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Notice: New Life License Qualification Program

LLQP Background

For several years, Canadian regulators of life insurance agents have worked together with the stakeholders in the life insurance industry to harmonize and update the standards for life insurance agent proficiency. The new standard that has been developed is known as the Life License Qualification Program (LLQP). It provides a one-step licensing system that requires completion of a mandatory pre-licensing course and passing a qualification examination (multiple choice).

Beginning June 1, 2002, the Superintendent of Insurance in Nova Scotia approved the LLQP course for the purpose of qualifying as a life insurance agent, and treated the completion of the LLQP course and examination as acceptable for licensing purposes. In Nova Scotia, no prospective agents applied to sit the qualifying examination for licensing during this optional period. However, applicants in a number of other provinces have completed the LLQP course and examination during this period.

Regulators committed to implementing the LLQP on an optional basis for a period of not less than 90 days to allow regulators and stakeholders an opportunity to monitor the progress and effectiveness of the LLQP, and make adjustments. As a result, regulators are now in a position to proceed with mandatory implementation. A number of other Provinces in Canada proceeded with such mandatory implementation on January 1, 2003. Nova Scotia is now ready to implement the LLQP Program on a mandatory basis beginning February 1, 2003.

LLQP Implementation

As of February 1st, 2003, subject to the approval of new Regulations, and pursuant to Sub-section 36(8) of the *Insurance Act*, R.S.N.S., c. 231, as amended, the existing qualification examination used in Nova Scotia will no longer be recognized for the purpose of qualifying as a new life insurance, or accident and sickness insurance agent. Completion of the LLQP course and examination - full or transitional - will be the only recognized way for entry level agents to obtain a license. Candidates preparing for this examination should enroll in, and successfully complete, the Life License Qualification Program ("LLQP") available from approved course providers. A list of approved course providers is available from the Superintendent of Insurance and [this site](#). The LLQP course is being provided commercially and course fees will be set by the course providers. Upon successful completion of the course, application should be made to sit the qualification examination. Please note that the certificate of successful completion of the LLQP, issued by the course provider, is required to be provided with the application for examination.

Examination

Examination sittings will be made available through the Superintendent's Office. To register for the examination, please contact the Office at 424-6331. The registration form is also available on [this site](#). Examinations are made available depending on demand.

The first sitting of the LLQP examination is scheduled for Halifax, on February 7th, 2003.

Please note that agents already licensed in Nova Scotia are not affected by these changes. As well, those who have successfully written the existing examination prior to February 1, 2003, have three

months from the date of writing of that examination to apply for licensing under the existing licensing regime.

Transitional License

New entrants to the life insurance industry may become licensed in two ways: they may take the LLQP course and write the LLQP examination, and then apply for a life insurance (including accident and sickness) license; or, they may take a portion of the LLQP course and write the transitional examination and apply for a transitional life insurance license, which is available during a four year transition period. A number of conditions apply to a transitional license as follows:

- The transitional licensee must enroll in the Residual Portion of the LLQP course within 180 days of being licensed;
- The transitional licensee must complete the Residual Portion of the LLQP and pass the LLQP examination within two years of being granted a license or before the four year transition period expires, whichever is the shorter period.
- An application and needs analysis taken by a transitional licensee must be co-signed by his or her supervisor. In Nova Scotia, a supervisor must have been licensed for three years.
- In addition the sponsoring company and other companies accepting business from a licensee with a transitional license must provide an undertaking when they sponsor or contract with the licensee that they will maintain records and a system to ensure the above requirements and restrictions are met.

Transition from Old System to New System

The LLQP Program applies to new applicants for insurance licensing. It does not apply to life insurance agents, or accident and sickness insurance agents already licensed in Nova Scotia.

A person who applies for a license within two years following expiration of a license held on December 31, 2002, will be eligible for the license previously held. A person who applies for a license more than two years after expiration of a license held on December 31, 2002 will be required to complete the LLQP licensing requirements unless the individual can demonstrate that they hold valid professional designations (e.g. CLU) acceptable to the Superintendent of Insurance.

A number of Questions and Answers regarding the LLQP Program have been developed and are available on [this site](#).

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