

The Saskatchewan Insurance Councils Regulations

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Chapter S-26 Reg 2 (effective December 13, 1985)
as amended by Saskatchewan Regulations 55/91, [35/98](#),
[27/2000](#), [88/2001](#) and [33/2008](#).

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER S-26 REG 2
The Saskatchewan Insurance Act

TITLE AND INTERPRETATION

Title

1 These regulations may be cited as *The Saskatchewan Insurance Councils Regulations*.

20 Dec 85 cS-26 Reg 2 s1; 2 Aug 91 SR 55/91 s3.

Interpretation

2 In these regulations:

- (a) **“Act”** means *The Saskatchewan Insurance Act*;
- (b) **“applicant”** means a person who applies to be licensed as a general insurance, hail insurance or life insurance agent, salesperson, broker or adjuster;
- (c) **“broker”** means a person who is licensed as an insurance agent and who has been granted privileges to engage in or hold himself out as being engaged in the insurance brokerage business as described in section 419 of the Act;
- (d) **“bylaws”** means the bylaws of a council;
- (e) **“C.C.H.A.”** means the Canadian Crop Hail Association consisting of representatives of insurers writing crop hail insurance in Saskatchewan, Manitoba and Alberta;
- (f) **“C.L.H.I.A.”** means the Canadian Life and Health Insurance Association incorporated pursuant to Part II of the *Canada Corporations Act*, as amended from time to time;
- (g) **“council”** means the G.I.C., the Life Insurance Council or the Hail Insurance Council established by these regulations;
- (h) **“exclusive agent”** means an agent:
 - (i) who represents only one general insurance company or a group of general insurance companies under common management;
 - (ii) who elects to be licensed as an exclusive agent; and
 - (iii) who is an employee or agent of a company described in subclause (i);
- (i) **“G.I.C.”** means the General Insurance Council established pursuant to section 3;
- (j) **“general insurance”** means all classes of insurance other than life insurance and hail insurance;

- (k) **“Hail Insurance Council”** means the Hail Insurance Council established pursuant to section 5;
- (l) **“I.A.A.S.”** means the Insurance Agents Association of Saskatchewan incorporated pursuant to *The Non-profit Corporations Act*.
- (m) **“L.U.A.C.”** means the Life Underwriters Association of Canada incorporated pursuant to *An Act to incorporate The Life Underwriters Association of Canada (Canada)*, as amended from time to time;
- (n) **“licensee”** means a person who is licensed pursuant to Part XVI of the Act and these regulations;
- (o) **“Life Insurance Council”** means the Life Insurance Council established pursuant to section 4;
- (p) **“member”** means a member of a council;
- (q) **“register”** means the register kept pursuant to section 22;
- (r) **“salesperson”** means a person who sells insurance on behalf of a licensed agent.

20 Dec 85 cS-26 Reg 2 s2.

COUNCILS ESTABLISHED

General Insurance Council

3(1) The General Insurance Council of Saskatchewan is hereby established consisting of eight members including:

- (a) three persons appointed by the superintendent and serving at the pleasure of the superintendent;
 - (b) four persons who are residents of Saskatchewan and engaged in the general insurance business in Saskatchewan appointed by the board of directors of the I.A.A.S. or, if the bylaws so determine, elected by the general membership of the I.A.A.S.; and
 - (c) the person appointed pursuant to subsection 17(4) by the G.I.C. to exercise the powers, functions and responsibilities delegated to or prescribed for the G.I.C. pursuant to the Act and these regulations.
- (2) The person described in clause (1)(c) shall be a non-voting member of the G.I.C..
- (3) The bylaws of the G.I.C. bind the G.I.C. and every licensee who holds a licence described in clause 426(d) of the Act and every applicant for such a licence as if those bylaws had been agreed to by the G.I.C. and each such licensee and applicant.
- (4) The function of the G.I.C. is:

- (a) to exercise the powers, functions and duties delegated to it pursuant to these regulations;
- (b) to establish standards for applicants and licensees in the general insurance industry that will promote high standards of professionalism, competence and integrity in the general insurance industry; and
- (c) to serve as a link between the general insurance industry and consumers of its products and services.

