to level 2 insurance adjuster licence; or, level 2 to level 3 insurance adjuster licence.

Precedent(s): A prior licensing decision with similar circumstances to an application that the Insurance Council may consider in striving for consistency, but is not bound to follow, in making a licensing decision regarding the application.

Upgrade Application: An application for a new licence submitted to the Insurance Council to change an exisiting licence to a higher licence level (applicable to general insurance and adjuster licensees only).

4.0 POLICY

4.1 Qualifying for a Licence Upgrade

- To be eligible for a Licence Upgrade, the applicant must meet the requirements set out in Council Rules.
- If the applicant has not met the requirements set out in Council Rules and wishes to apply for a Licence Upgrade based on alternate education and/or experience, they may submit an equivalency request, as per Council Rule 2(20).

4.1.1 Applicants who are Non-BC Residents and are Licensed in a Canadian Jurisdiction

- To be eligible for a Licence Upgrade, Canadian non-BC applicants must:
    - Be licensed for the same licence class and hold a comparable level of licence in their home jurisdiction or meet the exemption stipulated in Council Rule 2(21)(b).
    - Provide a licence history letter from their home jurisdiction to confirm they have met the experience requirements when applicable.
- In accordance with the Labour Mobility provisions of the Canadian Free Trade Agreement (Chapter 7), the Insurance Council will consider granting a comparable licence of the same class for Canadian non-BC applicants and out-of-country applicants who hold an active insurance licence in a Canadian jurisdiction.
- If a licence is not required to conduct insurance activities in the applicant's home jurisdiction, the applicant must provide evidence from the insurance regulator that activities authorized under the class of licence being applied for are exempt from licensing in the applicant's home jurisdiction.

4.1.2 Applicants who are Out-of-Country Residents and are not Licensed in a Canadian Jurisdiction

- To be eligible for a Licence Upgrade, out-of-country applicants must:
    - Be licensed for the same licence class and hold a comparable level of licence in their home jurisdiction.
    - Submit an equivalency application with supporting documentation on successful completion of alternate education and experience.
    - Provide a licence history letter from their home jurisdiction to confirm they have met the experience requirements when applicable.
- If a licence is not required to conduct insurance activities in the applicant's home jurisdiction, the applicant must provide evidence from the insurance regulator that

activities authorized under the class of licence being applied for are exempt from licensing in the applicant's home jurisdiction.

4.2 Required Information

- Applicants must submit a complete and signed Upgrade Application, including supporting documents (if applicable).
- Applicants are required to provide the following information as part of the Upgrade Application, with supporting documents (if applicable):
    - Proof of qualification;
    - Proof of experience;
    - A copy of the errors and omissions (E&O) certificate of insurance or a completed Confirmation of E&O Insurance Form[1];
    - Other business activities;
    - Other licensing, registration, or designations;
    - Bankruptcy; refusal, suspension or cancellation of any insurance licence or other financial services or professional licensure in any jurisdiction; conviction for an offence in any jurisdiction; judgments that could reflect on their financial reliability; any ongoing criminal or civil proceedings;
        - If the information was not previously reported to the Insurance Council, supporting documents must be provided as part of the Upgrade Application.
        - If the information was previously disclosed to the Insurance Council, a brief explanation including the date of the relevant events is required.
    - Government-issued identification.[2]

4.3 Approval Process

- The Insurance Council will check educational records to confirm that the applicant has completed all applicable courses within the period in which they are licensed.
- The applicant's experience will be confirmed by the Insurance Council through the Insurance Council's licensing management system[3] or a licence history letter from the

[1] General insurance applicants who are direct employees of an insurer and only sell products of that insurer are exempt, per Rule 7(11)(b).
[2] Applicable to applicants who have changed their names.
[3] For applicants already licensed with the Insurance Council.

applicant's home jurisdiction[4], if applicable. Only active licensing experience will be considered.

- The Insurance Council will review whether applicants meet the suitability requirements set out in Council Rule 3(2), which include but are not limited to:
    - Any pending charges or criminal convictions;
    - Bankruptcy proceeding and/or consumer proposal;
    - Disciplinary action, pending investigation or licence refusal;
    - Licence conditions[5];
    - Other business activities;
    - Pending legal proceedings;
    - Judgments;
    - Unlicensed activity.
- The Insurance Council may consider relevant Precedents in reaching a licensing decision where there are questions regarding licensing criteria under the *Financial Institutions Act* (the *Act*), applicable regulations, Council Rules, and Insurance Council policies.
- The Insurance Council may approve an Upgrade Application with or without licence conditions/restrictions, based on the consideration of the above requirements and any relevant Precedents.
    - Where the Insurance Council cannot approve an application based on the ordinary approval process, the applicant may request for the application to be referred to the Licensing Committee for consideration. The Licensing Committee will make a recommendation to Council.
- If the Upgrade Application is approved by the Insurance Council, the upgraded licence level will be reflected on the licence and applied to all agencies/firms the applicant is authorized to represent. The nominees of the agencies/firms they represent will be notified of the Licence Upgrade.
- Where an application is refused by Council, a decision is provided to the applicant in writing, in accordance with section 235(4) of the *Act*.

4.4 Upgrade Applications with Pending Investigations and/or Audits

- Upgrade Applications with a pending investigation and/or audit may be referred to the Licensing Committee for consideration.
- Considerations include:

[4] For Canadian non-BC residents or out-of-country applicants.
[5] Applicable to non-residents only.

- Suitability requirements per Council Rule 3(2);
- Nature of the investigation/audit;
- Potential for public risk; and
- Precedents.

5.0 RESOURCES

Financial Institutions Act
Insurance Act
Insurance Council Rules and Code of Conduct
Labour Mobility Act
Labour Mobility Provisions of the Canadian Free Trade Agreement (Chapter 7)