

ANNUAL REPORT  
2020



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May 31, 2020

Mr. Scott Moore, Superintendent  
Financial Institutions Regulation Branch  
207 – 400 St. Mary Avenue  
Winnipeg, Manitoba  
R3C 4K5

Dear Mr. Moore:

I have the honour to submit, pursuant to Regulation 227/91 of *The Insurance Act* of Manitoba, the Annual Report for the Insurance Council of Manitoba.

This report, which covers the period from April 1, 2019 until March 31, 2020, provides an account of our main activities and a summary of our operations for the year, and includes the audited Financial Statements of the Council.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'B. Churchill', is written over a faint circular stamp.

Barbara Palace Churchill LL.B., CPA, CMA  
Executive Director  
Insurance Council of Manitoba

/bck

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## **MISSION AND MANDATE**

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### **MISSION**

Protecting Manitobans by licensing and regulating insurance agents, brokers and independent adjusters.

### **MANDATE**

The mandate of the Council is to act in the public interest to protect Manitoba consumers of insurance products, and to regulate all licensees, agents, broker, sellers of incidental insurance (ISI) and adjusters to ensure standards are maintained for public protection.

## **VISION AND VALUES**

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### **VISION**

A modern, responsive, and trusted regulator that provides a high level of consumer protection and maintains positive relationships within the insurance industry.

### **VALUES/PRINCIPLES**

INSURANCE COUNCIL OF MANITOBA has developed a set of core fundamental values which include:

- Integrity
- Respect
- Competence
- Cooperation

## ORGANIZATIONAL PROFILE

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The INSURANCE COUNCIL OF MANITOBA (Council) is responsible for administering and enforcing *The Insurance Act* of Manitoba, the regulations under the *Act* and the licensing rules as they relate to agents, brokers and adjusters.

### LEGISLATIVE AUTHORITY

Council was established by Regulation 227/91 through delegated authority of the Superintendent of Insurance. The Superintendent is authorized to delegate to Council all or any of the powers, functions and duties that the Superintendent has under the *Act* and the regulations.

*The Insurance Act* of Manitoba allows for Council through its delegation:

- \* **The power to issue or refuse a licence**
- \* **The power to attach limitations or conditions to a licence**
- \* **The power to cancel or suspend a licence**
- \* **The power to fine or assess costs**
- \* **The power to carry out investigations**

In addition, each Council may make rules for its own procedure; may prescribe the educational and other standards for agents, brokers and adjusters; may initiate and engage in programs of consumer protection; may make recommendations to the Minister; may establish ethical, operational and trade practices for agents, brokers and adjusters.

At March 31, 2020 there were over 17,051 licences in force in the following areas of licence classifications:

- \* Life Insurance, including Accident & Sickness Insurance
- \* General Insurance, including Hail
- \* Insurance Adjusters, including Hail
- \* Restricted Insurance Agents (RIA's)

## ORGANIZATIONAL PROFILE

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### Administration

The Insurance Council of Manitoba is the administrative arm of the Life Insurance Council and the General Insurance Council. The Council staff carries out the administrative function of the industry Councils, which includes administering examinations for application for a licence, the issuance of licences, investigation of complaints and the implementation of disciplinary decisions of the Councils.

**Barbara Palace Churchill** Executive Director

#### ADMINISTRATION

**Brenda Knight** Office Manager

#### COMPLIANCE DEPARTMENT

**Lee Roth** Director, Compliance

**Ruby Calvez** Investigator

**Deshali Mutreja** Investigator

#### LICENSING DEPARTMENT

**Stacey Aubrey** Director, Licensing

**Sandi Saluk** Senior Licensing Officer

**Kristin Denkova-Gavranovic** Licensing Officer

**Colleen Davey** Receptionist & Examination Coordinator

**Yulia Gershtein** Licensing Officer

**Shairah Cortez** Licensing Clerk

## MEMBERS OF THE COUNCIL 2019/2020

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### Life Insurance Council

| <b>Name</b>              | <b>Position</b>  | <b>Representing</b>                  |
|--------------------------|------------------|--------------------------------------|
| Richard Fillion          | Chairperson      | Life Agents                          |
| Carol-Ann Borody-Siemens | Vice-Chairperson | Life Agents                          |
| Gary McPherson           | Member           | Public                               |
| Andrew Anderson          | Member           | Life Agents                          |
| Patricia Horncastle      | Member           | Insurance Companies                  |
| Carole Urias             | Member           | Life Agents                          |
| Kayla Harold             | Member           | Life Agents                          |
| Craig Shanks             | Member           | Public                               |
| James Pollard            | Past Member      | Life Agents – term ended Nov 7, 2019 |