20 Dec 85 cS-26 Reg 2 s3.

Life Insurance Council

4(1) The Life Insurance Council of Saskatchewan is hereby established consisting of nine members including:

- (a) three persons appointed by the superintendent and serving at the pleasure of the superintendent;
- (b) three persons who are residents of Saskatchewan and engaged in the life insurance business in Saskatchewan appointed by the board of directors of the L.U.A.C or, where the bylaws so determine, elected by the general membership of the L.U.A.C.; and
- (c) three persons who are residents of Saskatchewan and engaged in the life insurance business in Saskatchewan appointed by the board of directors of the C.L.H.I.A. or, if the bylaws so determine, elected by the general membership of the C.L.H.I.A.

(2) The bylaws of the Life Insurance Council bind that council and every licensee who holds a licence described in clause 426(a) or (b) of the Act and every applicant for such a licence as if those bylaws had been agreed to by the Life Insurance Council and each such licensee and applicant.

(3) The function of the Life Insurance Council is:

- (a) to establish standards for applicants and licensees in the life insurance industry that will promote high standards of professionalism, competence and integrity in the life insurance industry;
- (b) to serve as a link between the life insurance industry and consumers of its products and services; and
- (c) to exercise the powers, functions and duties delegated to it pursuant to these regulations.

20 Dec 85 cS-26 Reg 2 s4; 2 Aug 91 SR 55/91 s4.

Hail Insurance Council

5(1) The Hail Insurance Council of Saskatchewan is hereby established consisting of seven members including:

- (a) four persons appointed by the superintendent and serving at the pleasure of the superintendent; and

- (b) three persons who are residents of Saskatchewan and engaged in the hail insurance business in Saskatchewan appointed by the board of directors of the C.C.H.A. or, if the bylaws so determine, elected by the general membership of the C.C.H.A.
- (2) The bylaws of the Hail Insurance Council bind that council and every licensee who holds a licence described in clause 426(c) of the Act and every applicant for such a licence as if those bylaws had been agreed to by the Hail Insurance Council and each such licensee and applicant.
- (3) The function of the Hail Insurance Council is:
 - (a) to establish standards for applicants and licensees in the hail insurance industry that will promote high standards of professionalism, competence and integrity in the hail insurance industry;
 - (b) to serve as a link between the hail insurance industry and consumers of its products and services; and
 - (c) to exercise the powers, functions and duties delegated to it pursuant to these regulations.

20 Dec 85 cS-26 Reg 2 s5; 2 Aug 91 SR 55/91 s5.

Councils to be at pleasure

- 6(1) Notwithstanding the other provisions of these regulations, the Lieutenant Governor in Council may, at pleasure and without notice or cause wind up any council on any terms and conditions that he considers appropriate.
- (2) Where a council is wound up pursuant to subsection (1), the council shall immediately cease to act and turn over to any person designated by the Lieutenant Governor in Council any documents, records and monies that the Lieutenant Governor in Council may require.

20 Dec 85 cS-26 Reg 2 s6.

OPERATION OF COUNCILS

Procedures for appointment and election of members

- 7(1) In this section, “**associations**” means the associations mentioned in clauses 2(e), (f), (l) and (m).
- (2) The councils shall administer and supervise procedures for the appointment and election of members, developed in consultation between the superintendent and the respective associations, to ensure that full councils are in place at all times.

20 Dec 85 cS-26 Reg 2 s7; 2 Aug 91 SR 55/91 s6.

Administration and internal affairs of council

- 8 Each council may make bylaws governing its administration and internal affairs and, without restricting the generality of the foregoing, each council may make bylaws:

- (a) subject to these regulations, governing the election or appointment, remuneration, functions, duties and removal of officers;

- (a.1) subject to these regulations, governing indemnification of members and officers for acts done in good faith while carrying out their functions and duties;
- (b) respecting the calling, holding and conducting of its meetings and the voting procedures at such meetings;
- (c) respecting its banking and financial dealings;
- (d) providing for the appointment of its employees, officials or agents, and the assigning of functions, powers and duties to them;
- (e) providing for the appointment of committees, and the delegation or subdelegation of functions, powers and duties to those committees;
- (f) governing how it exercises or its employees, committees, officials and agents exercise functions, powers and duties as delegated and prescribed.

