

Agenda Item 6(b) (ii)
September 23, 2014 EOC Meeting

INSURANCE COUNCILS OF SASKATCHEWAN
Restricted Insurance Agents Advisory Committee
Terms of Reference

Mandate

As an advisory body to the Executive Director, the committee serves as a voice for Restricted Insurance Agents (RIAs) in relation to the Insurance Councils, by

- making recommendations to the Executive Director, Superintendent, and Councils on matters related to the regulation of RIAs;
- providing expert advice on issues related to potential regulatory or operational changes that could directly or indirectly affect RIAs; and
- liaising with the Councils on issues/matters specific to RIAs.

While the committee shall serve as a source of ready expertise and advice on matters related to RIAs as a licence holder class, its existence shall in no way preclude the right of industry Associations and individual companies to make representations to the Executive Director, Superintendent, and Councils on such matters.

Scope

The committee will be called upon to provide advice and make proactive recommendations on RIA-relevant issues, including

- RIA channel-specific distribution practices;
- characteristics and needs of consumers for which RIA-distributed products are designed;
- protocols for handling and resolving RIA-specific complaints;
- protocol for RIA representation in disciplinary matters involving RIAs;
- how Council decisions and initiatives may impact RIAs;
- efficiency and effectiveness of the Saskatchewan RIA regime, including harmonization with other provinces.

Membership

The committee will be composed of six (6) to eight (8) members, with the Executive Director retaining the option of calling upon additional RIA resources as necessary to obtain deeper expertise on specific issues.

The following considerations shall govern the selection and appointment of committee members:

- membership on the committee shall be allocated to achieve proportionate representation of the different RIA sectors -- based on the number of employees working in the "life," "general" and "other RIA" sectors;
- a majority of committee appointees shall be direct representatives of RIA licence holders. A minority of committee appointees (*eg. two (2) appointees where there are eight (8) members of the committee*) shall be representatives of sponsors of RIA licence holders;

- industry Associations – in particular, the Canadian Association of Financial Institutions in Insurance (CAFI) and the Canadian Life and Health Insurance Association (CLHIA) --shall be called upon to propose members based on the proportionate allocation decided upon;
- membership shall be specific to the Association appointing the member; consequently, a departing member would not automatically be replaced by a representative from the same RIA, but could be if a new appointee from the same RIA would be able to bring the type of expertise required by the committee at that time;
- committee members are not required to be resident in Saskatchewan and are not required to be the designated individual of a corporate RIA pursuant to Section 15.11(3) of the Saskatchewan Insurance Regulations; and
- committee members shall serve a three-year term, once renewable. In establishing the initial composition of the committee, the Executive Director may stagger members' terms of office in order to ensure appropriate continuity of expertise.

Chair

The committee is chaired by the Executive Director of the Insurance Councils of Saskatchewan.

Meetings

The committee will meet as required, at the call of the Executive Director, but not less than twice per year.

Where two or more members feel that a meeting should be held to deal with an important issue(s), they may request, in writing to the Executive Director, that a meeting of the committee be scheduled on an urgent basis; the Executive Director's co-operation with such a request may not be unreasonably withheld.

The Executive Director shall prepare a meeting agenda (and may request agenda items from members).

The committee may meet in-person or by teleconference or other electronic means.

Conduct of the committee's meetings and related procedures shall be as consistent as possible with those followed by the Insurance Councils.

Quorum

Quorum for meetings will be attendance by a simple majority of Advisory Committee members.

Decision-making

Decisions and recommendations of the committee shall be determined by majority vote.

Committee Records

The Executive Director shall maintain minutes of the committee's meetings, focused on decisions/recommendations and action items.

The Executive Director will report at least annually to the Superintendent and the Insurance Councils on the activity, deliberations and decisions/recommendations of the committee.

Duration

The duration of the committee's mandate is indefinite. However, after an initial implementation period and assessment of the committee's role and effectiveness, it may be decided that the committee should evolve into a separate RIA Council, with independent decision-making authority.

Amending the Terms of Reference

This Terms of Reference may be revised by the Executive Director, in consultation with and upon the recommendation of the Advisory Committee.