

Helpful Licensing Information for Ontario Insurance Agents

Ontario Mailing Address

Ontario Regulation 347/04 requires that agents and agencies licensed in Ontario provide the Superintendent of Financial Services (Superintendent) with an address in Ontario that is suitable for service of documents by registered mail.

It requires all agents to immediately inform FSCO of a change to their Ontario mailing address. This is an ongoing requirement.

The Insurance Act permits the Superintendent to send mail to the last known address of an agent on record at FSCO and the agent is deemed to have received the mail sent to that address. Therefore, it is in agents' best interests to ensure that FSCO has current, accurate, information at all times.

Failing to provide and update this information in a timely manner places the agent in violation of the regulation and could result in an agent being unaware of enforcement proceedings.

Agents who reside in Ontario may use their home address as their Ontario mailing address for this purpose. Agents outside Ontario must arrange for an Ontario address for legal service and advise FSCO of the address.

Updating your address can be done easily through Licensing Link, FSCO's online licensing system.

Source: Bulletins No. G-09/04, G-10/04, and L&H-01/05 | www.fSCO.gov.on.ca

Applies to: Life, A&S, and General Insurance Agent Licences

Style or trade names

All agents, whether a corporation, a partnership or an individual, may only do business in the name in which they are licensed. It is not acceptable to "hold out," that is, answer the phone, provide business cards, advertise or do any business in a name other than that which appears upon the licence.

■ Corporations

Companies may be licensed only in the corporate name as it appears in the Articles of Incorporation. However, corporations may ask to have a registered trade name or style added to the licence. To do so, the request to FSCO must be signed by an officer of the corporation and be accompanied by a copy of the registered trade name (trade names are registered through the Ministry of Government Services). There is no fee involved for adding a trade name to a corporate licence.

■ Partnerships

A partnership may also choose to carry on business under a registered trade name or style. To have the name added to the licence, send a request to FSCO signed by one of the partners and include a copy of the trade name registration (trade names are registered through the Ministry of Government Services). There is no fee involved for adding a trade name to a partnership licence.

■ Individuals

Individually licensed agents may only do business in the name in which they are licensed. Individual agents may **not** operate under a trade name or style.

Source: Bulletin No. L&H 01/99 | www.fSCO.gov.on.ca

Applies to: Life, A&S, and General Insurance Agent Licences

Continuing Education Credits

Life insurance agents are required to complete 30 hours of Continuing Education (CE) credits within each 2 year licensing period. CE credits cannot be carried over from one licensing period to another.

Acceptable CE is defined as a structured learning program which meets the following criteria:

- The curriculum must be directly related to knowledge relevant to giving advice about financial products or services, or the operation of a financial services business. This includes programs that are structured for the specific purpose of education, but excludes activities such as programs and meetings primarily based on sales production, promotion and motivation.
- The number of hours of acceptable CE must be attested to in writing by a program provider and is measured by the actual time spent in attendance at a program or, where a program is not provided in a face-to-face setting, the time designated by the program provider for completion.

All agents should keep receipts from continuing education courses, which should include: name of course provider, date or dates when courses or seminars were taken, description of each course or seminar taken (preferably from the course calendar or outline), qualifying hours, and the signature of an authorized representative of the course provider.

Advisory Boards have consistently considered it to be the obligation of the agent to substantiate his/her CE claims. The Boards have generally made a finding against the agent if there were no records to corroborate the agent's CE assertions.

No agent can claim continuing education credit hours for a course/program that he/she was registered for but did not attend.

Life insurance agents attest to the completion of CE when renewing their licence. FSCO conducts random audits of agents to ensure CE compliance.

Source: Bulletin No. L&H 01/99 | www.fSCO.gov.on.ca

Applies to: Life Insurance Agent Licences

Errors and Omissions Insurance

Life insurance agents are required by law to have errors and omissions (E&O) insurance with limits of at least \$1 million to cover a single occurrence, and at least \$2 million in the aggregate. It must also include extended coverage for loss resulting from fraudulent acts.

An agent is required to maintain E&O coverage throughout the licensing period regardless of whether they are actively selling.

FSCO conducts random audits of agents to ensure E&O compliance.

Source: Bulletins No. L&H-02/97 and G-06/06 | www.fSCO.gov.on.ca

Applies to: Life Insurance Agent Licences

Licensing Link

Licensing Link is FSCO's online system for all insurance agent licensing transactions. It can also be used by consumers as a search tool to confirm the licensing status of an insurance agent. Use of Licensing Link for licence applications and renewals has been mandatory since July, 2006.

Questions?

FSCO's website www.fSCO.gov.on.ca, provides answers to frequently asked questions. You may also contact us at: (416) 250-7250, Toll free: 1-800-668-0128, TTY: 1-800-387-0584, Fax: (416) 590-2040
ellicence@fSCO.gov.on.ca

Please Note:

This document provides selected information to support you in meeting licensing requirements in Ontario. The document does not address all requirements for agents.