

# SPRING UPDATE 2022



INSURANCE COUNCIL  
OF MANITOBA

## ICM REPORT

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## How to Apply to become a Council Member with the ICM



The Insurance Council of Manitoba (ICM) is launching a call for applications to elect a new licensed Insurance Adjuster member to the General Insurance Council (the Council). **An Adjuster applicant is immediately needed for the General Insurance Council of Manitoba.**

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, brokers, sellers of incidental insurance (ISI) and adjusters to ensure standards are maintained for public protection. Council Members are committed to serving and protecting the public by regulating insurance licensees under *The Insurance Act* of Manitoba (the Act), and by ensuring that licensees act within a professional framework which promotes fair and ethical conduct, integrity and competence.

The Council is made up of both industry and consumer representatives. Each member brings their own unique background, experience and knowledge to assist the Council in fulfilling its duties. The persons who serve on the Council are selected by the Minister for their special qualities as insurance professionals and/or for their demonstrated interest in serving the public interest.

**About the Council:** [Regulation 227/91](#) requires that the Council consist of six to nine persons appointed by the Minister, at least half of whom are licensed, and one of whom is licensed as an insurance adjuster under the Act. Member appointments are for individual terms of a maximum of three years. Members may be reappointed to further terms, however, no member may serve more than ten consecutive years. Once appointed, the role of every Council member is to represent the **public interest**, not the particular sector of the industry they represent.

**The Duties of Council Members:** Council Members are tasked with serving and protecting the public by regulating insurance licensees, and ensuring that licensees act within a professional framework which promotes fair and ethical conduct, integrity and competence.

- **Attendance:** The Council meets on a periodic basis throughout the year as necessity dictates (typically every 5-7 weeks).
- **Preparedness:** Council meetings address a number of issues, including reports from Council committees, licensing applications, and investigation reports, as well as any other business the Council may wish to address. A proposed agenda is distributed in advance of the meetings, along with documents that require review prior to the meeting.
- **Participation:** Council members are encouraged to request clarification on what they have read, participate actively in discussions, and share their knowledge and opinions.
- **Decisions:** Council members are asked, after the appropriate discussion and deliberation, to make decisions on a myriad of issues.

**Application process:** If you are a licensed insurance adjuster, and are interested in applying to become a member of the General Insurance Council, please fill out the [application form](#) on the [Agencies, Boards and Commissions website](#).

## Industry Councils:

### Life Council

Carol-Ann Borody-Siemens  
**(Chairperson)** (licensed Agent)  
Kayla Harold **(Vice-Chairperson)**  
(licensed Agent)  
Craig Shanks (public representative;  
licensed Adjuster)  
Carole Urias (licensed Agent)  
Andy Anderson (licensed Agent)  
Sofie Bruce (licensed Agent)  
Lisa Churchward (public  
representative)  
Jean-Paul Craft (licensed Agent)

### General Council

Cindy Cassils **(Chairperson)**  
(licensed Agent)  
Lyndon Friesen **(Vice-Chairperson)**  
(company representative)  
Irwin Kumka (licensed Agent)  
Grant Rerie (licensed Adjuster)  
Lynn Rempel (licensed Agent)  
Keith Phillips (licensed Agent)  
Elenor Nowosad (licensed Agent)  
Justin Schinkel (public representative)  
Frederick Dobchuk (licensed Agent)

### Manitoba Council

Carol-Ann Borody-Siemens  
**(Chairperson)**  
Cindy Cassils **(Vice-Chairperson)**  
Kayla Harold  
Lyndon Friesen  
Craig Shanks  
Irwin Kumka

All applicants must satisfy Council they are suitable for licensing by demonstrating they are competent, trustworthy, financially reliable and intend to carry on the business of insurance in good faith and in accordance with the usual practice. Council is responsible to ensure that education and experience requirements meet the minimum standards necessary to protect the public. The link to the board profile for the Insurance Council of Manitoba, providing further information on the Council is available [here](#) under [Insurance Council](#).

This is a great opportunity for a licensed insurance adjuster to become a part of the Council and learn more about the industry that they participate in on a daily basis!

## Importance of Keeping Errors & Omissions Insurance Active

Existence and continual maintenance of Professional Liability/E&O insurance is a mandatory condition of licensing, as outlined under Section [371\(1.1\)](#) of *The Insurance Act* of Manitoba. Each licence holder is required to continually maintain E&O insurance as a condition of holding a valid licence. In addition to this continual maintenance, the ICM requires all licence holders to maintain this current E&O information within their licence portal for each class of licence held.

