



THE INSURANCE COMMISSION
OF THE BAHAMAS

GUIDELINES FOR INTERMEDIARY REGISTRATION FOR SALESPERSONS

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INTRODUCTION

Part V of the Insurance Act, 2005 requires that anyone wishing to conduct insurance business in The Bahamas in an intermediary capacity must be registered with the Insurance Commission of The Bahamas (“the Commission”).

The Commission is the prudential and market conduct regulator of the Bahamian insurance industry. It works to maintain a sound and stable insurance marketplace, as well as to improve consumer confidence within the jurisdiction. The Commission ensures that both the industry and policyholders are adequately protected against unnecessary risks, including professional impropriety.

Pursuant to section 24 of the Insurance Act, 2005, all insurance products must be distributed through registered insurance intermediaries. These include agents, brokers, sub-agents, and salespersons.

The Commission’s registration process, along with its framework for ongoing supervision, is centered on policyholder protection. The registration criteria are similar for all categories of intermediaries and are designed to ensure a level playing field for all entrants.

The Commission ensures that all potential entrants to the market are financially viable and have sufficient systems, people and processes in place to conduct insurance business in a manner that is sound and prudent.

SCOPE

This guide provides a description of the various steps and requirements for registration as a salesperson.

A **Salesperson** is considered to be any individual who is engaged by either a registered insurer or a registered corporate intermediary to sell insurance products, with the primary responsibility to solicit business relative thereto.

POWER AND AUTHORITY OF COMMISSION

The Insurance Act, 2005 established the Insurance Commission and provides it with broad powers over all companies and intermediaries that carry on insurance business in The Bahamas. The Commission has the authority to:

- Impose any condition, limitation, or restriction on any insurance company and/or intermediary, their operations, or their investments, given cause;
- Amend or revoke any registration, authorization, permission, condition, restriction, or limitation; or
- Require that any company and/or intermediary, their directors, officers, employees, or shareholders of such a company or intermediary provide any information, documentation, or explanation.

The Commission can request any additional or supplementary information (as may be related to the evaluation of an already-submitted registration application) of all applicants seeking to conduct business in the jurisdiction.

If there are any changes to a registration application that has already been submitted, the Commission should be notified immediately.

RESTRICTIONS

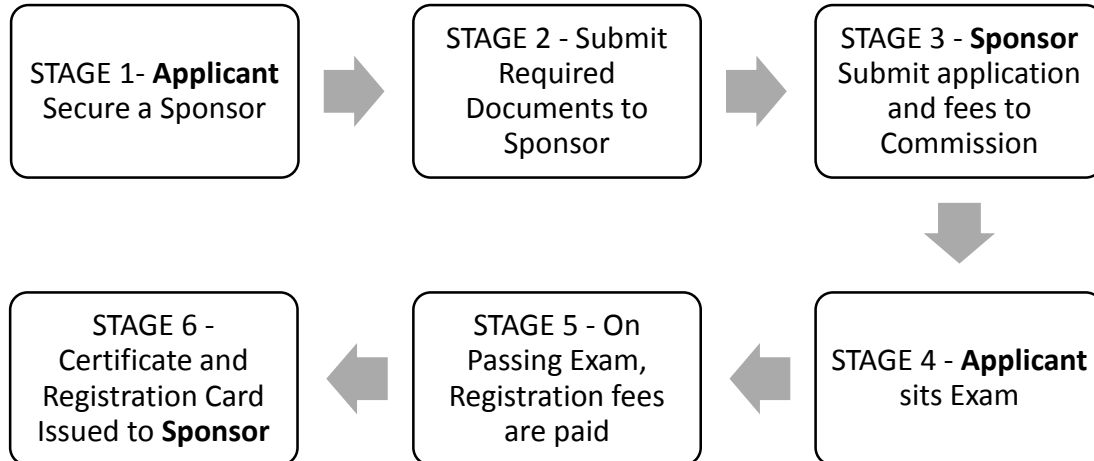
Pursuant to Part V, section 121 of the Insurance Act, 2005, the following persons may **NOT** submit an application to the Commission to be registered as a salesperson in The Bahamas:

- Anyone under the age of eighteen years;
- Any undischarged bankrupt, unless said person has been granted leave to carry on such business by the court that initially judged said person as bankrupt;
- Any person who has been found by a court or a judge to be of unsound mind, or who is said to be suffering from a mental disorder (within the meaning of the Bahamian Mental Health Act); or

- Any person who has been convicted of an offense involving fraud or dishonesty.

