

PRINCIPLES FOR THE SALE OF INSURANCE

A Consumer Protection Document

A copy of this Document must be provided to a purchaser of insurance on delivery of the policy contract and with any renewal or cancellation notice.

- **When selling an insurance policy, the client's interests take priority over the interests of insurance companies, agents, brokers and representatives.**
- **The product recommended must be suitable to the client's needs.**
- **Consumers have a right to privacy as outlined in the federal Personal Information and Electronic Documents Act (PIPEDA). In general, information will be used only for the purpose for which it was collected, unless the client provides proper authorization, and except as permitted by law.**
- **An insurance company cannot cancel or non-renew coverage or increase a premium for an incident which results in no claim being paid.**
- **Consumers have a right to know the insurance companies and agent, broker or representative represents for the product being sold.**
- **Consumers have a right to know any conflicts or potential conflicts of interest the agent, broker or representative may have.**
- **Consumers have a right to know ownership and financing arrangements between agents, brokers or representatives and insurance companies they represent.**
- **Consumers have a right to know compensation arrangements that agents, brokers, or representatives have for the product purchased, including the amount of commission being paid for the transaction.**
- **Consumers have a right to know in writing why any insurance coverage has been denied, non-renewed or cancelled and any notice period required by law to cancel the policy.**
- **Consumers have a right to know the complaint resolution process of the insurance company.**
- **At point of sale or renewal an agent, broker or representative must provide the following information:**
 - **The full range of deductibles available and the cost of insurance applicable with each of the deductibles.**
 - **The various coverages available, the cost of these coverages and any discounts available.**
 - **The total premium of all quotations obtained for the product being sold, and, upon request, a detailed breakdown by coverage of the premiums quoted.**
 - **Upon request, the above information is to be provided in writing.**
- **For further information concerning your rights and responsibilities you may contact:**

**The Office of the Superintendent of Insurance
Phone – 729-2602 or 729-2623, Fax – 729-3205
E-mail – GSInfo@gov.nl.ca, Web site – www.gs.gov.nl.ca**