

EXAM 6 – CANADA, FALL 2017

1. (2 points)

a. (0.75 point)

Identify three matters over which the federal parliament has exclusive legislative authority.

b. (0.75 point)

Identify three matters over which the provincial legislature has exclusive legislative authority.

c. (0.5 point)

Describe two ways in which an insurance company can operate in more than one province.

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EXAM 6C FALL 2017 SAMPLE ANSWERS AND EXAMINER'S REPORT

QUESTION 1	
TOTAL POINT VALUE: 2	LEARNING OBJECTIVE(S): A1
SAMPLE ANSWERS	
Part a: 0.75 point	
<p>Any three of the following:</p> <ul style="list-style-type: none"> • trade & commerce • criminal law • alien & naturalization • taxation • banking • bankruptcy & solvency • peace in the land 	
Part b: 0.75 point	
<p>Any three of the following:</p> <ul style="list-style-type: none"> • licensing • compulsory coverage • policyholder claim dispute • premium payment • incontestability • designation of beneficiaries • operations of business within province/regulation • healthcare medical services • education • incorporation of company with provincial object • property and civil rights • all matters of mere local or private nature • rate regulatory • claim handling process • disclose • content of policy • insurable interest • taking effect • reinstatement • beneficiaries • dealing with contract • unfair practices 	
Part c: 0.5 point	
<u>Sample 1</u>	
<ul style="list-style-type: none"> - Incorporate in one province, and obtain license from each province intended to operate in - Branch of foreign company to obtain federal licensing and license from each province intended to operate in 	

EXAM 6C FALL 2017 SAMPLE ANSWERS AND EXAMINER'S REPORT

Sample 2

- A federally regulated insurer
- A provincial regulated insurer registered with another province

EXAMINER'S REPORT

Part a

Candidates were expected to identify matters over which the federal government has exclusive legislative authority.

Common errors include:

- Providing an answer that is vague or too brief such as "legislation," "FRFI," "law," or "PC1."
- Listing elements that the federal government does have legislative authority but the authority is not exclusive, such as insurance regulations.

Part b

Candidates were expected to identify matters over which the provincial governments have exclusive legislative authority. Credit was also provided for answers related to insurance contract regulation as insurance contracts are exclusively provincially-regulated.

Common errors include:

- Short one word generic answers that were too vague or too brief.

Part c

Candidates were expected to describe two incorporation situations: 1) federal incorporation and 2) provincial incorporation with permission to do business in other provinces.

Common errors include:

- Mixing up licensing and incorporation.