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### General Insurance Council

| <b>Name</b>      | <b>Position</b>  | <b>Representing</b> |
|------------------|------------------|---------------------|
| Peter Tessier    | Chairperson      | General Agents      |
| Grant Rerie      | Vice-Chairperson | Insurance Adjusters |
| Cindy Cassils    | Member           | General Agents      |
| Harvey Armstrong | Member           | Public              |
| Irwin Kumka      | Member           | General Agents      |
| Lyndon Friesen   | Member           | Insurance Companies |
| Keith Phillips   | Member           | General Agents      |
| Lynn Rempel      | Member           | General Agents      |
| Elenor Nowosad   | Member           | General Agents      |

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### Manitoba Council

| <b>Name</b>              | <b>Position</b>  | <b>Representing</b> |
|--------------------------|------------------|---------------------|
| Richard Fillion          | Chairperson      | Life Council        |
| Peter Tessier            | Vice-Chairperson | General Council     |
| Carol-Ann Borody-Siemens | Member           | Life Council        |
| Gary McPherson           | Member           | Life Council        |
| Grant Rerie              | Member           | General Council     |
| Cindy Cassils            | Member           | General Council     |

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*The Manitoba Council is composed of three (3) members appointed by each of the aforementioned industry Councils.*

## MANITOBA COUNCIL Report from the Chairperson

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The past year has been busy with several initiatives undertaken at the Insurance Council.

Every 3 years, ICM conducts a strategic planning session to review its goals and objectives. All Council members and staff participated in a strategic planning session in October 2019. This allowed a focussed and intensive review of where ICM is headed over the next three years. A revised mission, vision and statement of values were adopted, as well as 3 key goals focussing on assessing and leveraging ICM resources for continuous improvement of

operational efficiencies, reviewing and enhancing communications with all ICM stakeholders, and pursuing modernization of the ICM regulatory framework. We are very proud of our new Mission and Vision Statements.

**Vision:** A modern, responsive, and trusted regulator that provides a high level of consumer protection and maintains positive relationships within the insurance industry.

**Mission:** Protecting Manitobans by licensing and regulating insurance agents, brokers and independent adjusters.

Of course, in Spring of 2020, we all were faced with the threat of a pandemic that disrupted our lives. The organization was forced to make some quick changes that were less than ideal for many but crucial for the protection of everyone associated with ICM and to assist the industry with business continuity. Some of the temporary measures ICM had to put in place to mitigate the health threat and impacts due to COVID-19 were:

- Closing of the ICM office to the public
- Suspending delivery of on-site licensing exams in the ICM office

In addition to these measures, ICM also worked with the Superintendent of Financial Institutions to put in place his approval of temporary suspension of certain regulatory requirements, while still ensuring that appropriate levels of consumer protection were in place. One important change to assist industry included deferring for a full year the requirement for licence holders to complete and report mandatory Continuing Education Credits (CECs); licence holders are now able to complete and report their CECs for both 2020 and 2021 by May 2021.

Though the changes required by the pandemic may have caused some interruption in regular business processes and the plans individuals were pursuing, in its responses to the pandemic, Council has tried to balance the rules we are required to adhere to, and the decisions that needed to be made, with what the industry required to continue to function. Council continues



## **MANITOBA COUNCIL Report from the Chairperson**

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to carefully and actively monitor developments and public health recommendations in its continued responses to COVID-19.

The significant investment in technology over the past 5 years really showed its value in March and allowed ICM to continue operating with minimal disruption as we closed public access to the office and restricted staff access. Using our existing resources creatively, ICM was able to continue to operate and deliver all of its core functions during this time. Without these technological improvements, ICM's operational efficiency would have been significantly impacted. Year over year, we have focused on expanding the categories of transactions that can be completed in the online portal so that licensees and potential licensees could complete their licensing requirements independently. This online process also provides immediate feedback on errors to minimize turnaround and processing time. Feedback on these improvements has been very positive. This has all been accomplished without there having been any increase in licensing fees since 2004.

