

**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 Protection 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 when purchasing an insurance product, who the insurance company, agent, broker or representative is selling the product.
- 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 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; and
  - upon request, the above information in writing.

For further information concerning **Consumer Rights** you may contact:

**The Office of the Superintendent of Insurance**

Phone – 729-2602 or 729-2623, Fax – 729-3205

E-mail – [servicenlinfo@gov.nl.ca](mailto:servicenlinfo@gov.nl.ca)

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