

Registered insurance brokers offer independent advice and Property & Casualty (P&C) insurance products from a variety of companies. Brokers must be licensed by the Registered Insurance Brokers of Ontario (RIBO). All RIBO licensees must carry an errors & omissions policy, as well as a fidelity bond, which is designed to provide customers coverage in the unlikely event that a broker mishandles their premiums. RIBO licensees are required to follow the RIBO Code of Conduct, which establishes rules and standards of professional conduct.

As a customer, you have the right to professional advice from a broker who is well informed about the products they are selling. You have the right to be treated with fairness and integrity.

- **How Insurance Works** – You have the right to be informed about how your insurance premiums are calculated. You have the right to access your policy and be clearly informed about the coverage and the claims settlement process.
- **Broker Compensation** – You have the right to ask how a broker is paid, the insurance companies they represent, and be informed about any potential conflicts of interest the broker may have. All RIBO licensed brokers must disclose commission information at the point of sale which outlines how they are paid.
- **Understand Your Insurance Needs** – You should consider your insurance needs and prepare relevant questions before you talk to a broker. Ask yourself if there have been changes in your personal or business life that could impact your insurance needs. Make sure you provide a detailed and accurate explanation of your circumstances to your broker so they can provide informed recommendations that meet your needs.
- **Insurance Quotes** – When obtaining a quote, your broker should always present the best value products available based on your current needs, and document why certain coverage and product options, including lower cost options, which may or may not be appropriate for you. Brokers are also expected to comply with the Take-All-Comers rule. For more information on buying auto insurance and the Take-All-Comers rule, visit [here](#).
- **Personal Information** – You have the right to understand how your personal information is used and protected. Ask for a copy of the privacy statement from your broker and the insurer.
- **Customer Obligations** – You need to ensure that you know and understand your obligations under your insurance policy. For example, your policy will require you to provide updates to your broker and insurer regarding any material changes in your circumstances.
- **Insurance Claims** – If you need to file a claim, you have the right to be informed about the procedures and typical timelines for settling your claim, and you may inquire about the status of your claim throughout the process. If your claim is denied, you have the right to an explanation as to why it was denied. Your broker is your advocate as you work through your claim with the insurance company and will liaise as required.
- **Making a Complaint** – You can submit a complaint to RIBO if you believe your insurance broker failed to comply with the Registered Insurance Brokers Act, its regulations, or RIBO by-laws. File a complaint [here](#).
- **OmbudServices** – In the event you have an insurance claim, your broker will provide you with information about the insurer's claims process. For any unresolved disputes with an insurer, you may contact the insurer's Ombudsman, who will attempt to resolve the conflict. If the conflict is not resolved, you will be referred to the General Insurance OmbudServices for P&C insurance.



Canadian Insurance Services Regulatory Organizations (CISRO)

## Principles of Conduct for Insurance Intermediaries

### Preamble

The CISRO Principles of Conduct for Insurance Intermediaries (the Principles) reflect common regulatory standards for insurance intermediaries in Canada. The Principles outline professional behaviour and conduct expectations for the fair treatment of Customers.

Intermediaries should conduct their business following the Principles that are relevant to them, while ensuring compliance with all applicable laws, regulations, rules, or regulatory codes within all jurisdictions where they carry on business. Any more stringent requirements, rules or standards of conduct take priority over the Principles.

The Principles are intended to supplement, complement and build upon the intermediary elements in the *Guidance on Conduct of Insurance Business and Fair Treatment of Customers* (FTC), issued by CISRO and the Canadian Council of Insurance Regulators (CCIR). The Principles also align with Insurance Core Principles (ICP) of the International Association of Insurance Supervisors (IAIS).<sup>1</sup>

The Principles reinforce the fair treatment of Customers throughout the life cycle of the insurance product as a core component of the intermediary business culture. This includes conducting business in an honest and transparent manner. Expectations for the conduct of insurance business may differ depending on the nature of the relationship to the Customer, the type of insurance provided, and the distribution method. Intermediaries with oversight responsibilities must take appropriate measures to ensure that their employees and representatives meet high standards of ethics and integrity.<sup>2</sup>

**Definition of Intermediary:** Intermediary is given broad meaning, and will differ based on the applicable definitions within different jurisdictions across Canada. It encompasses adjusters, agents, brokers and representatives, as well as business entities that distribute insurance products and services, including managing general agencies and third party administrators. It also applies to all distribution methods, including over the internet.<sup>3</sup>

**Definition of Customer:** Customer refers to policyholder (which may include a certificate holder) or prospective policyholder with whom an insurer or intermediary interacts, and includes, where relevant, other beneficiaries and claimants with a legitimate interest in the policy. Customer may also refer to a consumer, which includes all actual and potential customers for insurance products.