As part of a commitment to continuous improvement, Manitoba Council undertook an internal review that resulted in improved workflows within the organization and began a detailed review and documentation of its internal organizational policies and procedures. This project is anticipated to be completed in the first half of the 2020/2021 fiscal year.

We published the Fall 2019 Council Report (commonly known as the ICM newsletter) and hope all stakeholders find it informative. We welcome feedback from all recipients. The planned Spring 2020 edition has been deferred to Fall 2020 due to the number of communications that ICM has been providing to industry relating to COVID-19. We recognize that we are all having to adapt to a difficult situation and are having to deal with a huge amount of incoming electronic information at this time.

Respectfully submitted,



Richard Fillion, CPA, CMA, CFP

## **LIFE COUNCIL Report from the Chairperson**

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This past year seemed to be rolling along well until we were all faced with an unexpected threat that created an upheaval in everyone's lives at the very end of the fiscal year. Unfortunately, ICM needed to suspend delivery of its on-site licensing exams (LLQP) in March 2020 due to the elevated health risk associated with groups of people in enclosed spaces. This decision was taken to protect everyone involved. Shortly after we came to this decision, the Manitoba Government passed an order to close all non-essential services until further notice. While we understand the inconvenience and stress this may

have caused, it was necessary. The suspension of exam delivery continues to be reviewed moving forward based on public health guidelines and the safety of all involved.

Over the past one-year period, there were 3,839 LLQP exam modules written with a pass rate of 74%. To qualify to become licensed in Manitoba, an exam registrant must pass each of these modules:

- 1) Life Insurance
- 2) Accident and Sickness Insurance
- 3) Segregated Funds and Annuities
- 4) Ethics and Professional Practice

A registrant has up to 3 attempts before they are required to complete a waiting period before challenging to rewrite the exam again. The first waiting period is 3 months.

We continue to see significant increases in licences year over year. As of March 31, 2020, there were:

- 4,890 Life licence, which represents an increase year over year of almost 9%
- 4,941 Accident & Sickness licence, representing a 9% increase over last year

We are seeing a trend over the past several years, where the increases in licences are accelerating from year to year. Due to the technological advances ICM has invested in over the past several years, we have been able to manage these significant increases with little change in staffing requirements.

We continue to receive complaints from members of the public regarding agents or discover issues that necessitate opening an investigation. Below are the reasons for disciplinary actions taken throughout the past year involving Life and/or Accident and Sickness agents.

## LIFE COUNCIL Report from the Chairperson

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### Disciplinary Actions:

- Failure to notify Council of Errors and Omission Insurance lapses. A licensee is not qualified to hold a licence and operate in providing business in insurance if they are not covered by Errors and Omissions insurance. This poses a risk to the licensee and the public at large.
- Multiple cases of licensees failing to disclose that they were under investigation by other regulators. Licensees are **required to report this to Council with 15 days of being aware of the investigation** and not at the conclusion of the investigation.
- Failure to act with Professionalism and maintain client confidentiality. It is important to conduct ourselves with integrity.
- Holding Out as an agent when not licensed. This again poses a risk to the public as the person **must be licensed in the jurisdiction (province) the client resides in** to conduct business in insurance. This includes servicing client policies.

The Council continues to see many examples of applications where the applicant has an additional occupation in addition to becoming an insurance agent. Applications that raise an elevated potential for a conflict of interest with the other occupation are brought to Council for review. In circumstances deemed to be appropriate, an applicant may have a condition attached to the licence issued, stipulating that the licence holder may not sell or deal in insurance with certain people they come in contact within their other occupation. Often, these are situations where the licensee may be able to exert pressure on the individual, or the individual feels pressured, due to the relationship based on the other occupation.

During the course of the year, we saw one change in the Life Insurance Council membership. We would like to thank James Pollard for his contributions and wish him all the best in his future endeavours.

Respectfully submitted,



**Richard Fillion**, CPA, CMA, CFP

## **GENERAL COUNCIL Report from the Chairperson**

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The 2019-20 year has been the completion of transition for the General Insurance Council of Manitoba. With the merger of the Adjusters Council into the General Council that began in 2018, the different types of compliance investigations gave Council new challenges to ensure it appropriately and fully understood and reviewed the new matters brought before it. Council welcomed the change and believes that it has been fair and impartial as it has adapted to enforcing the Act, Regulations, Rules and Codes of Conduct as they pertain to both general insurance agents and independent adjusters.