### How do I check to see if I need to update my E&O insurance in the licence portal?

The licence holder would log in to the [On-line Portal](#) with their User ID and password, and follow the steps outlined in the [User Guide for entry of E&O](#).

### What happens if I renew my E&O with my broker, but fail to keep my E&O current in the ICM licence portal?

Failure to keep your E&O current in the online portal would result in the immediate disqualification of the licence holder's licence(s) as of the date the existing policy expired. If the licence holder's licence is disqualified, they would not be permitted to carry on the activities of an agent or adjuster until the licence(s) is/are reinstated (the individual would be required to complete an [online reinstatement application form](#), along with sponsorship and the reinstatement fee of \$70 for consideration of reinstating the licence). As a reminder, applications are reviewed in the order that they are received – no exceptions are given – and are typically reviewed within 7-business days of being received at the ICM office. This means that if a licence is disqualified, the individual could potentially be unlicensed for **at least** 7-business days, which would prohibit the individual to act as an agent or adjuster as defined in section 1 of the Act.

The ICM recommends checking your Dashboard in the [On-line Portal](#) on at least a monthly basis. Once you log in, you will see your Dashboard which outlines your licence(s), renewal(s), E&O insurance, and much more. In addition, the News and Bulletins section of the portal outlines all updates and important communication that the ICM relays to stakeholders. We recommend you review this section at least monthly to stay up to date with the communications.

## Level 1 General Consultation

On December 9, 2021, the Insurance Council of Manitoba (ICM) opened a consultation on a proposed update of a portion of the [General Insurance Agents Licensing Rules](#) (the Rules), focusing on a potential specific area of change within the Rules – *whether the Rules should be changed on a permanent basis to allow Level 1 general insurance licence holders to work outside of the office of a general insurance agency and under supervision*. The proposed change to remove the current Rules' requirement to work inside the office of a general insurance agency would increase harmonization of Manitoba's regulatory framework with other regulators' frameworks across Canada.

The consultation ran for 60-days from December 9, 2021 to end of day February 9, 2022, and resulted in the ICM receiving numerous comment letters from individual licence holders, associations, educational institutions, and insurance companies. The majority of the feedback was supportive of this change.

The Insurance Council of Manitoba thanks all those who participated in the consultation. The next step is for the ICM to provide a submission to the Superintendent of Insurance for a permanent change to Rule 3(2). Under Manitoba's regulatory framework, all Rules pertaining to the Insurance Council must be approved by the Superintendent of Insurance.

Updates on this process and potential change will be communicated to industry via blast email to all stakeholders, and will be posted to the [ICM website](#) and [On-Line Portal News and Bulletins](#) page. Please ensure the following email addresses do not go to your junk email:

- [InsuranceCouncilofManitoba@icm.mb.ca](mailto:InsuranceCouncilofManitoba@icm.mb.ca)
- [Licensing@icm.mb.ca](mailto:Licensing@icm.mb.ca)

At this time, the [temporary Rules easement](#) that has been in place since March 18, 2020, is currently extended by the Superintendent of Insurance up to and including June 30, 2022. Details on the easement and the notice can be found on the ICM website [here](#). It is ICM's hope that a potential change to the Rules would occur prior to June 30, 2022.

## Did You Know....



As of December 28, 2021, there were **19,336** active licenses held with the ICM.

These are broken down as follows:

- **Residents 9,980 = 52%**
- **Non-Residents 9,356 = 48%**

Licence statistics by insurance class:

- **343 = Insurance Adjusters:** 65% are Non-Resident; 35% are Resident
- **6,174 = General Agents:** 58% are Non-Resident; 42% are Resident
- **12,208 = Life/Accident & Sickness Agents:** 44% are Non-Resident; are 56% Resident
- **611 = Restricted Insurance Agents:** 18% are Non-Resident; are 82% Resident

## Restricted Insurance Agent Summary of Obligations

The RIA Summary of Obligations, which identifies the responsibilities of the Designated Official, as outlined in [The Insurance Act of Manitoba \(the "Act"\)](#) and [Regulation 389/87R](#), is now posted to the ICM website under the [Restricted Insurance Agents - Incidental Sale of Insurance Information](#) page.

Things that an RIA licence holder must **NOT** do are listed under section 30(2) of [Regulation 389/87R](#) and include the following:

- Tied selling – an RIA licence holder must **not** make the provision/sale of the goods or services conditional on the consumer's purchase of insurance;
- Adequate training – an RIA licence holder must **not** allow anyone to sell on their behalf unless that person has been adequately trained; and
- Purchase Required – an RIA licence holder must **not** permit an employee to tell a consumer that the consumer is required to purchase insurance, or is required to purchase insurance only through them.

