



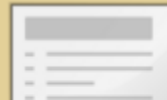
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PRINT

FSRA is actively reviewing all FSCO regulatory direction, including but not limited to forms, guidelines and FAQs.

Until FSRA issues new regulatory direction, all existing regulatory direction remains in force.

FSCO updates Licensing Link to help life insurers better monitor their agents



Bulletin

No. L & H-03/16
- Life & Health

To the attention of all life insurance companies licensed to transact business in Ontario

The Superintendent of Financial Services (Superintendent) now requires every individual who is a licensed life, accident and sickness insurance agent (agents) in Ontario to use the Financial Services Commission of Ontario's (FSCO's) online insurance licensing system, [Licensing Link](#), to report the name of every Ontario licensed life insurer the agent represents, has a contract with, and/or on whose behalf the agent sells insurance products.

All agents have been informed that, effective immediately, they need to enter the names of the life insurers they represent, have a contract with, and/or on whose behalf they sell insurance products, when they renew their licence or update their errors and omissions (E&O) insurance. Licensing Link also now enables life insurers to download a list of all the individual agents conducting business on their behalf. Please note that the list of agents and their E&O information will change as agents update their information. Insurers are expected to regularly download and check their updated list.

FSCO has also enhanced Licensing Link to allow insurers to download information about their agents' E&O insurance, such as the policy number, expiry date and insurer. To assist insurers in staying up-to-date about their agents' E&O status, starting December 1, 2016, FSCO will be providing insurers with a weekly email that highlights the number of their agents who are not meeting the E&O requirements.

NOTE: The bulletins that are posted on this website are provided for historical reference purposes. The information in these bulletins is accurate on the date the information is published, but is subject to change and may be replaced by more recent bulletins.

An order that is made regarding a licence holder reflects a situation at a particular point in time. The status of a licence holder can change. Readers should check the current status of a person's or entity's licence on the [Licensing Link](#) section of FSCO's website. Readers may also wish to contact the person or entity directly to get additional information or clarification about the events that resulted in the order.

These bulletins may include forms that are no longer up-to-

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FSCO's goals with these new enhancements are to make it easier for insurers to fulfill their oversight obligations with agents, and to help ensure agents maintain their E&O insurance, as legally required.

date or accurate. Readers should visit the [forms](#) section of the FSCO website, to ensure they are using the most recent version of a FSCO form.

The list of a life insurer's agents, and information about an agent's E&O policy information, are not accessible to other insurers or the public in Licensing Link. However, if an agent's E&O insurance coverage has expired or is not updated by the agent in Licensing Link, the following comment will appear in red on the agent's public profile on FSCO's [public registry](#): "FSCO does not have current E&O information for this agent". If the agent's E&O insurance is kept up-to-date, this comment will not appear. This information will change in real time, as Licensing Link is updated.

What insurers need to do

Section 12(1) of Ontario Regulation 347/04 ('Agents') under the [Insurance Act](#) , places an obligation on every insurer that authorizes one or more agents to act on its behalf to establish and maintain a system reasonably designed to ensure each agent complies with the Act, the regulations and the requirements of the agent's licence.

As a reminder, insurers have a duty to ensure their agents:

- maintain E&O insurance coverage;
- complete at least 30 hours of continuing education credits every two years;
- disclose conflicts of interest or potential conflicts of interest to clients or prospective clients;
- disclose in writing to every prospective insured, and to every insured who makes an application to renew or replace a policy, the names of all the insurers the individual represents; and
- provide them with copies of completed life insurance replacement declarations, when replacement of life insurance contracts is intended.

FSCO takes consumer protection seriously.

If FSCO finds an agent is not meeting his or her legal obligations at any time, FSCO may contact the agent's contracted insurer(s) to alert them to the agent's non-compliance. The Superintendent may also take enforcement action against both the agent and the associated insurer(s) where the insurer failed to maintain a system that is reasonably designed to ensure each agent complies with the Act, the regulations and the agent's licence.

FSCO therefore recommends that life insurers regularly download and review their agent list from Licensing Link. Once an agent enters his or her information, insurers will be able to access the information immediately; the Licensing Link system processes information in real time. It is expected that a complete listing of all agents will be finalized in December 2017.

If, after reading this bulletin, you have questions relating to FSCO's new Licensing Link requirements, please contact FSCO's Call Centre at 1-800-668-0128 (toll-free) or (416) 250-7250.