This past year was highlighted by the developments arising from the COVID-19 pandemic at the end of the fiscal year - more than ever the General Council relied upon the staff and Executive Director of the Insurance Council to help keep licensees served and the public protected. The pivot made by the staff was difficult and had ramifications on their work environment, yet they continued to allow the General Council to function effectively with their mandate within the regulatory framework. I am grateful and thankful for their efforts and commitment in less than ideal circumstances.

The General Council faced many different investigation matters this past year including the following: misappropriation of funds, rebating of premium due to inadequate service, breaches of confidentiality and/or privacy, failure to ensure proper supervision, misrepresentation, and Level 1 licensed agents working outside the office of a general insurance agency. The most significant compliance challenge faced this year was that of Operating Agents and oversight of licensees as the COVID-19 pandemic presented a near operational crisis for general insurance brokers.

Due to the need for offices to be closed and agents to work remotely during the pandemic, ICM's General Council and Manitoba Council had to review how remote work would be possible within Manitoba's current Licensing Rules requirements. In consultation with the Councils, the Superintendent of Financial Institutions Regulation Branch allowed for temporary suspension of certain aspects of the Regulations and Licensing Rules to assist industry with business continuity. These changes included temporarily allowing Level 1 licensees to work remotely within certain specific parameters, and the deferral of the requirement for licensees to complete and report mandatory Continuing Education Credits (CECs) for the current year. As part of this process, the General Council was able to tap the experience and expertise of its members for input to ensure that Manitobans were best served for their insurance needs in trying times as the government-imposed necessary social restraints. As always, the primary focus of Council is to ensure the continued protection of Manitoba consumers.

## **GENERAL COUNCIL Report from the Chairperson**

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This year saw a number of hearings that licensees requested to review General Council's intended decisions. Council adopted new procedures and worked to ensure licensees were provided a fair forum to discuss and present their perspectives to the Council. Hearings are never easy for the licensee and I can state that Council was above reproach with their professionalism and conduct towards all licensees.

General Council also had contributions to ICM's committees, including the Continuing Education Committee, ISI (Restricted Insurance Agents) Committee, and the Communications Committee. Council members' time and expertise on those committees helped shape rules and policy that have allowed for a more effective construct for licensees.

The members of General Council had many lively discussions around the changing distribution model of property and casualty insurance products. At the core of these discussions was how best to enable industry to evolve while still ensuring the Council mandate of consumer protection could live harmoniously within the regulatory framework. While regulations must be changed to address the natural changes within the industry, General Council feels well-equipped to preside over all issues that come before it.

My thanks go out to the members of General Council for their time and devotion to serve, especially as in-person meetings became impossible and remote conferencing became the norm. It should be noted that Vice-Chair Grant Rerie continues to serve as an excellent resource with his adjusting experience and ability to take the Chair position in my absence.

I look forward to another year of serving on the General Insurance Council of Manitoba and ensuring that the industry is served through fair and just process while keeping the protection of the insurance-buying public as the primary goal.

Respectfully submitted,



Peter Tessier, BFA, CAIB

## EXECUTIVE DIRECTOR'S MESSAGE

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It is always an honour to submit my report for the Insurance Council of Manitoba. But it is a particular honour for the 2019/2020 fiscal year, a year that included strategic review, internal improvements, and ended with changes and adjustments that we had never faced before. Through it all, ICM's team – both council members and staff – worked together to continue to serve Manitobans by regulating a body of professional and ethical insurance intermediaries.

Like so many other organizations, ICM faced significant and unique challenges at the end of the fiscal year with the development of the COVID-19 pandemic. The pandemic impacted all aspects of ICM's work – from requiring temporary changes and responses to the regulatory framework to support industry and their business continuity, to how we conduct council meetings and hearings, to ICM's office operations. Through the pandemic, council members and staff were able to continue to do our work, maintain all of our core functions and communicate with our licensees and industry in an unprecedented environment.

