

PROVINCE OF BRITISH COLUMBIA
ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 318

, Approved and Ordered June 08, 2015


Lieutenant Governor

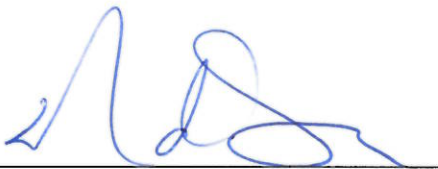
Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that the Insurance Regulation, B.C. Reg. 403/2012, is amended as set out in the attached Appendix.

DEPOSITED

June 9, 2015

B.C. REG. 108/2015



Minister of Finance


Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: *Insurance Act*, R.S.B.C. 2012, c. 1, ss. 66 (2) and 125 (2)

Other: _____

March 12, 2015

R/144/2015/97

APPENDIX

1 The Insurance Regulation, B.C. Reg. 403/2012 is amended by adding the following section:

Rights exercisable by insured when irrevocable beneficiary designated – life and accident and sickness contracts

9.1 (1) In this section:

“**contract**” means a contract of life insurance or accident and sickness insurance;

“**exempt policy**” has the same meaning as in Part III of the Income Tax Regulations (Canada);

“**irrevocable beneficiary**” means a person who is designated as a beneficiary irrevocably under section 60 (1) or 118 (1) of the Act.

- (2) This section applies to a contract if the insured has designated an irrevocable beneficiary for a benefit under the contract.
- (3) An insured may, without an irrevocable beneficiary’s consent, exercise a right under a contract if one or both of the following apply:
- (a) the exercise of the right is required by law;
 - (b) the contract is an exempt policy and if the insured does not exercise the right the contract will no longer be an exempt policy.
- (4) Subject to subsection (5), an insured may, without an irrevocable beneficiary’s consent, exercise one or more of the following rights under a contract:
- (a) a right relating to any insurance money or benefit to which the irrevocable beneficiary designation does not apply;
 - (b) a right to increase the amount of insurance;
 - (c) a right to add a new insured, or additional coverage, provisions or benefits to the contract;
 - (d) a right to make transfers between accounts or investment options, or to change the type of accounts or investment options;
 - (e) a right to assign the insured’s rights and duties under the contract;
 - (f) a right to add, remove or substitute a revocable contingent beneficiary, if no irrevocable contingent beneficiary is designated;
 - (g) a right to add an irrevocable contingent beneficiary, if no irrevocable contingent beneficiary is designated.
- (5) An insured may not exercise a right under subsection (4) if the exercise of the right
- (a) reduces the amount of any insurance money or benefit to which the irrevocable beneficiary designation applies, or
 - (b) results in the cancellation or surrender of
 - (i) the contract, or
 - (ii) a coverage, provision or benefit of the contract to which the irrevocable beneficiary designation applies.