20 Dec 85 cS-26 Reg 2 s8; 1 May 98 SR 35/98
s3.

Educational and training requirements

9(1) Each council may make bylaws:

- (a) establishing the educational, training and other standards and qualifications required for the licensing of persons to whom the council has the authority to issue a licence;
- (b) establishing ethical, operational and trade practices for persons to whom the council has issued a licence;
 - (b.1) establishing all or any of the following with respect to persons or classes of persons to whom the council has issued a licence:
 - (i) standards of conduct, competence and proficiency;
 - (ii) standards of training and education, including additional and continuing training and education;
 - (b.2) requiring of persons or classes of persons to whom the council has issued a licence the successful completion of training and education programs, including additional and continuing training and education programs, for the purposes of ensuring that those persons or classes meet the standards established pursuant to clause (b.1);
 - (b.3) determining what constitutes successful completion of training and education programs, including additional and continuing training and education programs, for the purposes of clause (b.2);
- (c) providing for the investigation of complaints and the adjudication or mediation of disputes regarding services provided by any person to whom the council:
 - (i) has issued a licence; or
 - (ii) has the authority to issue a licence; and
- (d) providing for the enforcement of the council's bylaws.

(2) Every applicant and licensee shall comply with the bylaws made pursuant to subsection (1), and failure to so comply is deemed to be a contravention of these regulations.

20 Dec 85 cS-26 Reg 2 s9; 2 Aug 91 SR 55/91 s7;
1 May 98 SR 35/98 s4.

Powers of superintendent re bylaws

10 Notwithstanding sections 8 and 9, the superintendent may:

- (a) initiate new bylaws or amendments to bylaws or suspend or cancel any existing bylaw provided that the bylaw is not one whereby a council has accepted powers delegated to it by the superintendent; and
- (b) require any council to publish in the Gazette any bylaw that the superintendent requires to be published.

20 Dec 85 cS-26 Reg 2 s10.

Complaints

11(1) Each council may, in accordance with its bylaws, receive complaints from any person regarding alleged non-compliance with the Act, the regulations or the bylaws by applicants for licences or licensees who are subject to its bylaws.

(2) **Repealed.** 2 Aug 91 SR 55/91 s8.

(3) **Repealed.** 2 Aug 91 SR 55/91 s8.

(4) Any council may, by bylaw, authorize the G.I.C., on any terms and conditions that the council may determine and that are not inconsistent with the Act or these regulations, to act on its behalf pursuant to this section.

20 Dec 85 cS-26 Reg 2 s11; 2 Aug 91 SR 55/91 s8.

Other annual reports

12 Each council shall prepare and submit to the superintendent an annual report containing a list of the current members and officers of the council, a summary of the council's activities and any other information that the superintendent may require.

20 Dec 85 cS-26 Reg 2 s12.

Contracts

13 Each council may enter contracts with any person for any purpose related to the exercise of its powers and duties pursuant to these regulations.

20 Dec 85 cS-26 Reg 2 s13.

Consumer protection

14 Each council may engage in programs of consumer protection designed to inform consumers about insurance services.

20 Dec 85 cS-26 Reg 2 s14.

Recommendations to government

15 Each council may make recommendations to the government regarding changes to legislation and regulations affecting the insurance industry.

20 Dec 85 cS-26 Reg 2 s15.

Inspection by superintendent

16 Every council shall at all reasonable times allow the superintendent free and full access to the records, documents, books, papers, correspondence and any other information held by the council that relates to the exercise of powers, functions and responsibilities delegated to the council or prescribed by these regulations, and shall permit the superintendent to take possession of such materials and to retain them for any period that he considers necessary.