### **Strategic Review**

As outlined in the Manitoba Council Chair's report, in the fall of 2019, council members and staff all participated in a strategic planning session that allowed us to look at what we've accomplished over the past 3 years and where 2020 will lead us for the next 3 years. A renewed and shared mission, vision and set of goals for ICM were developed that stress our role as a regulator and the trust that this entails – trust to work with industry in a way that is effective and communicative, trust from the public to provide effective consumer protection, and trust between council members and staff, who work together to achieve our mission. Our values of integrity, respect, competence and cooperation are fundamental to everything we do. Continuous improvement in how we do our work as an organization, how we communicate with our stakeholders and how Manitoba's regulatory framework operates in today's changing world is the underlying theme for our next 3 years.

### **Compliance and Investigation**

In 2019/2020, Council's Compliance department continued to be busy, with a total of 60 new compliance files opened and 54 files completed and closed. Over the past number of years, investigations have become more complex, often with layers of issues that require in-depth communication with a number of parties and significant amounts of evidence to review. ICM's compliance team works professionally and efficiently to provide the industry councils with all relevant information; the council members review this information, discuss it in the framework of the provisions of the Act, Regulations, Licensing Rules and Codes of Conduct, and make decisions that they feel are appropriate and fair. Individuals who are being investigated have the opportunity to provide their perspectives to Council in the course of the investigation. If

## **EXECUTIVE DIRECTOR'S MESSAGE**

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Council determines formal disciplinary action is appropriate in a case, the individual has a further right to provide his or her perspective through an in-person show-cause hearing before the industry council, before a final decision is released. An investigation file can be completed in a number of ways – a complaint or potential violation may be determined to be unsubstantiated by the evidence, there may be a letter of caution issued, or there may be formal sanctions such as a fine, condition on a licence and/or costs imposed on the individual. During the year, there were 14 formal disciplinary sanctions imposed and completed by the two industry councils, 4 involving life and/or accident and sickness agents, 8 involving general agents, and 2 involving adjusters. Once completed, these decisions are published and accessible through the ICM website so that members of industry and the public may learn from the decisions and what Council's expectations for professional conduct entail. In addition to these formal sanctions, the industry councils issued letters of caution as warnings and educational tools. At the end of the year, there were also a number of investigations still in progress and pending – either still at the investigation stage, were awaiting potential show-cause hearings or were at appeal.

During the year, ICM's Compliance team, composed of Lee Roth, Ruby Calvez and our new investigator Deshali Mutreja, worked diligently to ensure Council was provided with high-quality investigations and served as important resources for information for Council, industry members and the public.

### **Licensing**

As of March 31, 2020, there were 17,051 active licences with ICM – an increase of 8% over the prior year. Year over year, there continues to be a steady and continuous growth in the number of overall licences issued. In 2010, there were a total of 8660 licences held by ICM – by 2020, this figure has almost doubled. Approximately 50% of all licences issued by ICM continue to be held by individuals resident outside of Manitoba. ICM has leveraged technology strategically to ensure that applicants and licensees can easily and conveniently access our online system 24/7, with most transactions outlined and explained through User Guides available on the ICM website. We completed improvements to the online portal during the year so that almost all licensing transactions can be initiated and completed online rather than submitted through paper applications. This move to online licensing has allowed ICM to manage its staff resources and staffing costs effectively, even in the face of the very significant increases in licence numbers and transactions over the years. In particular, this investment in online licensing was critical to maintaining our capacity to continue our licensing processes without interruption when ICM had to move to remote work at the outset of the pandemic. ICM has an exceptional team of licensing staff led by Stacey Aubrey who work diligently to deal with the many applications, inquiries and requests that ICM receives each day.

## **EXECUTIVE DIRECTOR'S MESSAGE**

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### **Governmental Relations**

Council continues its cooperative relationship with the Superintendent of Financial Institutions. The open communication and ability to work together effectively was critical when developing regulatory responses to industry needs arising from COVID-19 business adjustments. As part of ICM's rapid responses required to the need for agents to work remotely from home and the challenges in accessing continuing education courses, the Superintendent approved temporary regulatory easements that allowed for business continuity until regular operating models can be back in effect. These easements are highlighted in both the Life and General Council Chairs' reports and were made with public protection in mind. Council continues to work closely with the Superintendent to provide information and feedback for the changing needs of insurance intermediaries and their regulation. Moving forward into the next year, Council will review the needs that have been demonstrated by the pandemic and look at ways in which the regulatory framework could be modernized to ensure appropriate oversight of ICM's licensees.