---

<sup>1</sup> International Association of Insurance Supervisors. Insurance Core Principles, ICP 18 and ICP 19, updated November 2019. <https://www.iaisweb.org/page/supervisory-material/icp-on-line-tool>

<sup>2</sup> The Insurer is responsible for fair treatment of Customers throughout the life cycle of the insurance product, as it is the Insurer that is the ultimate risk carrier. The Insurer's ultimate responsibility does not absolve Intermediaries of their own responsibilities for which they are accountable.

<sup>3</sup> This definition aligns with the CCIR/CISRO FTC guidance. These Principles apply to all Intermediaries that are authorized to do business within any jurisdiction, whether licensed, registered or exempted from licensing or registration.

The Principles outline professional behaviour and conduct expectations for the fair treatment of Customers:



**1. Compliance / Outcomes:** Intermediaries must comply with all applicable laws, regulations, rules and regulatory codes to which they are subject.



**2. Customers' Interests:** Intermediaries are expected to place Customers' interests ahead of their own. This includes when an Intermediary is developing, marketing, recommending, distributing and servicing products.



**3. Conflicts of Interest:** Intermediaries are expected to identify, disclose and manage any actual or potential conflict of interest that is associated with a transaction or recommendation. They are expected to avoid entering into or pursuing agreements for which conflicts of interest cannot be managed, or if they interfere with the fair treatment of Customers.



**4. Advice:** When providing advice to or for a Customer, Intermediaries are expected to seek appropriate information from the Customer in order to understand and identify their unique needs. Intermediaries are expected to provide objective, accurate and thorough advice that enables the Customer to make an informed decision. Advice is expected to be suitable for the needs of the Customer based on the Customer's disclosed circumstances.



**5. Disclosure:** Intermediaries are expected to provide Customers with objective, appropriate, relevant, timely and accurate information and explanations so that they can make informed decisions. Intermediaries are expected to:

- Properly disclose the information to all necessary parties, including the insurer; and
- Disclose information and explanations in a manner that is clear and understandable for Customers, regardless of the distribution model or medium used.



**6. Product and Service Promotion:** Intermediaries are expected to ensure that products and services are promoted in a clear and fair manner. Regardless of the distribution model or medium used, Intermediaries are expected to ensure that promotions are not misleading, and are easy to understand. Product promotions are expected to disclose all necessary and appropriate information.



**7. Claims, Complaints Handling, and Dispute Resolution:** Intermediaries are expected to handle or cooperate in the handling of claims, complaints and disputes in a timely and fair manner.



**8. Protection of Personal and Confidential Information:** Intermediaries are expected to take necessary and appropriate measures to protect and manage personal and confidential information. They must comply with all applicable privacy legislation.

Customers should be confident that Intermediaries:

- Only collect and retain information that is necessary and appropriate for the fulfillment of the service or product provided; and
- Use and disclose the information only for purposes and for the duration for which the Customer has given consent or as required by law.



**9. Competence:** Intermediaries are expected to maintain an appropriate level of professional knowledge, and should stay current through continuing education to ensure the fair treatment of Customers. Where applicable, continuing education requirements must be fulfilled. Intermediaries are expected to not misrepresent their level of competence or conduct business beyond their level of professional knowledge and experience, and duties must match training/education.



**10. Oversight:** Intermediaries with contractual or regulatory oversight obligations are also responsible for the conduct of any employee or third party involved in the marketing, distribution or servicing of an insurance product. Intermediaries are expected to have tools at their disposal such as policies and procedures, training and control mechanisms to ensure the fair treatment of Customers is achieved in relation to their oversight obligations.

# **BrokerForce Insurance Inc.** **Disclosure Statement**

It is important for you, our customer, to know our firm is a truly independent insurance brokerage. No insurance company owns shares in our company. Therefore, we are in a position to provide objective, unbiased professional service and advice on your insurance needs. We value this independence, and consider the maintenance of this independent stature to be of the highest importance.

