

# Designated Representative Summary

January 2023

FINANCIAL AND  
CONSUMER SERVICES  
COMMISSION



COMMISSION DES SERVICES  
FINANCIERS ET DES SERVICES  
AUX CONSOMMATEURS

Once the [Rule INS-001 Insurance Intermediaries Licensing and Obligations](#) comes into force on 1 February 2023, a Designated Representative will be required for all Agencies, Managing General Agents, Adjusting Firms and Restricted Insurance Representative licences. This summary of the responsibilities and requirements of a Designated Representative can be used as a guide, but please refer to the [Rule](#) for complete information and regulatory requirements.

## Responsibilities of a Designated Representative

- The Designated Representative of an Agency, Managing General Agent, Adjusting Firm or Restricted Insurance Representative is the primary contact for regulatory purposes and is responsible for supervising all insurance activities of the licence holder and all individuals engaged in the business of insurance.
- The Designated Representative is responsible to ensure that:
  - the Agency, Managing General Agent, Adjusting Firm or Restricted Insurance Representative is properly licensed and complies with the Act, regulation and rules;
  - staff are adequately trained and supervised and appropriately licensed, if required;
  - the Agency, Managing General Agent, Adjusting Firm, Restricted Insurance Representative, along with any licence holders or staff, operate in accordance with the terms, conditions and restrictions on their licence;
  - trust money is properly handled;
  - all books, records and accounts are properly maintained;
  - errors and omissions insurance is properly maintained; and
  - the Adjusting Firm, Agency or Managing General Agent or Restricted Insurance Representative comply with any instructions or guidelines from the Superintendent.
- The Designated Representative of a Restricted Insurance Representative is responsible to establish reasonable and demonstrable policies and procedures that ensure any employee of the Restricted Insurance Representative is compliant, knowledgeable, competent and suitable for their class or type of insurance.
- Any notices or documents served on a licensed firm or a Restricted Insurance Representative under the Act, regulations or rules may be served on the Designated Representative.

## Duty to Report

A Designated Representative of an Adjusting Firm, Agency, Managing General Agent or Restricted Insurance Representative must notify FCNB by submitting a **Change in Circumstance** request via the [FCNB Portal](#) within 10 days of:

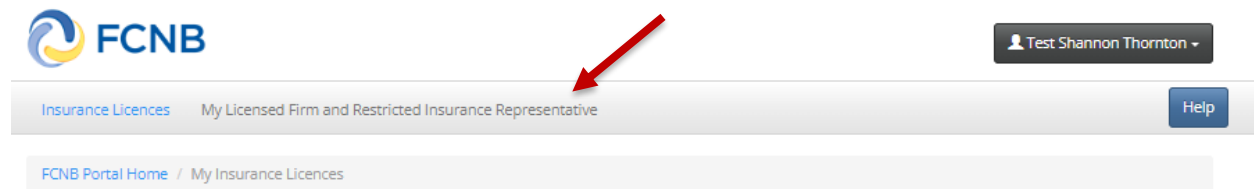
- a name change of the licensed firm or Restricted Insurance Representative;
- an ownership change of the licensed firm or Restricted Insurance Representative;
- an address change of the main office or any branch office;
- the departure of any licensed individual for any reason, including termination or retirement;
- any misconduct by any individual related to the business of the licensed firm or the insurance business of a Restricted Insurance Representative;
- any investigation begun, disciplinary action taken, or decision rendered by a regulatory or professional body;
- any errors and omissions claim against the licensed firm or any licensed individual acting on its behalf;
- any errors and omissions claim related to the insurance business of a Restricted Insurance Representative or any of their employees;
- any civil actions begun, or decisions rendered concerning financial activities, fraud or breach of trust; or
- any criminal charges or conviction against the licensed firm or Restricted Insurance Representative or its director, officer or partner involving:
  - theft
  - fraud
  - forgery
  - breach of trust
  - misrepresentation
  - perjury
  - furnishing of false information
  - carrying on any regulated business or career while not licensed
  - crimes of violence or moral turpitude

A Designated Representative of a Managing General Agency with reasonable grounds to believe that an agent is not suitable to carry on business, must notify the insurer(s) on whose behalf the agent acts within 15 days from the date the Designated Representative becomes so aware.

