

Council Report

THE INSURANCE COUNCIL OF MANITOBA - Quarterly Council Report



SPRING

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466-167 Lombard Avenue, Winnipeg, Manitoba R3B 0T6



ANNOUNCEMENT ERIN PEARSON

Appointed General Manager
THE INSURANCE COUNCIL OF MANITOBA



On behalf of THE INSURANCE COUNCIL OF MANITOBA, it gives me great pleasure to announce that **Erin Pearson** has been appointed to the position of General Manager of THE INSURANCE COUNCIL OF MANITOBA. In her new position, Ms. Pearson will be responsible to the Administrative Council for the management and administration of the Council's operations.

Ms. Pearson's career in the insurance industry began in 1981 with a major life assurance company, where she held a variety of positions including Assistant Manager of Disability and Life Underwriting and Underwriting Consultant. She obtained her Bachelor of Arts from the University of Winnipeg in 1983, and has attained a number of professional designations including the Fellow, Life Management Institute (FLMI), Associate, Academy of Life Underwriting (AALU) and Fellow, Academy of Life Underwriting (FALU). Ms. Pearson has successfully completed the Canadian Securities course, and a number of additional life and general insurance industry courses.

Ms. Pearson joined THE INSURANCE COUNCIL OF MANITOBA in 1996, and has held the positions of Investigator, Manager of Compliance, and Assistant General Manager. She was appointed to the position of Acting General Manager in October, 2007.

The Council members and staff of THE INSURANCE COUNCIL OF MANITOBA congratulate Ms. Pearson on her appointment.

J. Miles Barber
Chair - Administrative Council
INSURANCE COUNCIL OF MANITOBA

WELCOME TO A NEW MEMBER OF THE INSURANCE ADJUSTERS COUNCIL



Council would like to welcome **Ron Tardiff** to the Insurance Adjusters Council, effective December 17, 2007.

Ron is currently the Chair of the Real Estate Insurance Alliance of Canada, Board of Directors. Ron joined Trinkl Realty Ltd. in 1987, obtained alternate broker status in 1993, and became broker/owner of Trinkl Realty Ltd. in 2005. Ron was the third person in Manitoba to complete the Market Valuation Appraiser's (MVA) designation.

Ron has been very involved in organized real estate over his 23 year career and is a Past President (2006) of the Manitoba Real Estate Association. He was also a Director of the Winnipeg Real Estate Board in 2001-2002, and Chair of the board's MLS® / WREN Committee. He served a three-year term on the Manitoba Real Estate Association's E&O Claims Committee and four years on their Executive Committee. In addition, he continues to be a long-standing volunteer on both the Association's and Board's professional standards and arbitration committees.

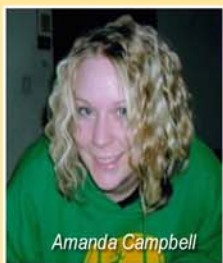
Ron has been a MLS® Medallion Club award winner on many occasions throughout his career in real estate and has also been a recipient on two occasions of the Winnipeg Real Estate Board, Board Builders Award.

Born and raised in Winnipeg, he and his wife Ann and two children Elliot and Tracy have resided in Lorette, MB since 1991. He was elected to the Lorette Village Council in 1998 and re-elected in 2002. In 2006, Ron was elected a third time, this time as Councillor for Ward 4, in the RM of Tache.

Announcements

Staff Member Appointments

I am pleased to announce the promotions of *Amanda Campbell* to the position of Administrative Assistant and *Audrey Treichel* to the position of Manager, Operations & Systems effective April 1, 2008.



Amanda Campbell

Amanda brings to her new position a Business Administration Diploma with a major in Administration, and a valuable combination of work and volunteer experience which includes experience in office functions, accounting, computer programs, human resources, and supervisory functions. In her new role, Amanda will provide administrative support to all aspects of the INSURANCE COUNCIL OF MANITOBA, including systems & operations. Amanda's contribution to the INSURANCE COUNCIL OF MANITOBA has been significant, and we wish her much success in her new role.

Audrey began her professional association with the INSURANCE COUNCIL OF MANITOBA in January, 2007, and her impressive combination of corporate and design experience, includes business and project development, financial management, marketing and branding strategy and management at an executive level.



