


PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

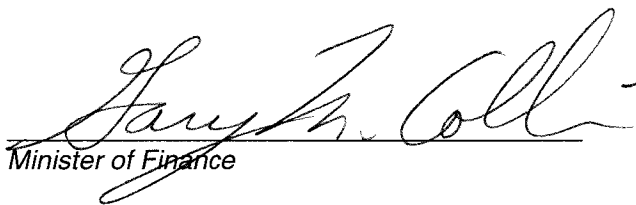
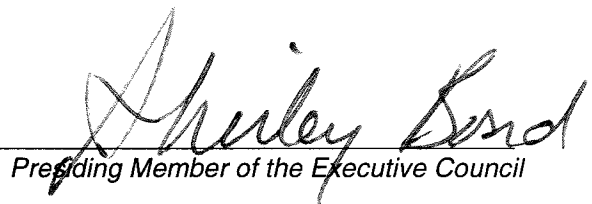
Order in Council No. 1235, Approved and Ordered DEC 11 2004

  
Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that, effective December 31, 2004,

- (a) the Marketing of Financial Products Regulation, B.C. Reg. 333/90, is repealed, and
- (b) the attached Marketing of Financial Products Regulation is made.

  
Minister of Finance  
Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: Financial Institutions Act, R.S.B.C. 1996, c. 141, s. 289

Other (specify): OIC 1357/90

# MARKETING OF FINANCIAL PRODUCTS REGULATION

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### **Interpretation**

- 1 In this regulation:
  - “**Act**” means the *Financial Institutions Act*;
  - “**financial institution**” includes
    - (a) an extraprovincial corporation,
    - (b) a society that is deemed under section 191 of the Act to have a business authorization, and
    - (c) a mutual fire insurance company as defined in section 188 of the Act.

### **Permitted rebate of premium**

- 2 For the purposes of section 79 (1) of the Act, a rebate of premium must be less than 25% of the premium.

### **Disclosure by financial institutions and agents**

- 3 (1) A financial institution or the agent of a financial institution must, at the time of providing a service or product to a customer, disclose to the customer
  - (a) the name of the financial institution whose service or product is being provided,
  - (b) the relationship between the financial institution and the person or agent offering to provide the service or product, and
  - (c) whether commission or compensation is to be paid by the financial institution to the person or the agent offering to provide the service or product.
- (2) If a financial institution acts as agent for or on behalf of another person to provide a service or product of that other person to a customer, the financial institution must, at the time of providing the service or product, disclose to the customer
  - (a) the name of the person for whom the financial institution is acting,
  - (b) the relationship between the person and the financial institution, and
  - (c) whether commission or compensation is to be paid by the person to the financial institution for providing the service or product.

### **Disclosure by insurance licensees**

- 4 It is a condition of every licence issued to an insurance agent that
  - (a) before acting as an insurance agent, the licensee disclose to the public that the licensee is an insurance agent, and
  - (b) if

- (i) a customer purchasing a service or product is referred to a licensee by another person who is not an insurance agent, and
- (ii) the licensee pays commission or compensation to the other person for referring the customer to the licensee,

the licensee, before arranging the transaction, disclose to the customer that commission or compensation has been paid to the other person for the referral.