



Insurance Council of Manitoba Policy on Sharing a Commission

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The Insurance Council of Manitoba (ICM) has developed a Policy on the Sharing of a Commission to provide clarification as to when a commission can be shared and with whom.

The Insurance Act of Manitoba (“Act”) indicates:

No commission if not a holder

[378\(2\)](#)

An agent who, at the time he receives an application for insurance, does not hold a subsisting licence, shall not retain or deduct anything on account of commission from any payment made to him with the application, but shall remit to the insurer the full amount paid to him on account of premium.

Under the commentary of Section 4 – Professionalism, of the Life Insurance and Accident and Sickness Agent's Code of Conduct, it indicates that an agent must not share compensation earned from the sale of insurance products with any person who does not hold an agent's licence in the same class of licence.

This means that the ICM's position is that agents must hold a licence in order to receive compensation in relation to an application for insurance and if they wish to share that compensation with another, that individual must hold a licence in the same licence class.

INSURANCE COUNCIL OF MANITOBA

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