### **Administrative and Governance Matters**

During the year, Manitoba Council approved structural workflow changes which allowed for improved operational efficiencies. As the policy and governance oversight body for ICM, Manitoba Council also undertook a review of the internal governance policies and procedures to ensure that they are updated and recognize ICM's current needs as an organization. Council membership remained stable, and the Councils continue to have talented, dedicated individuals who provide us with their time, expertise and perspective on important issues. We would not be able to function without this input. I give particular thanks to our Chairs and Vice-Chairs of our Councils, who provide leadership and additional time and effort.

ICM's administrative structure consists of 11 full-time staff positions and was fully staffed as of the end of the fiscal year. We are fortunate to have had excellent staff stability during the course of the year, and a vacancy in our Compliance department was filled with a talented new team member. In mid-March due to the global pandemic, ICM closed its offices to the public and its staff moved to remote work by the end of the month, with minimal attendance in-office only for tasks which could not be completed remotely. Using existing resources creatively and with very little additional expense, ICM was able to continue to be fully operational with all core functions intact. I am ever grateful for the hard work and talent of ICM's Office Manager, Brenda Knight, who was instrumental in navigating ICM through the technology adaptations needed to allow us to do our work. To date, the demand for ICM's services – both licensing and compliance - has continued to be high, and in many ways even higher due to the need to monitor and respond to ever-changing needs and circumstances. This has been very challenging for our planning, as we do not yet know what impact COVID-19 will have on the next fiscal year.

### **Public Interest Disclosure**

Regulation 173/2008 which took effect December 1, 2008 designated the Insurance Council of Manitoba as a body subject to the *Public Interest Disclosure Act*. The Insurance Council of Manitoba has been granted an exemption from the obligation to develop procedures to manage disclosures and designate an officer under Sections 5 and 6, however is obligated to



## **EXECUTIVE DIRECTOR'S MESSAGE**

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report on any disclosures of wrongdoing that are received. As of March 31, 2020, no disclosures of wrongdoing were received by the Insurance Council of Manitoba.

### **Financial Report**

The Insurance Council of Manitoba continues to maintain an overall favourable financial position and exercises due diligence in its financial planning and forecasting. ICM remits 44% of licence and miscellaneous fees and 15% of all examination fees to the Minister of Finance. Additionally, 100% of all fines assessed in disciplinary matters are payable to the Minister of Finance. In 2019/2020, total fees in the amount of \$1,339,626 (an increase from last year's remittance of \$1,165,025) were remitted to the Minister. These remittances were over and above ICM using its revenues from licensing applications and exams to be self-supporting for its operational costs.

A full copy of the audited Financial Statements for the fiscal year 2019/2020 is included in this report.

ICM is truly fortunate to have an exceptional team of individuals who give their best efforts every day. This includes the staff – who have had to adjust to challenges and working environments that the organization has never experienced – and the industry council members who had to quickly adjust to remote meetings and review of issues not seen at Council before. Without the willingness, dedication and flexibility of all of these people, we simply could not have done what we needed to do to meet our mandate. I thank them all.

Respectfully submitted,



Barbara Palace Churchill, LL.B., CPA, CMA  
Executive Director

## ACTIVE LICENCES at March 31, 2020

### LIFE INSURANCE COUNCIL

|                                     |              |
|-------------------------------------|--------------|
| Life                                | 4,890        |
| Accident & Sickness                 | 4,941        |
| <b>Total Life Council Licences:</b> | <b>9,831</b> |

### GENERAL INSURANCE COUNCIL

#### GENERAL INSURANCE

|                                 |              |
|---------------------------------|--------------|
| General Insurance Agent Level 1 | 2,990        |
| General Insurance Agent Level 2 | 1,504        |
| General Insurance Agent Level 3 | 1,081        |
| General Operating Agent Level 3 | 505          |
| Auto Only Agent                 | 13           |
| Automobile Agent                | 1            |
| Hail Agent                      | 122          |
| <b>Total General Licences:</b>  | <b>6,216</b> |