Audrey Treichel

Audrey also has a well developed and demonstrated knowledge of computer programs and application of information technology. In her new role, Audrey will supervise the overall functions of the operations and systems area of the INSURANCE COUNCIL OF MANITOBA. During her association with the INSURANCE COUNCIL OF MANITOBA, Audrey has made a significant contribution and has had considerable impact on the efficient and improved operation of the INSURANCE COUNCIL OF MANITOBA, and we wish her continued success in her new role.

Erin Pearson, BA, FLMI, FALU
General Manager
INSURANCE COUNCIL OF MANITOBA

Referral Fees

The Council has recently received a number of inquiries concerning the payment of referral fees by a licensee to an unlicensed individual.

The payment of referral fees is allowable, provided that the payment, or any other thing of value, is **in no way** tied to the placing of a policy or receipt of commission.

If the referral fee is contingent upon the placing of a policy or receipt of commission, this is considered a violation of the **Insurance Act of Manitoba, Section 378(1)**.

How can we help you?

If there are any issues or questions that you would like to see addressed in this Council Report, please write or email

CONTACTUS@ICM.MB.CA

Thank you!

Continuing Education...

Online Reporting Module

"Live" for Renewal 2008!

Agent Reporting Process - In our December 2007 Council Report, we talked about moving toward allowing agents and brokers to enter their continuing education online. We are pleased to announce that our online reporting module is available for this renewal! You are encouraged to enter your CE credit hours online, as the CE Supplement Form will eventually be phased out. However, as part of the transitional process, you are being given the option of entering your continuing education hours in either of the following methods:

- a) Online; Please go to our home page at www.icm.mb.ca to LOG ON to the Agent Reporting module and follow the instructions available online. Your unique/confidential user ID and default password has been provided to you on your renewal application. You may change your password upon your initial log on.*

or

- b) Complete the CE Supplement Form(s) in full, including your signature and date. If you hold both a Life and General Insurance Agent Licence, you are required to complete a separate CE Supplement Form for each class of licence.*

Obtaining Credit Hours Prior to May 31, 2008

In April, 2007 Council amended its Continuing Education Renewal Application Supplement Form to allow agents/brokers to renew their licence prior to May 31st providing they undertake to obtain the required amount of credit hours by the May 31st deadline. All agents who indicate they did not meet the credit hour requirement by May 31st will be subject to audit.

Agents/brokers who indicate they will complete the credit hour requirement and fail to do so prior to May 31, 2008 must notify Council IMMEDIATELY.

We invite your comments/feedback on our new Continuing Ed Online Reporting module! If you have any comments, suggestions, or if you simply want to let us know of your experience, please email us at FEEDBACK@icm.mb.ca! We look forward to hearing from you!

CONTINUING EDUCATION RENEWAL APPLICATION SUPPLEMENT FORM

This past renewal resulted in **numerous** discrepancies on the *Continuing Education Renewal Application Supplement* form which ranged from the following:

- recording a certificate *ISSUE* date, instead of the attendance date
- submitting a certificate that was issued for another organization because that certificate was assigned more credits than the one issued for ICM
- listing the instructor's first and last name, instead of the name of the accredited course provider (organization)
- not obtaining credit hours by May 31st, despite a signed undertaking to do so
- submitting the wrong number of credit hours a course was worth
- not attending a course, although agents attested to the fact they had attended

Agents are reminded that in accordance with the applicable Licensing Rules, completion of continuing education credit hours is a mandatory requirement of licensing with the INSURANCE COUNCIL OF MANITOBA.

Failure to provide accurate and complete continuing education credit hour course information (provider name, course name, date completed and number of ICM credit hours) is a misstatement of a material fact, and may be subject to disciplinary action. In addition to a fine for misrepresentation, if an agent/broker has not completed the required continuing education credit hours, the agent's/broker's licence will be suspended until such time as the requirement is satisfied.

If Council receives an incomplete or improperly completed *Continuing Education Renewal Application Supplement* form, the form will be returned to the agent/broker for correction, and a cost assessment of \$50.00 may be applied.

In addition, if the licence is cancelled due to incomplete credit hours, there will be an additional \$70.00 reinstatement fee required from the agent/broker should they wish to continue with their licence.

