



GOVERNMENT OF
NEWFOUNDLAND AND LABRADOR

Department of Government Services
Consumer and Commercial Affairs Branch
Financial Services Regulation Division

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Bulletin

TO ALL LIFE (INCLUDING ACCIDENT & SICKNESS) INSURANCE REPRESENTATIVES AND THEIR SPONSORS

NEW LICENCES

On January 1, 2003, we introduced the Life Licence Qualification Program (LLQP) as the new educational program to be completed to qualify for a Life (including Accident & Sickness) Insurance Representative Licence. With the introduction of the LLQP we determined that it is necessary to change the licence certificates to reflect the new educational requirements.

The following changes were introduced effective January 1, 2005:

- Those licensees and applicants who qualified for a licence by completing the LLQP - Part A will no longer hold or be issued a 'Life (including Accident and Sickness) Insurance Representative: Level I Licence'. This licence will be replaced with a 'Life (including Accident and Sickness) Insurance Representative Licence' (the 'Transitional Restricted Licence') which contains the following restriction on the face of the certificate:

THIS IS A TRANSITIONAL RESTRICTED LICENCE - The licensee must complete a needs analysis for each sale; and each needs analysis and application must be co-signed by the licensee's supervisor prior to being submitted to the insurer.

- Those licensees and applicants who qualified for a licence by completing the LLQP - Full will no longer hold or be issued a 'Life (including Accident and Sickness) Insurance Representative: Level II Licence'. This licence will be replaced with a 'Life (including Accident and Sickness) Insurance Representative Licence'. This licence will not contain the restriction noted above.
- Those licensees who qualified for a 'Life (including Accident and Sickness) Insurance Representative: Level II Licence' under the old program will also be issued a 'Life (including Accident and Sickness) Insurance Representative Licence'.
- Those licensees who qualified for a 'Life (including Accident and Sickness) Insurance Representative: Level I Licence' under the old program will continue to hold this licence until the licensee completes the requirements for an unrestricted licence as explained below.

CONVERSION OF EXISTING LICENSES

Sponsors and licensees are advised that we are in the process of issuing these new licence certificates to existing licensees. As a licensee files his or her Annual Report with our office we will process the report and issue a new licence certificate, as necessary.

Sponsors can determine when each representative is due to receive the new licence certificate by looking at the effective date of the existing licence, i.e., licence effective July 15, new licence will be issued after licensee files his or her July 2005 Annual Report.

REMINDERS

Level I licensees

- Those licensees who will continue to hold a 'Life (including Accident and Sickness) Insurance Representative: Level I Licence' are reminded that you are required to complete the educational requirements and apply for the unrestricted licence before the 3 year anniversary date of your initial licence.
- Those licensees who qualified for a licence by completing the LLQP - Part A are reminded that you are required to complete the LLQP - Part B prior to the 2 year anniversary date of your initial licence or December 31, 2006, whichever date is the earliest.

Level II licensees - the new licence, once issued, will not show the words "Level II"

Level III licensees - this change does not impact your licence.

All Licensees are reminded that there is no change in the legislated restriction that you can only work for your sponsoring company for the first 3 years you are in the life insurance business.

All sponsors and licensees should note the following:

- S** The 4 year transition to the LLQP ends December 31, 2006. After that date the LLQP - Full will have to be completed to obtain a licence.
- S** Individuals who are granted a Transitional Restricted Licence after December 31, 2004, will have to complete the LLQP - Part B by December 31, 2006. Licensees who have not completed the LLQP - Part B by December 31, 2006, will have their licence cancelled effective January 2, 2007 and will only be granted another licence once the LLQP - Part B has been completed.
- S** Licensees who have their Transitional Restricted Licence cancelled on January 2, 2007, remain eligible for an Accident & Sickness Insurance Licence, but will have to apply for that licence.

WINSTON MORRIS
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