



Changes to The Insurance Act of Manitoba proclaimed September 1, 2014 and the Insurance Agents and Adjusters Regulation 389/87 will offer new protection for consumers, and provide a regulatory framework for Incidental Sellers of Insurance that is similar to existing requirements currently in place in Alberta and Saskatchewan.

Following consultation with stakeholders, legislation has been enacted which provides sellers of certain insurance products with the ability to become licensed on a restricted basis. To qualify as a restricted insurance agent (RIA), applicants must meet the definition of an Incidental Seller of Insurance in the Act and may sell only insurance that relates to other goods or services already offered to its customers.

Effective June 1, 2015, organizations who meet this definition must hold a Restricted Insurance Agent (RIA) licence approved and issued by the Insurance Council of Manitoba (ICM).

Classes or types of insurance for which an RIA may be issued include:

- (a) Cargo insurance
- (b) Creditor's disability insurance
- (c) Creditor's life insurance
- (d) Creditor's loss-of-employment insurance
- (e) Creditor's vehicle inventory insurance
- (f) Export credit insurance
- (g) Funeral expense insurance
- (h) Mortgage insurance
- (i) Personal travel insurance
- (j) Portable electronics insurance
- (k) Rented-vehicle accidental injury or death insurance
- (l) Rented-vehicle contents insurance
- (m) Rented-vehicle liability insurance
- (n) Travel interruption and property-loss insurance

Persons or entities that may be eligible for an RIA include:

- (a) A deposit taking institution
- (b) A sales finance company
- (c) A person or entity that provides transportation service for people or goods
- (d) A person or entity that carries on the business of a travel agency
- (e) A person or entity that carries on the business of an automobile, watercraft, or recreational vehicle, farm implement or construction equipment dealership
- (f) A mortgage broker that carries on business in Manitoba in accordance with *The Mortgage Brokers Act*
- (g) A person or entity that carries on the business of a customs brokerage
- (h) A person or entity that carries on the business of freight forwarding
- (i) A person or entity that carries on the business of renting vehicles to the public
- (j) A funeral director who holds a licence under *The Prearranged Funeral Services Act*
- (k) A portable electronics vendor

The initial and annual renewal cost of an RIA licence will be assessed based on the number of employees offering insurance products of the eligible organization as follows:

<u>Number of Employees</u>	<u>Cost of Licence in \$</u>
1-4	150
5-10	225
11-15	375
16-20	500
21-99	700
100-249	1500
250-499	3000
500 or more	5500

Applications must be signed by a designated official under the licence who is responsible for receiving notices and other documents on behalf of the applicant, and for supervising the insurance activities of the applicant under the restricted licence. An RIA applicant must be sponsored by an insurer who has entered in to an agency contract with the applicant, and is licensed to undertake the class of insurance the applicant has applied for. Applicants must provide evidence of liability coverage that satisfies the requirements of Section 371 (1.1) of the Act, unless they are a member of the Canada Deposit Insurance Corporation or are a credit union incorporated under *The Credit Unions and Caisses Populaires Act*. RIA licenses must be renewed prior to June 1 annually.

Although the amended Act and the Regulations have yet to be posted on the Manitoba Laws website, please continue to monitor the website as we anticipate that it will be updated shortly.

<http://web2.gov.mb.ca/laws/statutes/ccsm/i040e.php>

Full particulars of the regulatory requirements related to Restricted Insurance Agent Licenses are contained in Regulation 389/87 Part 2 and will soon be located on the ICM website.

The Insurance Council of Manitoba
466 – 167 Lombard Avenue
Winnipeg, Manitoba
R3B 0T6
Email: contactus@icm.mb.ca
Telephone: (204) 988 – 6800
Website: www.icm.mb.ca