20 Dec 85 cS-26 Reg 2 s16.

GENERAL INSURANCE COUNCIL**Delegation by the superintendent**

17(1) The G.I.C. may accept and exercise, and the superintendent is hereby authorized to delegate on any terms and conditions that he may consider necessary, the following powers, functions and responsibilities of the superintendent:

- (a) subject to sections 421 and 449 of the Act, to prescribe and receive licensing application forms pursuant to sections 420 and 448 of the Act;
- (b) subject to subsection 18(1) and section 19, to grant or refuse licences pursuant to sections 425 and 452 of the Act;
- (c) subject to subsection 18(2) and section 19, to attach limitations and conditions to a licence pursuant to sections 429 and 455 of the Act;
- (d) subject to subsection 18(2) and section 19, to suspend or cancel a licence pursuant to sections 439 and 459 of the Act;
- (e) subject to subsection (5) and section 22, to keep a record of all licences it issues pursuant to the Act and to keep that record open for inspection by any person as required pursuant to section 8 of the Act;
- (f) to provide an applicant with written notice of the decision made with regard to his application and to provide the applicant or any person interested with a certified copy of the decision pursuant to subsections 12(1) and (2) of the Act;
- (g) to receive, as part of any application, application approvals, notices or certificates regarding the initiation or termination of a relationship between an agent and insurer or general agent, agent and salesperson or adjuster and representative of an adjuster that are required to be given to the superintendent pursuant to sections 423, 424, 432, 435, 451 and 457 of the Act;
- (h) to require that applicants for licences as agents or salespersons, or persons acting on their behalf, verify by affidavit the statements made in the application as required pursuant to subsection 420(2) of the Act;

- (i) to require verification by affidavit of applications for adjusters' licences and to waive compliance with the affidavit requirement pursuant to subsection 448(2) of the Act;
 - (j) to require that further information or material be submitted within a specified time by an applicant or licensee and to require verification by affidavit or otherwise of any information or material then or previously submitted pursuant to sections 427 and 454 of the Act;
 - (k) to endorse non-resident licences and issue licences to transportation companies pursuant to sections 437 and 438 of the Act;
 - (l) to reinstate the licence of an agent, salesperson or representative of an adjuster in accordance with the requirements of sections 433, 436 and 458 of the Act;
 - (m) to exercise in specific circumstances any power of investigation vested in the superintendent by the Act on the written order of the superintendent.
- (1.1) The Life Insurance Council may accept and exercise, and the superintendent is authorized to delegate on any terms and conditions that the superintendent may consider necessary, the powers, functions and responsibilities of the superintendent mentioned in subsection (1) but only with respect to licences described in clause 426(a) or (b) of the Act.
- (1.2) The Hail Insurance Council may accept and exercise, and the superintendent is authorized to delegate on any terms and conditions that the superintendent may consider necessary, the powers, functions and responsibilities of the superintendent mentioned in subsection (1) but only with respect to licences described in clause 426(c) and 453(a) of the Act.
- (2) Notwithstanding the delegation of any of his powers, functions and responsibilities to a council, the superintendent may:
- (a) direct the council to grant, refuse, suspend, cancel, make conditional or reinstate any licence, and the council shall grant, refuse, suspend, cancel or make conditional the licence, as the case may be, when so directed by the superintendent; and
 - (b) grant, refuse, suspend, cancel, make conditional or reinstate any licence, whether or not the council has taken any such action, by exercising the powers vested in him by the Act.
- (3) The superintendent may, by notice in writing to a council, revoke any powers, functions or responsibilities delegated to the council pursuant to subsection (1), and the council shall immediately:
- (a) cease to exercise those powers, functions or duties, as the case may be; and
 - (b) forward to the superintendent all documents, records and monies in the possession of the council connected with the revoked powers, functions or duties, as the case may be.
- (4) Every council shall appoint an administrator to exercise the functions, powers and duties delegated to it or conferred upon it by these regulations.
- (5) Clause (1)(e) does not affect the superintendent's powers with respect to insurers.

