

GENERAL INSURANCE COUNCIL  
LIFE INSURANCE COUNCIL

Acting under delegation from the Minister the General Insurance Council and Life Insurance Council herein specify the following classes or types of insurance for purposes of section 454 of the Insurance Act.

Equipment Warranty Insurance  
Cargo Type  
(Insurance covering goods in transit excluding carrier liability insurance)  
Travel Insurance  
Group Travel Insurance  
Credit Related Insurance  
Personal Accident Type  
(Group Insurance covering injury due to accident and hospitalization)  
Funeral Services Insurance Type  
GAP Insurance  
Personal Accident Insurance  
Personal Effects Coverage

The following businesses or prescribed enterprises may apply for certificates to act as restricted insurance agents with respect to the classes/type identified.

**Automobile Dealership:** Equipment Warranty Insurance, Credit Related Insurance, and GAP Insurance

**Equipment Dealer:** Equipment Warranty Insurance, Credit Related Insurance and GAP Insurance,

**Travel Agency:** Travel Insurance

**Transportation Company:** Travel Insurance and Cargo Type

**Deposit Taking Institution:** Credit Related Insurance, Group Travel Insurance and Personal Accident Type

**Sales Finance Company:** Credit Related Insurance

**Customs Broker:** Cargo Type

**Freight Forwarders:** Cargo Type

**Funeral Services Business:** Funeral Services Insurance Type

**Vehicle Rental Agencies:** Personal Accident Insurance and Personal Effects Coverage

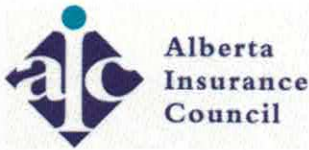
This specification was made at properly conducted meetings of the General Insurance Council and Life Insurance Council and takes effect on July 1, 2020.

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Michael Bibby, Chair  
Life Insurance Council

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Amanda Sawatzky, Chair  
General Insurance Council



## Credit Related Insurance Definitions

*The following definitions are provided to help consumers understand coverage terms as they relate to **Credit Related Insurance**. This information is provided in consultation with and approved by the Life Insurance Council, and is not meant to advise, direct, or endorse any product. Your licensed insurance advisor and policy documents are your best source for product/policy information.*

Coverage	Definition
<b>Creditor's Life</b>	This is a group insurance policy under which an insurer undertakes to pay off, in whole or in part, credit balances or debts of a person. The insurance proceeds are paid to the creditor; and the amount of the insurance is the amount of the loan outstanding from time to time, subject to any limits in the policy
<b>Creditor's Disability</b>	This is group insurance under which the insurer undertakes to pay all or part of a loan if a debtor becomes disabled. The insurance proceeds are paid to the creditor to pay down or pay off the debt. The amount of the insurance usually corresponds to the amount of the payments that fall due during the period of disability
<b>Creditor's Critical Illness Insurance</b>	This is a group insurance policy under which an insurer undertakes to pay off credit balances or debts of a person, in whole or in part, if the insured individual is diagnosed with a covered illness or medical condition. The insurance proceeds are paid to the creditor to pay down or pay off the debt
<b>Creditor's Loss of Employment Insurance</b>	This is a group insurance policy under which an insurer undertakes to pay off, in whole or in part, credit balances or debts of a person if the insured individual becomes unemployed. The insurance proceeds are paid to the creditor to pay down or pay off the debt

Definitions of Restricted Insurance “Types” for the purposes of s. 454 of the *Insurance Act*

- 1) **Equipment Warranty Insurance** is defined in the *Classes of Insurance Regulation* as:

1(1)(g) “equipment warranty insurance” means the subclass of boiler and machinery insurance that comprises insurance against loss of or damage to a motor vehicle or to equipment arising from its mechanical failure, but does not include automobile insurance or insurance incidental to automobile insurance;

- 2) **GAP Insurance** was defined by the General Insurance Council as:

GAP insurance means property insurance that covers all or a portion of the difference between the recovery received on primary automobile insurance in the event of a total loss and the MSRP of a current year replacement vehicle or the difference between the recovery on a primary automobile insurance policy and an outstanding loan or lease obligation in the event of total loss.

- 3) **Travel Insurance** is defined in the in the *Classes of Insurance Regulation* as:

1(1)(t) “travel insurance” means, subject to subsection (3), insurance provided to an individual

- (i) in respect of a trip by the individual away from the place where the individual ordinarily resides, without any individual assessment of risk, against
  - (A) loss that results from the cancellation or interruption of the trip,
  - (B) loss of or damage to personal property that occurs while on the trip, or
  - (C) loss that is caused by the delayed arrival of personal baggage while on the trip,or
- (ii) in respect of a trip by the individual away from the province in which the individual ordinarily resides,
  - (A) against expenses incurred while on the trip that result from an illness or the disability of the individual that occurs on the trip,
  - (B) against expenses incurred while on the trip that result from bodily injury to, or the death of, the individual caused by an accident while on the trip,
  - (C) whereby the insurer undertakes to pay one or more sums of money in the event of an illness or the disability of the individual that occurs on the trip, or of bodily injury to or the death of the individual that is caused by an accident while on the trip,
  - (D) against expenses incurred by the individual for dental care necessitated by an accident while on the trip, or
  - (E) in the event that the individual dies while on the trip, against expenses incurred for the return of that individual’s remains to the place where the individual was

ordinarily resident before death, or for travel expenses incurred by a relative of that individual who must travel to identify that individual's remains.

- 4) **Group Travel Insurance** is defined in section 1(3) of the *Insurance Agents and Adjusters Regulation* as:

1(3) The following are prescribed contracts of group insurance for the purposes of the definition of insurance agent under section 1(bb)(v) of the Act:

- (a) creditor's group insurance;
- (b) group travel insurance.

- 5) **Personal Accident Type** was defined by the Life Insurance Council as:

Group insurance covering injury due to accident and hospitalization.

- 6) **Cargo Type** was defined by the General Insurance Council as:

Insurance covering goods in transit excluding carrier liability insurance.

- 7) **Funeral Services Insurance Type** was defined by the Life Insurance Council as:

"Funeral Services Insurance" means Life insurance contracts which are either Participating or Non-participating providing they are sold incidental to the arranging of a "funeral services contract" that complies in all aspects with the Funeral Services Act and its associated regulations. The purpose of the Funeral Services Insurance is to fund the funeral services contract. The coverage may include benefits covering the costs associated with the transportation and repatriation of the deceased.

- 8) **Personal Accident Insurance** is defined in the *Insurance Agents and Adjusters Regulation* as:

1(5.1)(a) "personal accident insurance" means insurance to cover the cost of medical expenses incurred by a person injured in a collision involving a rental vehicle.

- 9) **Personal Effects Coverage** is defined in the *Insurance Agents and Adjusters Regulation* as:

1(5.1)(b) "personal effects coverage" means insurance to cover losses to personal property in a rental vehicle.