## **Our statement on services provided:**

Our role is to provide our clients with the best insurance value, combining coverage, service, and price. We also provide personalized, quality service that includes professional insurance advice, ongoing policy maintenance and claims support. When any issue arises regarding your insurance coverage, we are your advocate using our professional experience to best represent your individual interests.

## **BrokerForce Insurance Inc., Statement on broker contingent (profit) commission:**

In order for us to maintain strong relationships with quality insurers, we work with each to provide the type of business they desire. Our contracted insurance companies recognize our efforts through a contingent commission contract. Payment of contingent commissions may depend on profitability, volume, retention of business and continuous growth. Contingent commission is not guaranteed. For detailed information on contingent commissions, please refer to the individual company's website.

Our disclosure statements are made in the best interest of our clients. We encourage you to also consult the commitments made by the insurance industry and individual companies by consulting their websites or other available information.

### **Summary of Brokerage Commissions (expressed as a percentage of premium)**

<b>Company</b>	<b>Personal Auto</b>	<b>Personal Property</b>	<b>Commercial Auto</b>	<b>Commercial Property</b>
21ST CENTURY INSURANCE	N/A	16%-41%	N/A	N/A
ABEX LTD	N/A	10%-20%	N/A	10%-20%
AIG INSURANCE COMPANY OF CANADA	N/A	N/A	N/A	20%
ALLIANZ GLOBAL ASSISTANCE	N/A	35%-40%	N/A	N/A
APRIL CANADA INC.	N/A	10%-20%	N/A	10%-20%
AVIVA INSURANCE	7.5%-12.5%	20%	7.5%-12.5%	10%-20%
BURNS & WILCOX CANADA	N/A	10%-20%	N/A	10%-20%
CANNGEN INSURANCE CANADA	N/A	10%-20%	N/A	10%-20%
CANSURE UNDERWRITING LTD.	N/A	10%-20%	N/A	10%-20%
CHIEFTAIN(TRAVELERS)	12.5%	12.5%	N/A	N/A
CHUBB INSURANCE CO.	N/A	20%	N/A	N/A
COAST UNDERWRITERS LIMITED	N/A	15%	N/A	15%
DEFINITY INSURANCE COMPANY(ECONOMICAL)	7.5%-12.5%	20%	7.5%-12.5%	10%-20%
ELITE INSURANCE COMPANY	12.5%	20%	N/A	N/A

Company	Personal Auto	Personal Property	Commercial Auto	Commercial Property
EXCESS UNDERWRITING	N/A	N/A	N/A	10%-15%
GORE MUTUAL INSURANCE	7.5%-12.5%	20%	7.5%-12.5%	10%-20%
GROUPONE INSURANCE	N/A	N/A	N/A	10%-20%
HAGERTY CANADA	12.5%	N/A	N/A	N/A
INTACT INSURANCE	N/A	20%	7.5%-12.5%	10%-20%
JEVCO	N/A	N/A	N/A	N/A
MARKEL CANADA	N/A	N/A	7.5%-12.5%	10%-20%
NORTHBRIDGE INSURANCE	N/A	N/A	12.5%	5%-20%
ODIS UNDERWRITING	N/A	15%	N/A	15%
PAL INSURANCE BROKERS LTD.	N/A	N/A	N/A	Broker Fee
PREMIER INSURANCE	N/A	10%-20%	N/A	10%-20%
SOUTH WESTERN INSURANCE GROUP	N/A	N/A	N/A	10%-20%
SPECIAL RISK INSURANCE MANAGERS	N/A	10%-20%	N/A	10%-20%
SPORTS & FITNESS INSURANCE CANADA	N/A	N/A	N/A	10%
THE DOMINION(TRAVELERS)	7.5%-12.5%	20%	7.5%-12.5%	10%-20%
THE NORDIC INSURANCE COMPANY OF CANADA	\$370	N/A	\$370	N/A
TOTTEN GROUP INSURANCE	N/A	N/A	N/A	10%-20%
TRANS CANADA INSURANCE MARKETING INC.	N/A	15%	N/A	15%
TRINITY UNDERWRITING	N/A	N/A	N/A	10%-20%
UNICA INSURANCE	7.5%-12.5%	20%	7.5%-12.5%	10%-20%
VICTOR INSURANCE MANAGERS INC.	N/A	10%-20%	N/A	10%-20%
WAWANESA	7.5%-12.5%	20%	7.5%-12.5%	10%-20%