Exercise of powers regarding licences

18(1) In exercising powers pursuant to sections 425 and 452 of the Act to grant or refuse licences, every council shall:

- (a) grant or refuse licences only in accordance with its bylaws;
 - (b) record how each applicant satisfied or failed to satisfy the requirements determined pursuant to clause (a);
 - (c) where the applicant satisfies the requirements determined pursuant to clause (a), issue a licence containing:
 - (i) the name of the licensee;
 - (ii) the category of licence;
 - (iii) the name of the insurer or general agent approving the application for a licence as an agent as required by subsection 423(1) of the Act;
 - (iv) the name of the agent who is to be the principal for the person applying for a salesperson's licence as required by section 424 of the Act;
 - (v) the name of the adjuster who is to be the principal for a person applying for a licence as a representative of an insurer as required by section 451 of the Act;
 - (vi) a statement outlining for whom the licensee may act pursuant to sections 431, 434 and 457 of the Act;
 - (vii) notice of any terms or conditions attached to the licence; and
 - (viii) **Repealed.** 28 Apr 2000 SR 27/2000 s2.
 - (d) where the applicant fails to satisfy the requirements determined pursuant to clause (a), refuse to issue the licence and advise the applicant in writing that the licence is refused.
- (2) In exercising powers pursuant to sections 429, 455, 439 and 459 of the Act, every council shall suspend, cancel or make conditional a licence only in accordance with its bylaws.
- (3) For the purposes of sections 430 and 456 of the Act:
- (a) a licence issued by a council on or after May 1, 2000 continues in force indefinitely unless it is suspended or cancelled pursuant to the Act; and
 - (b) a licence issued by a council before May 1, 2000 that has not been suspended or cancelled pursuant to the Act continues in force indefinitely unless it is suspended or cancelled pursuant to the Act.

Procedure for refusal, suspension, cancellation or conditions

19(1) Before exercising its power to refuse, suspend, cancel or make conditional a licence, every council shall:

- (a) notify the applicant or licensee that the council is about to take the action;
 - (b) provide the applicant or licensee with reasons why the action is being taken; and
 - (c) give the applicant or licensee an opportunity to provide the council with further particulars as to why the action should not be taken.
- (2) Immediately on exercising its powers to refuse, suspend, cancel or make conditional a licence, every council shall:
- (a) notify the superintendent of the action taken and the reasons for it;
 - (b) inform the applicant or licensee:
 - (i) of his rights with respect to re-application, re-examination, removal of terms and conditions or re-instatement; and
 - (ii) of his right pursuant to subsection 466.1(8) of the Act to have the superintendent review the matter; and
 - (c) adjust the register to reflect the action taken and the reasons for the action.

20 Dec 85 cS-26 Reg 2 s19; 2 Aug 91 SR 55/91 s11.

Fines and costs

19.1(1) Where a licensee is found to have been in non-compliance with the Act, any regulations made pursuant to the Act or the bylaws, a council may order:

- (a) that the licensee pay to the council within a fixed period:
 - (i) a fine in a specified amount not exceeding \$5,000 for each finding of non-compliance and \$15,000 in the aggregate for all findings; and
 - (ii) the costs of the investigation and hearing into the licensee's conduct and related costs, including the expenses of the complaints and investigation committee and the discipline committee established pursuant to the bylaws and the costs of legal services and witnesses; and
 - (b) where a licensee fails to make payment in accordance with an order pursuant to clause (a), that the licensee's licence be suspended.
- (2) The council may make an order pursuant to this section:
- (a) in conjunction with exercising its powers pursuant to section 19; or
 - (b) independently of exercising its powers pursuant to section 19.
- (3) Before making an order pursuant to subsection (1), every council shall:
- (a) notify the licensee that the council is about to make the order;
 - (b) provide the licensee with reasons why the order is being made; and
 - (c) give the licensee an opportunity to provide the council with further particulars as to why the order should not be made.

