BC’s restricted insurance agency regime: Preparing for licensing

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British Columbia’s *Restricted Insurance Agent Licence Regulation* comes into force on Jan. 1, 2027, introducing a restricted insurance agency (RIA) licensing regime for specified businesses that sell insurance incidental to their ordinary business. Affected businesses should begin preparing their licensing information, compliance arrangements and representative training now.

Applications open Jan. 4, 2027

The Insurance Council of British Columbia (the council) administers RIA licensing. Applications open on Jan. 4, 2027, through the online portal on the council’s website. An application checklist and detailed instructions will be available on the council’s website in early Dec.2026. **To continue selling** incidental insurance, qualifying businesses must apply for a restricted insurance agency licence by March 31, 2027.

Licence types and transition provisions

RIA licences renew annually on June 1. Temporary transition provisions allow the following licences to be issued starting Jan. 4, 2027:

- **Standard RIA licence**: Available to applicants meeting all licence qualification requirements. Successful applicants that apply by May 31, 2027, will receive a standard licence expiring May 31, 2028, with their first annual renewal on June 1, 2028; and
- **Term RIA licence**: Available for applications submitted before March 31, 2027, where the business meets all qualification requirements except approved training and attests that its representatives have completed an existing training program covering the required content (the RIA performance requirements). This pathway is not an exemption from training. The term licence converts to a standard licence once the business confirms that representatives are enrolled in accredited training. Term licences may run for up to 17 months and expire on May 31, 2028.

Who should prepare?

The RIA licence regime applies to the business categories and corresponding insurance products specified in the regulation. A reference table is provided at the end of this bulletin.

An RIA licence permits an eligible business to sell specified insurance through employees or agents (non-employee representatives), subject to its responsibilities as licence holder. Businesses should assess both their business classification and the products they distribute rather than assume all incidental insurance sales fall within the RIA framework. An organization offering insurance for more than one business type named in the regulation must hold a separate RIA licence for each business type.

Licence qualification requirements

The council's guidance identifies the following qualification requirements, subject to the term-licence transition arrangements described above.

- **Business information and suitability**: Provide contact, ownership and corporate registration information and disclose matters that could affect suitability, including bankruptcy, regulatory discipline or criminal convictions.
- **Errors and omissions insurance**: Maintain coverage for all insurance business related to the classes of insurance applied for, with limits of at least C$1 million per claim and C$2 million in the annual aggregate.
- **Insurer authorization**: Have written authorization to represent at least one British Columbia Financial Services Authority (BCFSA)-authorized insurer for the insurance business to be conducted under the RIA licence. Note: Types of businesses (classes of persons) that offer warranty insurance guaranteed by the product or vehicle manufacturer are exempt from this requirement.
- **Designated representative**: Appoint a designated representative (DR) to oversee the agency's regulatory compliance and insurance activities. The DR must be an officer, director or partner of the agency, or a sole proprietor and must complete the council's four-hour online designated representative course covering the role's expectations and responsibilities. The course within 60 days of registration ($320 course fee, payable through the council's portal); and
- **Product training**: Have approved training for the insurance products the business intends to sell (the council is currently accepting applications for training approval, and accredited training will be listed on the council's website as it is approved). Sales representatives must complete the required training before offering insurance products to consumers. Under the term RIA Licence pathway described above, representatives must have completed an existing training program covering the RIA performance requirements.

Licensing fees

The RIA licence application fee is C$1,000. If the application is successful, an annual licence fee is payable when the licence is issued, based on the number of representatives operating under it:

Representatives under the license	Annual Licence fee

1-10	C$650
11-20	C$800
21-99	C$1,500
100-249	C$3,000
250-499	C$5,400
500 or more	C$7,000

An additional C$25 government fee applies to annual licence fees on behalf of the BCFSA.

Contact us

For assistance assessing how the RIA regime applies to your business, preparing a licence application or reviewing your training, disclosure and compliance arrangements, please contact any of the key contacts listed below.

Reference: Eligible businesses and insurance classes

Types of business	Classes of insurance
Construction equipment dealerships	Credit protection insurance Construction equipment warranty insurance Guaranteed asset protection insurance
Credit grantors	Credit protection insurance
Customs brokers	Cargo insurance
Deposit-taking institutions	Credit protection insurance
Extraprovincial trust corporations	Credit protection insurance

Farm implement dealerships	Credit protection insurance Farm implement warranty insurance Guaranteed asset protection insurance
Freight-forwarding companies	Cargo insurance
Funeral providers	Funeral services insurance
Mortgage brokerages	Credit protection insurance
Motor vehicle dealers	Credit protection insurance Guaranteed asset protection insurance Vehicle warranty insurance
Peer-to-peer vehicle service providers	Rented vehicle insurance
Pleasure craft dealerships	Credit protection insurance Guaranteed asset protection insurance Pleasure craft warranty insurance
Portable electronic vendors	Portable electronics insurance
Transportation companies	Cargo insurance Travel insurance
Travel agents	Rented vehicle insurance Travel insurance
Travel wholesalers	Rented vehicle insurance Travel insurance
Trust companies	Credit protection insurance

Vehicle rental agencies	Rented vehicle insurance

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