

Applicant(s) Name (*Full Legal Name*): _____

Mailing Address: _____

City: _____ Province/Territory: _____ Postal Code: _____

Phone: _____ Email: _____

With respect to the following insurance requirements:

Description of Risk: _____

Coverage: _____

Amount of Insurance and/or Limits of Liability: _____

I have canvassed the insurance markets available to me directly or through other registered insurance brokers known to me. The names of the insurance companies and the reasons why coverages could not be placed with them are listed below – see attached separate sheet for more details as necessary:

1. _____
2. _____
3. _____
4. _____
5. _____

The coverage and/or premium level is offered by an insurer that is not licensed under the Insurance Act to transact insurance business in Ontario.

That insurance company is: _____

Name of Representative: _____

Head Office Address: _____

City: _____ Province/Territory: _____ Postal Code: _____

Phone: _____ Email: _____

Continued

Before approaching that insurer to act or assist in the placing of insurance coverage for you, I am obligated to inform you of the following risks and obligations of entering into a contract of insurance with an unlicensed insurer:

1. An unlicensed insurer is not subject to regulation under the Insurance Act in Ontario or the Federal Insurance Companies Act, meaning that you will not be protected by any laws or regulations governing licensed insurers.
2. Orderly payment of claims may be more difficult than with an insurer licensed under the Insurance Act in Ontario.
3. The Financial Service Regulatory Authority of Ontario has no authority under the Insurance Act with respect to unlicensed insurers.
4. Any applicable Ontario Provincial Premium Tax on the unlicensed placement and Retail Sales Tax will be included as separate charges on your insurance policy invoice and will be remitted on your behalf by the Brokerage Firm.
5. You will be responsible for any applicable Federal Excise Tax. Canada Revenue Agency requires that the Brokerage file a "[Form B241 – Excise Tax Return – Broker](#)" with them.
6. Information filed by the Brokerage, along with data from other sources will be used by Canada Revenue Agency to send to you, our client, a "[Form B243 – Excise Tax Return – Insured](#)" to be completed, filed and paid by you no later than **April 30th**. Failure to file Form B243 by the April 30th date will result in a penalty for not filing and subsequently, if the tax is not paid, interest on an outstanding amount will compound daily starting May 1st.

PLEASE CONFIRM YOUR INSTRUCTIONS:

Date: _____ Broker Company: _____

Brokerage Mailing Address: _____

Broker Name: _____ Broker Signature: _____

I/We have read and discussed the above cautions and understand the potential risk in the event I/we have a claim against insurance coverage placed with an unlicensed insurer.

Nevertheless, you are instructed to place my/our insurance with the unlicensed insurer mentioned above.

Signature of Applicant(s) or Officer authorized to sign on behalf of the Applicant:

Date:

PLEASE SEE ADDITIONAL INSTRUCTIONS ON FOLLOWING PAGE:

Broker Instructions

NOTICE:

If, upon request of an authorized RIBO representative, the broker is unable to produce an original signed Consent with respect to any amount of insurance written or renewed with an unlicensed insurer, that failure may result in a review by the Complaints Committee concerning failure to comply with the provisions of [Section 10 of Regulation 991](#) and this may result in disciplinary proceedings for an act of misconduct.

The RIBO Code of Conduct requires that brokers shall be both candid and honest when advising a client.

That requirement clearly precludes brokers from proposing insurance with an insurance company if the broker has any doubts about the bona fides of the company and its ability to pay claims made against its policies.

Brokers should consider seeking advice of their legal counsel before involving their clients with unlicensed insurers.

INSTRUCTIONS:

1. A separate Consent must be signed by the Applicant(s) for each application for insurance, written or renewed, which is to be submitted to an unlicensed insurer.
2. The Consent must be signed by all Applicants named in the application for insurance. The signature for corporate risks must be an Officer of the corporation authorized to sign on behalf of the corporation.
3. The original copy of the Consent bearing the signature of the Applicant(s) must be retained with the client file.
4. The name and Head Office address of the proposed unlicensed insurer must be those of the actual insurer being asked to undertake the risk. The name and address of a sales representative or managing underwriter is not sufficient.
5. Brokers are required to collect and remit the applicable required Ontario premium taxes to the Minister of Finance. Information about making payments can be found on the [Ontario government website](#) or by calling or call 1 866 ONT TAXS (1 866 668 8297).
6. Brokers are required to complete and file "[Form B241 – Excise Tax Return – Broker](#)" to Canada Revenue Agency, Summerside Tax Centre, **no later than March 15th** each year with respect to contracts of insurance entered into or renewed during the immediately preceding calendar year. Failure to file Form B241 by the March 15th date will result in a penalty being assessed on the Broker.
7. The information filed by the Broker, along with data from other sources are used by Canada Revenue Agency to send "[Form B243 – Excise Tax Return – Insured](#)" directly to the client/applicant/insured for completion. The client must complete, file the form and pay taxes pending by no later than **April 30th**. Failure to file Form B243 by the April 30th date will result in a penalty for not filing and subsequently, if the tax is not paid, interest on an outstanding amount will compound daily starting **May 1st**.
8. Brokers should retain the original signed copies for their records and send a copy to the Financial Services Regulatory Authority of Ontario's Contact Centre by email to: contactcentre@fsrao.ca or by mail to: 25 Sheppard Avenue West, Suite 100, Toronto, ON M2N 6S6.