



REQUEST FOR COMMENT

Notice and Request for Comment – Publication of proposed Financial and Consumer Services Commission Rule INS-002 *Insurance Fees* as set out in **Annex A** (the “**Proposed Fee Rule**”)

Introduction

On 16 December 2021, the Financial and Consumer Services Commission (“**Commission**”) approved publication in order to obtain comments on the Proposed Fee Rule.

Previously, on 9 November 2021, the Commission published proposed Financial and Consumer Services Commission Rule INS-001 *Insurance Intermediaries Licensing and Obligations* (the Proposed Licensing Rule). The Proposed Licensing Rule establishes the classes of licences that may be issued and the licensing qualifications and educational requirements for licensees. It also enhances market conduct rules for insurance intermediaries.

The Commission previously published proposed fee changes for insurance intermediaries in 2014 and 2015. In consideration of the recent amendments to the *Insurance Act* regarding licensing insurance intermediaries, we are seeking further comments from stakeholders.

Substance and Purpose of Proposed Fee Rule

The Proposed Fee Rule will establish the regulatory fees for licensing applications and other related fees and replace the *Licence and Examination Fees for Agents and Brokers Regulation* and the *Assessment Regulation*.

The effective date of the Proposed Insurance Rules would coincide with the implementation of related amendments to the *Insurance Act*.

Contents of Annexes

Annex A: Proposed Fee Rule INS – 002 *Insurance Fees*

How to Obtain a Copy and Provide your Comments

The text of the Proposed Rule is included with this notice.

A paper copy of the proposed materials may be obtained by writing, telephoning or emailing the Commission. Comments are to be provided, in writing, by no later than 18 February 2022 to:

Corporate Secretary
Financial and Consumer Services Commission
85 Charlotte Street, Suite 300
Saint John, N.B. E2L 2J2
Telephone: 506-658-3060
Toll Free: 866-933-2222 (within NB only)
Fax: 506-658-3059
E-mail: secretary@fcnb.ca

We cannot keep submissions confidential. Any submission received during the comment period may be disclosed in accordance with provincial legislation. A summary of the written comments received during the comment period may be published. Therefore, you should not include personal information directly in comments to be published. It is important that you state on whose behalf you are making the submission.

Questions

If you have any questions, please refer them to:

David Weir
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ANNEX A

FINANCIAL AND CONSUMER SERVICES COMMISSION RULE INS – 002 *INSURANCE FEES*

PART 1 DEFINITIONS

1. (1) In this Rule “Act” means the *Insurance Act*.
- (2) The definitions contained in the *Act* apply to this Rule, unless the terms in question are defined in this Rule.

PART 2 FEES PAYABLE TO THE COMMISSION

2. (1) All fees set out in this Rule are payable to the Commission.
- (2) The fee payable for each application for, or renewal of, a one-year licence for an individual is:
 - (a) \$125 for a level 1, level 2 or level 3 general insurance agent;
 - (b) \$125 for a life insurance agent;
 - (c) \$125 for an accident and sickness insurance agent;
 - (d) \$75 for a travel insurance agent;
 - (e) \$200 for a special insurance broker;
 - (f) \$125 for a level 1 assistant adjuster;
 - (g) \$125 for a level 2 adjuster;
 - (h) \$125 for a level 3 senior adjuster;
- (3) The fee payable for each application for, or renewal of, a two-year licence for an individual is:
 - (a) \$250 for a level 1, level 2 or level 3 general insurance agent;
 - (b) \$250 for a life insurance agent;
 - (c) \$250 for an accident and sickness insurance agent;
 - (d) \$150 for a travel insurance agent;
 - (e) \$400 for a special insurance broker;
 - (f) \$250 for a level 1 assistant adjuster;
 - (g) \$250 for a level 2 adjuster;
 - (h) \$250 for a level 3 senior adjuster;

- (4) The fee payable for an application for or a renewal of a one-year licence for a restricted insurance representative licence is based on the number of employees or other persons acting on behalf of the restricted insurance representative in the business of insurance at the time of the application or renewal:
- (a) \$150 for 1 to 4 employees or other persons;
 - (b) \$225 for 5 to 10 employees or other persons;
 - (c) \$375 for 11 to 15 employees or other persons;
 - (d) \$500 for 16 to 20 employees or other persons;
 - (e) \$700 for 21 to 99 employees or other persons;
 - (f) \$1,500 for 100 to 249 employees or other persons;
 - (g) \$3,000 for 250 to 499 employees or other persons;
 - (h) \$5,500 for 500 or more employees or other persons.
- (5) The fee payable for an application for, or a renewal of, a one-year licence for an adjusting firm is \$150.
- (6) The fee payable for an application for, or a renewal of, a one-year licence for an agency is \$150.
- (7) The fee payable for an application for, or a renewal of, a one-year licence for a managing general agent is \$150.

PART 3 RECOVERABLE EXPENSES

3. Pursuant to subsection 373(8) of the *Act*, the following expenses are recoverable by the Commission:
- (a) \$50 per hour for each employee of the Commission involved in the compliance review;
 - (b) disbursements properly incurred by the Commission for a compliance review;
 - (c) fees paid or payable to an expert;
 - (d) disbursements properly incurred by an expert;
 - (e) fees paid or payable for legal services;
 - (f) disbursements properly incurred in connection with the provision of legal services.

PART 4 REFUNDS

4. An application fee is not refundable, unless the Superintendent considers the refund, or part of the refund, is fair and reasonable.

PART 5 OTHER FEES

5. There is a fee payable of \$25 for each of the following:

- (a) a letter of licencing history;
- (b) a certified copy of a licence;
- (c) a cheque or payment that is refused due to non-sufficient funds.

6. The amount for the purposes of paragraph 94(5)(a) of the *Insurance Act* is \$50.

PART 6
EFFECTIVE DATE

7. This rule comes into force on ●.