



Notice of Consultation

Potential change to Manitoba's General Insurance Licensing Rules

emailed Dec 9/21

Emailed to General Level 2 and Level 3 Licence Holders, and Property & Casualty Insurers

The Insurance Council of Manitoba (ICM) is consulting on a proposed update of a portion of the [General Insurance Licensing Rules](#) (the Rules). The consultation is focusing on a potential specific area of change within the Rules – *whether the Rules should be changed on a permanent basis to allow Level 1 general insurance licence holders to work outside of the office of a general insurance agency and under supervision.*

The proposed change to remove the current Rules' requirement to work inside the office of a general insurance agency would increase harmonization of Manitoba's regulatory framework with other regulators' frameworks across Canada.

The ICM is inviting industry and stakeholder feedback to provide information and perspective on this potential change. The feedback gathered during the consultation will inform the ICM's final recommendation that the ICM will make to the Superintendent of Insurance with respect to potential changes to the Rules. Under Manitoba's regulatory framework, all Rules pertaining to the Insurance Council must be approved by the Superintendent of Insurance.

Consultation will be open from now until **February 9, 2022**.

Background – why is this Consultation happening?

The General Insurance Licensing Rules exist as part of the regulatory framework implemented and enforced by the ICM. Section 3 of the [General Insurance Licensing Rules](#) deals with Level 1 general agents:

Eligibility for licence - Level 1

3(1) An applicant for a licence who

(a) takes and successfully completes the Canadian Accredited Insurance Broker Course 1 or another course that the council considers equivalent; or

(b) takes and passes a written examination set by the council;

and satisfies the other requirements for the issue of the licence set out in the Act is eligible for the licence.

3(2) The holder of a licence issued under subsection (1) is authorized to sell, inside but not outside the office of a general insurance agency and under the supervision of the holder of a licence authorized to carry on the activities permitted under section 4, every category of general insurance other than life insurance.

Manitoba's existing framework therefore requires that Level 1 general agents must work inside but not outside of the office of a general insurance agency, and that they be supervised by Manitoba-licensed Level 2 or Level 3 agents.

During the COVID-19 pandemic, many agencies and brokerages were required to shift to remote work for their employees. The ICM recognized work from home protocols and acted to assist industry with business continuity and accommodate this need by seeking approval from the Superintendent of Insurance for temporary changes to the provisions of the General Insurance Licensing Rules. The Superintendent approved a series of temporary easements, allowing Level 1 agents to work outside of the office of a general insurance agency with restrictions designed to ensure consumer protection is of the utmost importance. The temporary easements began effective March 2020 and have most recently been extended by the Superintendent to June 30, 2022.

Recognizing that full or partial remote work for insurance brokerages may continue to be the norm for the foreseeable future, the ICM is seeking information to inform its recommendation to the Superintendent regarding a potential

permanent change to the Rules which would allow remote work by Level 1 general agents under appropriate supervision.

The Consultation process and how to submit feedback

The consultation will be open for at least 60 days to allow for feedback from licensees, industry and other stakeholders. **The consultation period will begin on December 9, 2021 and will close on February 9, 2022.**

The ICM is gathering information from industry regarding remote and/or home-based work for Manitoba-licensed Level 1 general insurance agents, and for industry's perspective on the potential impact of a change allowing remote work for these agents.

Without limiting the information stakeholders wish to provide, the ICM is particularly interested in hearing from stakeholders regarding the following questions:

- Prior to the pandemic, how had Manitoba-licensed Level 1 agents worked in agencies and brokerages and how had industry managed their appropriate supervision under the current Rules?
- During the pandemic, how had industry managed appropriate supervision of Manitoba-licensed Level 1 agents working from home within the allowable parameters of the temporary easement?
- Does industry foresee a continuing need for Manitoba-licensed Level 1 agents to work outside of the office of a general insurance agency?

The ICM invites written feedback and submissions to this consultation. **Please send all feedback/submissions to contactus@icm.mb.ca.**

Thank you for your participation.

Insurance Council of Manitoba

www.icm.mb.ca

contactus@icm.mb.ca