

Frequently Asked Questions

Restricted Insurance Agent

Dealerships Offering Equipment Warranty Insurance and/or Group Creditor Insurance

Completing an Application...

Part A: Restricted Insurance Agent entity types and Eligible Classes of Insurance for Each Entity Type

- Q.** We are a dealership that has more than one RIA entity type that applies to us. What do we check off?
- A.** Check each box that applies to you. For example, if you sell boats, travel trailers and motor homes you would check off Auto Dealership, Marine Dealership and Recreational Vehicle Dealership.
- Q.** If we check off more than one type of dealership does that mean we need more than one licence?
- A.** No, you will be issued one licence that will allow you to act as a RIA for the classes of insurance allowed for each type of dealership you have indicated.
- Q.** Do we need to circle or mark what type of insurance we are offering?
- A.** No, the types of insurance are only shown to let you know what classes of insurance apply to your RIA entity type. Your licence, when issued, will allow you to sell any of the classes of insurance indicated as "Yes".

Part B: Restricted Insurance Agent

- Q.** What do you mean by the name in which the RIA will carry on business?
- A.** This is the name you would use in any advertising to the public.
- Q.** Do I have register that name?
- A.** Yes. You cannot carry on business in a name that is not registered with the Corporate Registry of the Information Services Corporation.

For example your registered corporate name is ABC 2009 Ltd. but you advertise as ABC Services. The law requires ABC 2009 Ltd. to register ABC Services as a trade name.

For more information on corporate registry, please contact:

Corporate Registry of the Information Services Corporation
1301 – 1st Avenue
Regina SK S4R 8H2
Tel: 306.787.2962

- Q. Our corporation is registered in another province. Do we still have to register in Saskatchewan?
- A. Yes. You will need to register.

Part C: Background

- Q. What should we do if we don't know how we should answer a question?
- A. Contact Council for guidance as failure to accurately disclose information may result in the cancellation of licence or other disciplinary sanctions.

Part D: Employees representing the Restricted Insurance Agent

- Q. Why do I have to list all of my employees that may be offering insurance?
- A. The licence fee is based on the number of employees and will be used to confirm proper disclosure has been made to Council if an audit is done by Council.
- Q. Does this mean I have to notify Council when we hire or terminate an employee that was or will be offering insurance?
- A. No. Each year an annual reporting form is sent to the licensee in order to continue the licence for another year. The list of employees must be updated at that time and be provided to Council.

Part E: Disclosure of Contracted Agent(s)

- Q. What is a contracted agent?
- A. A contracted agent is an entity that you have an agreement with to offer the insurance to your clients on your behalf. This may occur when a dealership is not big enough to have a full time person onsite to offer the insurance to the consumer; or

You use a loan broker to arrange financing for your customer and the loan broker sells your customer the creditor or equipment insurance.

Part F: Non-resident Applicants

- Q.** We have provided an address in Part B of the application form. Why do we need another address to receive documents?
- A.** If your business is not located in the province then you are required to provide an address for service in Saskatchewan as required by *The Saskatchewan Insurance Act*, Section 421. Any legal notice given by Council will be deemed to be sufficiently served if delivered to the licensees address for service.

Normally this will be the same address for service shown on your Corporation registration documents.

The address for service will only be utilized if you fail to respond to notices sent by Council.

All notices of licensing requirements and correspondence will be sent to the address you have provided in Part B.

Part G: Errors & Omissions Insurance

- Q.** Is our General Liability Policy that covers directors and officers sufficient?
- A.** No, errors and omissions Insurance covers a RIA in the event there is a loss because of an error or omission made by the RIA in the placing of the insurance.
- Q.** Where do we get errors and omission insurance?
- A.** You should contact your insurance broker or the insurer(s) that you represent as they may have an errors and omissions insurance program.
- Q.** Why do we need errors and omissions insurance if we have never had a problem?
- A.** The errors and omissions insurance is a mandatory licensing requirement for all insurance agents.

Part H: Consent to the Collection, Use and Disclosure of Information

- Q.** What if I do not want to give consent?
- A.** The application form discloses how the information may be used. Council will refuse a licence if consent is not given.

Part I: Declaration

This section is self explanatory. Any false declaration may result in cancellation of the licence or other disciplinary sanctions.

Part J: Sponsor Recommendation

- Q.** Who signs the sponsor recommendation?
- A.** This must be signed by an insurer with whom the RIA has a contract to offer insurance products.

- Q.** If we offer insurance products for more than one insurer do we need a separate licence?
- A.** No. Your licence, once issued, allows you to offer insurance products for more than one insurer.

- Q.** When do I send the application to the insurer for signing?
- A.** The application must be fully completed, signed and dated before it is sent to the insurer.

- Q.** Why must the application be fully completed?
- A.** The insurer is recommending you be licensed based on the information in the application. Council needs to know the insurer has seen the completed application.

August 6, 2010