#### INSURANCE ADJUSTERS

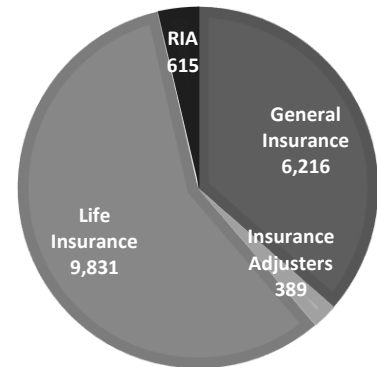
|                                 |            |
|---------------------------------|------------|
| Adjuster D/R                    | 29         |
| Adjuster Independent            | 213        |
| Adjuster Assistant              | 63         |
| Hail Adjuster                   | 84         |
| <b>Total Adjuster Licences:</b> | <b>389</b> |

### RESTRICTED INSURANCE AGENTS

|  |            |
|--|------------|
| Auto/Equip   | 369        |
| Customs Broker                                     | 0          |
| Deposit Taking                                     | 50         |
| Freight Forwarding                                 | 2          |
| Funeral Director                                   | 39         |
| Mortgage Broker                                    | 33         |
| Portable Electronics                               | 5          |
| Sales Finance Company                              | 37         |
| Transportation Service                             | 0          |
| Travel Agency                                      | 75         |
| Vehicle Rental Business                            | 5          |
| <b>Total Restricted Insurance Agents Licences:</b> | <b>615</b> |

### TOTAL LICENCES AT MARCH 31, 2020 17,051

■ General ■ Adjusters ■ Life ■ RIA



### Active Licences at March 31, 2020

| Description                 | 2019/2020     | 2018/2019     |
|-----------------------------|---------------|---------------|
| Life Agents                 | 4,890         | 4,496         |
| Accident & Sickness Agents  | 4,941         | 4,534         |
| General Agents              | 6,216         | 5,883         |
| Restricted Insurance Agents | 615           | 595           |
| <b>Agents Total</b>         | <b>16,662</b> | <b>15,508</b> |
| <b>Adjusters</b>            | <b>389</b>    | <b>403</b>    |
| <b>Grand Total</b>          | <b>17,051</b> | <b>15,911</b> |

## EXAMINATION STATISTICS April 1, 2019 - March 31, 2020

### LIFE INSURANCE COUNCIL

#### HARMONIZED LLQP

|         |     |       |
|---------|-----|-------|
| Written | -   | 3,839 |
| Passed  | 74% | 2,848 |
| Failed  | 26% | 991   |

**Total Life Council Examinations: 3,839**

### GENERAL INSURANCE COUNCIL

#### GENERAL INSURANCE

##### All Classes

|         |     |    |
|---------|-----|----|
| Written | -   | 24 |
| Passed  | 29% | 7  |
| Failed  | 71% | 17 |

**Total General Examinations: 24**

#### INSURANCE ADJUSTERS

##### All Levels

|         |     |    |
|---------|-----|----|
| Written | -   | 13 |
| Passed  | 38% | 5  |
| Failed  | 62% | 8  |