Council would like to take this opportunity to remind all licensed agents/brokers of the following:

- **the information indicated on the supplement form must be true and accurate**
- **the course provider(s) indicated must be approved by the Insurance Council of Manitoba and should be confirmed prior to the agent/broker registering for the course (this can be verified on our website under "Continuing Ed" under the heading "Pre-Approved Course Providers")**
- **upon request by Council, the agent/broker must provide original proof of completion of the credit hours**
- **all certificates submitted to Council for audit purposes MUST match what was declared on the *Continuing Education Renewal Application Supplement* form**
- **it is an offence under *The Insurance Act* to make a material misstatement**

Frequently asked questions regarding CE credit hours can be found on our website under "Continuing Ed". Additional inquiries can be submitted to Sandi Saluk, Licensing Officer, at ssaluk@icm.mb.ca.

Disciplinary Decisions...

Douglas Bannerman

Adjuster Douglas Bannerman was fined \$500.00 and assessed costs for violation of the Adjusters Code of Conduct - Section 2 "Competence", Section 3 "Quality of Service", and Section 9 "Conduct Towards Others". This matter was appealed to the Insurance Agents and Adjusters Appeal Board, who upheld the Council's decision and imposed an additional cost assessment for total costs of \$2,000.00.

Douglas Homenick

Council determined that this Life Insurance Agent be fined in the amount of \$1,000.00 and assessed costs in the amount of \$1,000.00 for failure to complete a disclosure statement, failure to disclose intended replacement on an application, and facilitating the cancellation of a policy of life insurance prior to ensuring proposed coverage was in effect. These actions were in violation of the Insurance Act of Manitoba, Section 113(1)(e) and 375(1)(a) and the Life Insurance Agent Code of Conduct, Sections 3 and 6.

Melanie Ransome

Council determined that this Life Insurance Agent be fined in the amount of \$250.00 and assessed costs in the amount of \$250.00 for misrepresentation involving the submission of a photocopied signature on an application for insurance.

Non-Resident Adjusters

The Insurance Adjusters Council of Manitoba is currently reviewing its licensing rules, including the requirement that a level 5 licensee must maintain an office in Manitoba.

The Council invites your comments concerning this requirement. Your comments should be provided in writing to the Insurance Adjusters Council c/o the INSURANCE COUNCIL OF MANITOBA prior to June 30, 2008. If you wish to provide your comments by email, please direct to:

AdjustersFeedback@icm.mb.ca.

Automatic Policy Renewals



General Insurance

It is not unusual for agents in the general insurance industry to automatically renew insurance policies to ensure that there is no exposure of the client to an uninsured loss. This renewal sometimes occurs without having first received direct confirmation from the client that renewal is required. When this practice is not made clear to the client, it may result in a dispute and have a negative impact to both the agent and the consumer.

In order to prevent the potential for miscommunication and dispute, Council recommends that agents have procedures in place to ensure policy renewals are monitored and consumers are informed in a timely manner of an upcoming renewal. Follow up communication to confirm that the client does require the coverage and/or has not placed their business elsewhere prior to the renewal of the policy is strongly advised.

Warning: The use of any information in this Council Report to discredit another licensee, or any other person is not permitted and may result in disciplinary action against a licensee using the information in such a manner.

Questions & Answers

- Q. I am a general (property & casualty) broker and have been approached by Medical Access Insurance (MAI) to promote their product. Can I do this with a general licence?
- A. Yes, it is permissible under Section 372(b) Classes of Licenses of *The Insurance Act of Manitoba* for a general broker to promote this product.

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Auto Only Licence

Individuals applying to the Insurance Council of Manitoba for an auto only licence must complete the Auto Broker Technical course offered through the Insurance Brokers Association of Manitoba (IBAM). The course consists of three (3) phases which includes the completion of MPI courses.

Applications are being submitted to Council with just copies of MPI's courses, which do not constitute the passing of the Auto Broker Technical course, but may be used toward the continuing education requirement. All participants that successfully complete the course are provided with an examination result sheet and certificate verifying all three phases of the course were successfully completed. To avoid delays in the processing of applications, we recommend that this information be attached.



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