

REGULATION TO AMEND THE REGULATION RESPECTING THE ISSUANCE AND RENEWAL OF REPRESENTATIVES' CERTIFICATES

An Act respecting the distribution of financial products and services (chapter D-9.2, s. 200, pars. (1), (2), (3), (5), (6) and (9); s. 203, par. (3) and s. 223, pars. (11) and (12))

1. Section 12 of the Regulation respecting the issuance and renewal of representatives' certificates (chapter D-9.2, r. 7) is amended by deleting, in the second paragraph, the words "the first, second and fourth paragraphs of".

2. Section 13 of the Regulation is amended by replacing the words "in accordance with" in paragraph 4 with the words "within the period specified in".

3. Section 14 of the Regulation is replaced by the following:

"14. A candidate in the insurance of persons sector or the group insurance of persons sector or in a class of these sectors must complete, as minimum qualifications, the training determined by the Canadian Insurance Services Regulatory Organizations and delivered by a person or company accredited under the agreement entered into for that purpose with the Authority.

A document confirming that such training has been completed must be submitted along with the candidate's application for registration for an examination. This training is valid for a period of 1 year as of the date it is completed."

4. Section 15 of the Regulation is revoked.

5. Section 17 of the Regulation is amended by replacing the words "A candidate in a particular sector or sector class" with the words "A candidate in the damage insurance sector or claims adjustment sector or in a class of these sectors".

6. The Regulation is amended by inserting the following after section 17:

"17.1. A candidate in the insurance of persons sector or the group insurance of persons sector or in a class of these sectors is exempt from the minimum qualifications prescribed under section 14, other than the minimum qualification pertaining to legislation applicable to pursuing activities as a representative, if his application for a certificate is received by the Authority within 3 years following his surrender or non-renewal of a certificate and he acted as a representative for at least 1 year in the same sector or sector class as that covered by the application."

7. Section 18 of the Regulation is replaced by the following:

"18. A candidate in the insurance of persons sector or the group insurance of persons sector or in a class of these sectors is exempt from the minimum qualifications prescribed under section 14 if his application for a certificate is received by the Authority within the year following his surrender or non-renewal of a certificate held by him in the same sector or sector class as that covered by the application."

8. Section 19 of the Regulation is replaced by the following:

"19. A candidate must, for each sector or sector class for which he is applying for a certificate, pass the examinations prescribed by the Authority in order to pursue activities as a representative.

In the insurance of persons sector or the group insurance of persons sector or a class of these sectors, if a candidate has passed an examination outside Québec, he must furnish the Authority with a document confirming that he passed the examination."

9. Section 20 of the Regulation is amended:

(1) by replacing the words "an application" in the introductory portion of section 20 with the word "applications";

(2) by deleting the second paragraph.

10. Section 21 of the Regulation is replaced by the following:

“21. A candidate in the damage insurance sector or the claims adjustment sector or in a class of these sectors who is authorized under a certificate issued by the Authority to act in another sector or sector class is exempt from the examinations he has already passed for the purpose of acting in such other sector or sector class.

In the insurance of persons sector or the group insurance of persons sector or a class of these sectors, a candidate who is authorized under a certificate issued by the Authority to act in another sector or sector class is exempt from the examinations he has already passed for the purpose of acting in such other sector or sector class if his probationary period begins within 3 years following the issuance of his certificate in such other sector or sector class.”.

11. Section 23 of the Regulation is amended by replacing the words “those that seek” with the words “the examination that seeks”.

12. Section 25 of the Regulation is replaced by the following:

“25. In the damage insurance sector or claims adjustment sector or a class of these sectors, an examination is valid for a period of 2 years as of the date the candidate passed the examination.

In the insurance of persons sector or the group insurance of persons sector or a class of these sectors, an examination is valid for a period of 1 year as of the date the candidate passed the first examination.”.

13. Section 26 of the Regulation is replaced by the following:

“26. In the damage insurance sector or claims adjustment sector or a class of these sectors, a candidate who fails the initial examination is entitled to write 3 supplemental examinations.

However, a candidate who has failed an examination and who does not register for the supplemental examination within a period of 2 years as of the date he failed the examination, must register again for the initial examination.

Before submitting a registration application for a third supplemental examination, a candidate must successfully complete the courses related to the failed examination with a training body recognized by the Authority or, failing that, a privately tutored course recognized by it.

A candidate who fails the third supplemental examination must wait for a period of 2 years as of the date of this failed attempt before reapplying to write the examination.”.

14. The Regulation is amended by inserted the following after section 26:

“26.1. In the insurance of persons sector or the group insurance of persons sector or a class of these sectors, a candidate who fails an examination is entitled to write as many supplemental examinations as necessary, provided that the minimum qualifications prescribed under section 14 are valid.

Registration for a third or fourth supplemental examination can only take place 3 months as of the date of the most recent failed attempt.

Registration for any subsequent supplemental examination can only take place 6 months as of the date of the most recent failed attempt.

If a candidate must again complete the minimum qualifications prescribed under section 14, any subsequent examination is deemed to be a supplemental examination and the period set out in the third paragraph applies.

“26.2. A candidate contemplated in section 26.1 who has failed an examination and who does not register for the supplemental examination within a period of 1 year as of the date he failed the examination, must complete the minimum qualifications prescribed under section 14 before registering again for the initial examination.”.