THE REGISTRATION PROCESS

The following is a schematic representation of the registration process for salespersons.



1. Securing a Sponsor

Any person wishing to work as a salesperson in The Bahamas must first secure a sponsor. This sponsorship is confirmed by a formal letter of sponsorship, which is then submitted by the sponsor to the Commission together with the person's application.

The letter of sponsorship is a proposed authorization that will allow the salesperson to sell insurance products on behalf of the sponsor.

A sponsorship letter for a salesperson will indicate:

- That the sponsor has screened the applicant and is satisfied that the applicant is suitable for the position of salesperson; and
- That the sponsor supports the applicant and is willing to take full responsibility for the acts, errors, and omissions of the applicant.

2. Submitting Application Requirements

The documents required by the Commission to be registered as a salesperson in The Bahamas are presented below. Please note that **ALL** application requirements are to be submitted to the Commission by an applicant's sponsor, and **NOT** by the applicant.

Unless all documents are submitted at the time the application is submitted, the application will be considered incomplete. Incomplete applications will **NOT** be considered, and will result in processing delays.

Documents submitted to the Commission will not be returned.

All requirements are listed below:

- a) A letter of sponsorship from a registered insurer or intermediary
- b) Non-refundable application fee of \$75.00 (includes the cost of one sitting of the exam)
- c) Completed and notarized application, Form 3 (Part D)
- d) Two passport-sized photos
- e) Copies of the first 3 pages of valid passport
- f) Valid Police Record
- g) High School Diploma, G.E.D., results of an Aptitude test, etc.
- h) Marriage certificate (if applicable)

3. The Examination

An applicant for registration as a salesperson must sit the salesperson’s examination, as invigilated by the Commission at a location as determined by the Commission. The examination is offered on the first Thursday of each month.

A pass is considered to be any mark of 75% or above. The initial application fee covers the first sitting of the examination. Persons failing to achieve a passing mark on their initial attempt are eligible to re-sit the exam a second time subject to a fee of \$25.

Should the applicant fail to pass the salespersons exam on the second sitting he/she is required to wait three months before re-applying to sit the exam a third (and final) time. For this sitting, the applicant is required to pay an additional \$75 application fee.

Please note: Examination results will be issued directly to the applicant’s sponsor within ten (10) working days of the exam sitting.

4. Payment of Registration Fees

If an application for registration is approved, the applicant’s sponsor is then notified. The sponsor is then required to pay a registration fee (which is different to the Application fee) to the Commission. Application and Registration Fees are outlined below:

	Initial Application Fee	Registration Fee
Industrial Life	\$75	\$50
Ordinary Life	\$75	\$100
Property and Casualty	\$75	\$100
Reprint of I.D. Card	\$0	\$20

5. Issuance of Certificate and Card

Once the fee has been received by the Commission, a registration package, including a Certificate of Registration and an Identification (I.D.) Card is sent to the applicant’s sponsor.

The card will display the following information:

- a) A picture and the name of the salesperson
- b) The name of the sponsoring company
- c) Class(es) of business the salesperson is registered to sell
- d) The registration expiry date

This card must accompany the salesperson at all times, as it demonstrates that the salesperson is registered and in good standing with the Commission. In accordance with the legislation, a consumer may request to see this card at any time, and it must be made available by the salesperson.

6. Continuance of Registration

Salespersons have the following obligations under the legislation. They must:

- a) Remain in good standing with the sponsor
- b) Display good character and fitness and propriety at all times
- c) Act in accordance with the legislation
- d) Renew their registration 30 days prior to expiry date
- e) Not destroy or misuse the I.D. Card which is the property of the Commission
- f) Return the I.D. Card to the Commission at its expiry date and if they exit the insurance industry
- g) Maintain their professionalism and partake in continuous development programs annually
- h) Treat the consumer/policyholder fairly at all times
- i) Join a professional insurance association (to be determined at a later date)
- j) Notify the Commission of any changes in their registration

Any breach of the legislation, policy and guidelines may result in fines and penalties as prescribed under the legislation.

Should a Salesperson wish to change sponsors he/she must complete the Commission's Form 12 A and submit to the Commission within 30 days of departure from former sponsor.

Should a Salesperson wish to exit the insurance industry he/she must formally notify the Commission in writing.

Copies of the legislation, forms, policy and guidelines are available on the Commissions website: www.icb.gov.bs.