An Agency, Managing General Agent, Adjusting Firm or Restricted Insurance Representative must notify FCNB within 10 days of any change in the Designated Representative and provide the information for a new Designated Representative within 20 days to determine the candidate's suitability.

## Submitting a Change in Circumstance

1. Access your *My Insurance Licences* page
2. After logging in, click the *My Licensed Firm and Restricted Insurance Representative* link in the top menu:



3. Click the *Manage* button beside your existing Agency, Managing General Agent, Adjusting Firm or Restricted Insurance Representative licence

## My Licensed Firm and Restricted Insurance Representative

Add

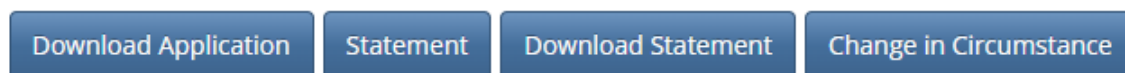
### Status

- **Draft** - Application has been started; however, not completed.
- **Submitted to Insurer** - Application is pending review and approval by the sponsoring insurer.
- **Insurer Requires More Information** - The sponsoring insurer is seeking further information from the applicant. Please click the **Manage** button.
- **Submitted to FCNB** - Application is submitted to FCNB for review. **Please note: Your application will not be reviewed until payment has been received.**
- **Renewal Approved** - Renewal application has been reviewed by FCNB. **Please note: Your licence will not be issued until payment has been received.**
- **Being Reviewed by FCNB** - Application is in the review process.
- **Rejected** - Application has been rejected. Please check your email for correspondence.
- **Closed Application** - Application has been closed by FCNB as the applicant did not respond to request(s) to provide additional information.

Transaction ID ↑	License Number	Type of licence	Status	Fee	Approved Start Date	Approved Expiry Date	Reason For Application
230000091	230000091	Restricted Insurance Representative	Submitted To Insurer	Not Paid			New Licence Application Manage

4. Click *Change in Circumstance* under your existing Agency, Managing General Agent, Adjusting Firm or Restricted Insurance Representative licence and provide the applicable details based on the Duty to Report.

## Actions



## Requirements to be Become a Designated Representative

- A Designated Representative of a licensed firm or a Restricted Insurance Representative must be:
  - In the case of a corporation, a director, officer or management employee of the licensed firm or Restricted Insurance Representative.
  - In the case of a partnership, a partner or a designated management employee.
  - In the case of a sole proprietorship, the sole proprietor or a designated management employee.
  
- A Designated Representative for an Agency, Managing General Agent or Adjusting Firm must hold the following licence in New Brunswick:
  - In the case of a General Insurance Agency, the person must hold a level 3 General Insurance Agent licence.
  - In the case of a Managing General Agent, the person must be licensed as one of the following:
    - a level 3 General Insurance Agent
    - a Life Insurance Agent for at least two years
    - an Accident and Sickness Insurance Agent for at least two years
  - In the case of a Life Insurance Agency, the person must be licensed as a Life Insurance Agent licence for at least two years.
  - In the case of an Accident and Sickness Insurance Agency, the person must be licensed for at least two years as either:
    - an Accident and Sickness Insurance Agent
    - a Life Insurance Agent
  - In the case of an Adjusting firm, the person must hold a level 3 Senior Adjuster licence.
  
- A Designated Representative of a Restricted Insurance Representative doesn't need an individual insurance licence, but the nominee must be suitable.

If you have any questions, please contact [insurance.licensing@fcnb.ca](mailto:insurance.licensing@fcnb.ca).