CONSUMER PROTECTION BC

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APPLICATION CHECKLIST

You are required to provide the following to be licensed. Wherever possible, please submit documents in PDF format. However, we can accept other graphic formats such as JPG, BMP and TIF.

☐ Step 1: Obtain proof of registration or incorporation

As part of your application, you must provide proof of incorporation or registration during the application process. To register your business in BC, visit BC Registries If you are starting a new business, visit Small Business BC.

If your business is a partnership or proprietorship, you must provide:

- names of the partners or proprietors
- current copy of any trade name registration(s) under which you intend to operate

If your business is a corporation, you must provide

- names of directors, senior officers, and beneficial owners with voting shares
- current copy of any trade name registration(s) under which you intend to operate

☐ Step 2: Obtain municipal business licence

As part of your application, you must provide a copy of your business licence issued by your local municipality. Some municipalities will not issue a business licence until they see that you have one of our licences. If this is the case, please apply for your municipal licence and forward a copy of the application and receipt to us as part of your application.

Step 3: Complete a criminal record check

Senior officers, partners or proprietors of your business must complete a criminal record check.

For Canadian residents, get your criminal record check through our third-party supplier. The results will be sent directly to us. Get a criminal record check.

For non-Canadian residents, a criminal record check from a law enforcement agency in your home jurisdiction is required and should be submitted as part of your application. For U.S. residents, criminal record checks must be state-wide or federal.

☐ Step 4: Obtain Security

You must provide financial security as part of your application. Financial security must be provided in any of the following forms:

- **Letter of credit -** in favour of Consumer Protection BC issued by a financial institution, see sample.
- **Cash** - presented as bank draft or money order held in trust by Consumer Protection BC. Note: no interest is paid on cash securities.
- **Surety Bond** - an insurance policy issued by an insurance company authorized to operate in BC, see sample.
- **Safekeeping Agreement** - (i.e. GIC or similar investment issued by a financial institution) – in favour of Consumer Protection BC, see sample.

Once you are licensed, the required amount may change depending on your gross sales each year. These are starting amounts based on your business model:

- **Travel agent only** – $15,000
- **Travel wholesaler only** – $15,000
- **Both a travel agent and a wholesaler** – $30,000

The original document issued by the financial institution or insurer must be included with your application. This security will be held throughout the term of your licence plus 6-months after the cancellation or expiry of your licence.

Step 5: Provide financial information

As a new business, you must include a balance sheet:

- that is current to within 90 days of the application and clearly indicates your current assets, liabilities, and equity
- includes the applicant's legal name
- dated and certified correct by an authorized signing officer(s) of the applicant

If your business has operated for more than a year, you must include a financial statement:

- certified correct by the authorized signing officer(s) of the applicant
- current to within 90 days of application
- prepared in accordance with generally accepted accounting principles (GAAP) or international financial reporting standards (IFRS)

Here are some considerations for the preparation of your balance sheet or financial statement that you should discuss with your financial professional:

- Security cannot be considered a current asset.
- Receivables owed to the business must be excluded from the calculation of current assets.
- The amount owed by the business to other parties must be excluded from the calculation of current liabilities.
- A credible cash flow statement for one year indicating sufficient working capital may be accepted in lieu of the suggested amount of start-up working capital.

Your balance sheet or financial statement will be reviewed to ensure you have enough working capital to operate. You may want to review the information below with your financial professional as they prepare your balance sheet or financial statement. The suggested minimum amount is based on your business model:

Business Model	Franchised?	Home-based minimum working capital	Commercial space minimum working capital
Travel agent	No	$10,000	$20,000
Travel agent	Yes	$5,000 and cost of the franchise	$15,000 and cost of the franchise
Travel wholesaler	No	$10,000 and cost of the first 3-months of travel services purchased for resale	$20,000 and cost of the first 3-months of travel services purchased for resale
Accommodation provider / wholesaler	No	$10,000	$20,000

Step 6: Set up a business phone number

You can maintain a landline or a cell phone number as your business line. The number must be made public and be searchable somehow (for example through directory assistance or Canada411). The number must also be easily found on your website, receipts and other business documents.

Step 7: Verify bank account information

You must provide your bank account information verified by your financial institution. If you are a travel wholesaler or accommodation provider, you are also required to set up a consumer trust account separate from your general operating account. Submit the verification & authorization financial and trust account form.

☐ Step 8: Apply for a licence

- Review the application checklist.
- Download, complete and submit a licence application form.
- Payment of the new licence application fee and initial Travel Assurance Fund (TAF) contribution, as per the current fee schedule, can be made by cheque or by credit card authorization form and must accompany your application.
- If you are operating from your home, download, complete and submit a statutory declaration residence as a place of business form.
- If your business has more than one location, each location requires its own licence (your main location is the head office, and other locations are branches).
- You must submit all your supporting documents noted in Steps 1-7 above with your application.
- Wherever possible, please submit documents in PDF format. However, we may accept other graphic formats such as JPG, BMP and TIF.
- Each application may take up to four weeks to process.

☐ Step 9: Read and understand your obligations

It is your responsibility to review all applicable laws pertaining to your industry and to understand your obligations. Review your obligations.