**Total Adjuster Examinations: 13**

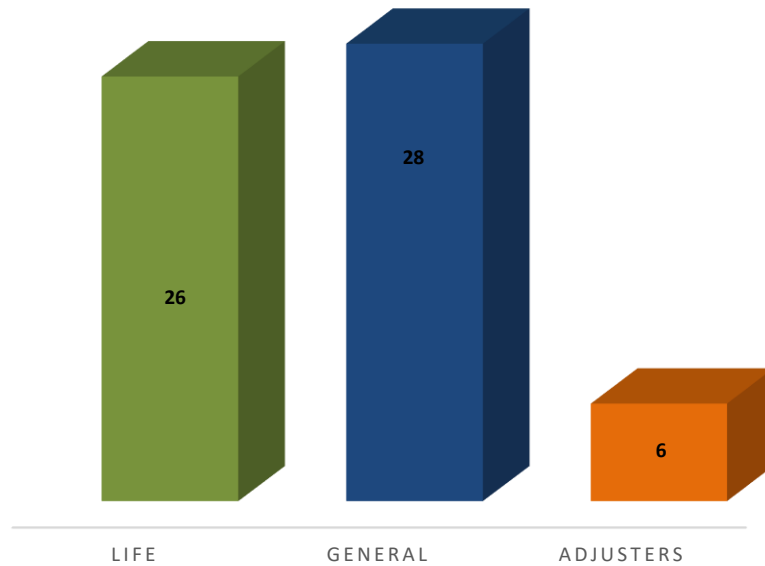
## INSURANCE AGENT AND ADJUSTER LICENSING EXAMINATIONS

|                        | Written      |              | Passed       |              | Failed       |            |
|------------------------|--------------|--------------|--------------|--------------|--------------|------------|
|                        | 2019/2020    | 2018/2019    | 2019/2020    | 2018/2019    | 2019/2020    | 2018/2019  |
| Life (Harmonized LLQP) | 3,839        | 2,617        | 2,848        | 2,101        | 991          | 516        |
| General                | 24           | 11           | 7            | 6            | 17           | 5          |
| <b>Agents Total</b>    | <b>3,863</b> | <b>2,628</b> | <b>2,855</b> | <b>2,107</b> | <b>1,008</b> | <b>521</b> |
| <b>Adjusters Total</b> | <b>13</b>    | <b>15</b>    | <b>5</b>     | <b>7</b>     | <b>8</b>     | <b>8</b>   |
| <b>Grand Total</b>     | <b>3,876</b> | <b>2,643</b> | <b>2,860</b> | <b>2,114</b> | <b>1,016</b> | <b>529</b> |

## COMPLAINT STATISTICS – April 1, 2019 - March 31, 2020

|  |    |
|--|----|
| Total number carried forward from previous year                            | 26 |
| Total number of complaints opened between April 1, 2019 and March 31, 2020 | 60 |
| Total number of complaints closed between April 1, 2019 and March 31, 2020 | 54 |
| Total number of complaints outstanding at March 31, 2020                   | 32 |

| New Complaints Per Council | 2020      | 2019      |
|----------------------------|-----------|-----------|
| Life                       | 26        | 45        |
| General                    | 28        | 33        |
| Adjusters                  | 6         | 10        |
| <b>Total</b>               | <b>60</b> | <b>88</b> |



### Disciplinary Action Taken

| Action                              | Life     | General  | Adjusters | Total     |
|-------------------------------------|----------|----------|-----------|-----------|
| Fines and Costs, Conditions Imposed | 1        | 1        | 0         | 2         |
| Fines and Costs                     | 3        | 7        | 2         | 12        |
| <b>Grand Total</b>                  | <b>4</b> | <b>8</b> | <b>2</b>  | <b>14</b> |

## DISCIPLINARY ACTIONS – April 1, 2019 - March 31, 2020

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### Fines and Costs, Conditions Imposed

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|                                |  |
|--------------------------------|--|
| *Life Insurance Agent          | Fined *\$500.00, assessed costs of *\$500.00, conditions imposed |
| General Insurance Agent/Broker | Fined \$1,000.00, assessed costs of \$950.00, conditions imposed |

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### Fines and Costs

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|                                |   |
|--------------------------------|---|
| Life Insurance Agent           | Fined \$350.00, assessed costs of \$500.00      |
| Life Insurance Agent           | Fined \$500.00, assessed costs of \$500.00      |
| *Life Insurance Agent          | Fined \$1,000.00, assessed costs of *\$1,000.00 |
| General Insurance Agent/Broker | Fined \$250.00, assessed costs of \$250.00      |
| General Insurance Agent/Broker | Fined \$500.00, assessed costs of \$400.00      |
| General Insurance Agent/Broker | Fined \$750.00, assessed costs of \$400.00      |
| General Insurance Agent/Broker | Fined \$750.00, assessed costs of \$1,000.00    |
| General Insurance Agent/Broker | Fined \$1,000.00, assessed costs of \$1,000.00  |
| General Insurance Agent/Broker | Fined \$2,000.00, assessed costs of \$562.00    |
| General Insurance Agent/Broker | Fined \$6,000.00, assessed costs of \$750.00    |
| Insurance Adjuster             | Fined \$500.00, assessed costs of \$550.00      |
| Insurance Adjuster             | Fined \$5,000.00, assessed costs of \$3,188.00  |

*All fines imposed are payable to the Minister of Finance and are not retained by Council*

*All or part of investigation costs may be assessed and are retained by Council*

*\*Fines and/or Costs uncollected for current fiscal year (April 1, 2019 - March 31, 2020)*

### Appeals filed to the Provincial Insurance Agents' and Adjusters' Licensing Appeal Board

**Appeals in Progress – 1**

**New Appeals Filed – 3**

**Total Pending Appeals – 4**



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