15. Section 27 of the Regulation is amended by deleting the words “or does not report for this session” in the first paragraph.

16. Section 29 of the Regulation is amended:

(1) by deleting the words “submits an application and” in the introductory portion of the first paragraph;

(2) by replacing the words “must be submitted to the Authority” with the words “is submitted to the Authority by the candidate or” in the third paragraph.

17. Section 29.1 of the Regulation is amended:

(1) by adding the words “in writing” after the word “submit” in the first paragraph;

(2) by inserting the following sentence at the end of the first paragraph:

“This document must be signed by the candidate and the supervisor.”.

18. Section 39 of the Regulation is amended by replacing the second paragraph with the following:

“The probationary period may be extended for its remaining duration. The application for extension is submitted to the Authority by the trainee or by the firm, independent representative or independent partnership with which the trainee undertakes this period, and must be submitted along with documentation of the reason for the interruption.”.

19. Section 45 of the Regulation is amended:

(1) by deleting the words “submits his application and” in the introductory portion of the first paragraph;

(2) by inserting the following after the second paragraph:

“The application to act as a supervisor is submitted to the Authority by the representative or by the firm or independent partnership on whose behalf he acts.”.

20. Section 47 of the Regulation is amended:

(1) by deleting the words “must have submitted an application to this effect in accordance with section 45. The replacement supervisor” in the first paragraph;

(2) by inserting the following after the first paragraph:

“The application to act as a replacement supervisor is submitted to the Authority in accordance with section 45 by the representative or by the firm or independent partnership on whose behalf he acts.”.

21. The Regulation is amended by inserting the following after section 48.1:

“48.2. The trainee’s probationary period must begin with the presentation, by the supervisor, of the objectives of such a period and the tasks which the trainee and the supervisor must carry out pursuant to sections 48, 48.1 and 49.

“48.3. The supervisor must open a file for each trainee and enter, in particular, the tasks carried out by the trainee pursuant to section 48 and those he determines in accordance with subparagraph 1 of section 49. A summary of the supervisor’s meetings with the trainee and his notes concerning the trainee’s progress during the probationary period must be entered in the trainee’s file.

The file is to be maintained for a period of 5 years as of the date the probationary period is successfully completed or discontinued, by the firm or independent partnership where the supervisor pursues his activities or by the supervisor if he is an independent representative.”.

22. Section 49 of the Regulation is amended by replacing subparagraph 1 with the following:

“(1) determine the tasks the trainee must carry out, specifying the time limits in which they must be completed, and ensure that these tasks include all the activities that a representative carries out in the sector or sector class for which he is seeking a certificate;”.

23. The Regulation is amended by inserting the following after section 49:

“**49.1.** In the group insurance of persons sector or a class of this sector, the report must, in addition to the information set out in the last paragraph of section 49, contain the evaluation of a case study to be completed by the trainee during the probationary period at the time determined by the Authority and specified in the model available on its website.”.

24. Section 53 of the Regulation is amended:

(1) by replacing, in the introductory portion of the first paragraph, “in paragraphs 1 and 3 of section 19” with “by the Authority”;

(2) by replacing subparagraph 2 of the first paragraph with the following:

“(2) he has passed the examination prescribed by the Authority to demonstrate that he has the required competencies to comply with the legislation applicable to pursuing activities as a representative. If the candidate passed this examination outside Québec, he must furnish the Authority with a document confirming that he passed this examination;

(3) by replacing the words “surrenders or does not renew” in the third paragraph with the words “has surrendered or has not renewed”.

25. Section 55 of the Regulation is amended:

(1) by deleting the words “under paragraph 4 of section 13” in the first paragraph;

(2) by deleting the third paragraph.

26. The Regulation is amended by inserting the following after section 55:

“**55.0.1.** The candidate must submit, in support of his application, any information as well as any document attesting to the information contained in the form. He must also, at the request of the Authority, attach documents confirming that he has the degree of honesty considered necessary to pursue activities as a representative and those concerning his integrity and solvency.”.

27. Section 63 of the Regulation is replaced by the following:

“**63.** The Authority renews the certificate of a representative who has submitted an application to that effect and who satisfies the conditions prescribed under paragraphs 5 and 6 of section 13.”.

28. Sections 67 and 68 of the Regulation are revoked.

29. Schedule 1 of the Regulation is revoked.

30. Notwithstanding the second paragraph of section 25 of the Regulation respecting the issuance and renewal of representatives’ certificates (chapter D-9.2, r. 7), in the insurance of persons sector or group insurance of persons sector or a class of these sectors, any examination passed before 1 January 2016 and in respect of which the

Authority has granted an equivalence, based on the concordance table available on its website, remains valid for a period of 2 years as of the date the candidate passed the examination.

31. Any candidate in the insurance of persons sector or the group insurance of persons sector or a class of these sectors who has not passed the prescribed examination pertaining to the pursuit of activities as a representative by 31 December 2015, must, as of 1 January 2016, complete the necessary minimum qualifications prescribed under section 14 of the Regulation respecting the issuance and renewal of representatives' certificates (chapter D-9.2, r. 7).

32. This Regulation comes into force on 1 January 2016.