(4) Immediately on making an order pursuant to subsection (1), every council shall:

- (a) notify the superintendent of the order and the reasons for the order; and
- (b) inform the licensee of the licensee's right pursuant to subsection 466.1(8.1) of the Act to have the superintendent review the matter.

9 May 2008 SR 33/2008 s2.

Issues not covered in Act, regulations or bylaws

20 Every council shall refer to the superintendent for decision any issue that comes before it that is not clearly addressed in the Act, these regulations or the bylaws of the council.

20 Dec 85 cS-26 Reg 2 s20; 2 Aug 91 SR 55/91 s12.

Reference to superintendent

21 Any council may at any time refer an issue to the superintendent for directions or for a decision.

20 Dec 85 cS-26 Reg 2 s21; 2 Aug 91 SR 55/91 s13.

Records

22(1) Every council shall include in the records required by subsection 8(1) of the Act:

- (a) a register containing:
 - (i) the name, address for service and category of licence of each licensee;
 - (ii) the name and address for service of the sponsoring agent, insurer or adjuster where such sponsorship is a requirement of licensing; and
 - (iii) information regarding any terms and conditions attached to a licence;
 - (b) all applications of any kind received pursuant to the Act and these regulations;
 - (c) all documents related to an applicant's satisfying or not satisfying the requirements of the Act, regulations or bylaws; and
 - (d) all documents related to complaints received pursuant to section 11.
- (2) Every council shall include in its records any information that the superintendent may require.
- (3) Persons whose licences have expired or have been cancelled or suspended are to be struck from the register and the date that such action was taken is to be recorded in the register.

20 Dec 85 cS-26 Reg 2 s22; 2 Aug 91 SR 55/91 s14.

Fees

23(1) Any council may, by bylaw, establish and provide for the collection of fees that are payable to that council by applicants and licensees in connection with licensing and any other service provided by that council.

(1.1) Any council may, by bylaw, establish and provide for the collection of a special fee that is payable to that council by applicants and licensees for the purpose of meeting the financial obligations of that council.

(2) As soon as possible after its approval by the superintendent, the council shall publish in the Gazette:

(a) every licensing fee or other fee associated with licensing established pursuant to subsection (1); and

(b) every special fee established pursuant to subsection (1.1).

(3) Every council shall use a method approved by the superintendent of calculating and accounting for fees collected pursuant to this section.

20 Dec 85 cS-26 Reg 2 s23; 2 Aug 91 SR 55/91 s15;
1 May 98 SR 35/98 s5.

Payments

24 The G.I.C. shall, on the direction of the superintendent, reimburse other councils and their employees, members, officers and agents for any expenses that they incur in the exercise of powers, functions and responsibilities vested in them pursuant to the Act and these regulations.

20 Dec 85 cS-26 Reg 2 s24.

Examinations

25 Every council shall administer all examinations that the bylaws of that council require to be written by applicants and licensees.

2 Aug 91 SR 55/91 s16.

G.I.C. Annual report

26 Every council shall, according to requirements established by the superintendent, prepare and submit to the superintendent an annual report:

(a) containing a financial statement summarizing the income and expenditures of the council;

(b) stating the number of persons registered in each licence category;

(c) stating the number of persons in each licence category:

(i) who were refused registration; and

(ii) whose licences were suspended, cancelled or made conditional;

and the reasons for the action taken;

(d) containing a list of current members and officers of the council; and

(e) containing any other information which the superintendent may require.

20 Dec 85 cS-26 Reg 2 s26; 2 Aug 91 SR 55/91 s17.

Proof

27 Any certificate which a council is empowered or directed to issue by these regulations stating that a person is licensed or not licensed or that a licence has been made conditional, suspended or cancelled is prima facie proof of the facts stated in the certificate without proof of the signature of the person purporting to have signed the certificate.

20 Dec 85 cS-26 Reg 2 s27; 2 Aug 91 SR 55/91 s18.