**Failure to abide by any of the ICM's requirements may result in the cancellation of the RIA licence and/or disciplinary action of the RIA. Disciplinary actions may include fines or a review of the suitability of the RIA to hold a licence.**

## Does My Assistant Need a Licence?

There are many instances where licensed individuals may utilize the services of unlicensed assistants.

Recently, Council has received inquiries as to what types of activities require licensure. By licensing agents, brokers and adjusters, Council ensures adequate education and experience standards are met and continued, and that individuals are financially reliable by maintaining continuous professional liability insurance (Errors and Omissions coverage), in order to protect the public.

An “**adjuster**” is defined in *The Insurance Act* of Manitoba (the “Act”), as a person who

(a) for or on behalf of an insurer or an insured and for compensation, reward or the hope or expectation of compensation or reward,

(i) solicits the right to negotiate the settlement of or to investigate a loss or claim under a contract, or under a fidelity, surety or guaranty bond issued by an insurer, or

(ii) directly or indirectly negotiates, investigates, adjusts or settles such loss or claim, or

(b) holds himself or herself out as an adjuster, investigator, consultant or adviser with respect to the adjustment, negotiation or settlement of such losses or claims,

but does not include a member of The Law Society of Manitoba, entitled to practise as a solicitor in Manitoba, acting for or on behalf of a client in the course of and as part of that practice; (« expert » ou « expert en sinistres »)

There are some exceptions listed under section [385\(9\)](#) of the Act of when a licence is not required.

The Act defines an “**agent**” as a person who for compensation

(a) solicits insurance on behalf of an insurer,

(b) transmits for a person other than the agent an application for or a policy of insurance to or from an insurer, or

(c) acts, or offers or assumes to act, in the negotiation of insurance or in negotiating the continuance or renewal of an insurance contract other than a life insurance contract; (« agent »)

Any activity falling within the definition of an adjuster or agent must be completed by a licensed individual, as unlicensed activity is prohibited by sections [369\(1\)](#) Not to act without licence, and [385\(8\)](#) Offence, of the Act.

The following chart is not an exhaustive list, and its use is for guidance only. If the consumer has any insurance related questions, they **must** be referred to a licensed agent or adjuster.

Is a Licence Required?		
Action ( <b><u>Important Note:</u></b> If the consumer has any insurance related questions, they <b><u>must</u></b> be referred to a licensed agent or adjuster)	Yes	No
Answering the telephone	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Processing payments	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Verifying account information	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Solicitation of new clients	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Taking exterior residential photos	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Obtaining underwriting information	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Completing an application or medical questionnaire	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Doing switches or exchanges	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Answering product related questions	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Requesting endorsement/policy changes	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If an unlicensed individual wishes to perform any duties that require licensure, they must be approved with a licence through the ICM office first before engaging in this type of activity. Contact the ICM's licensing department at [contactus@icm.mb.ca](mailto:contactus@icm.mb.ca) to inquire about obtaining the appropriate licence.

## Transition within the ICM office

### ICM Welcomes new Director of Compliance

Ruby Calvez began her insurance career as a general insurance broker in 2002, and has worked for a number of brokerages and agencies throughout Manitoba and Saskatchewan. Her past experience includes holding a Branch Manager role and a Team Leader role.

Ruby holds her Canadian Accredited Insurance Broker (CAIB) designation, has completed the Leadership Excellence Course through Workplace Education Manitoba, and has completed the National Certified Investigator/Inspector Training Specialized Program. She continues to work towards completing her Chartered Insurance Professional (CIP) Designation.

Ruby joined the Insurance Council of Manitoba as an Investigator in 2017. With her extensive knowledge of the Insurance Act of Manitoba, related Regulations, Rules and Council policies, Ruby has proven her ability to provide oversight and management to her Compliance Department as the newly appointed Director of Compliance.

### ICM Welcomes new Manager, Licensing & Administration

We welcome Sandi Saluk as the Manager, Licensing & Administration. Sandi joined the ICM in 2001 and has attained a vast knowledge of licensing experience during her 20 years in a multitude of positions in the licensing department. Her past experience, prior to joining the ICM, includes a strong customer service background as a Customer Service/Office Supervisor.

Sandi is working towards obtaining her Chartered Insurance Professional (CIP) Designation, having completed many CIP courses to date. She has also completed the General Insurance Essentials (GIE) and The Complete Essential People Management Skills through the Insurance Institute of Canada, as well as various computer and customer service courses at Red River College.

Sandi brings an array of expertise to her department as the Manager, providing her team of five with the knowledge needed to operate a well-oiled licensing machine.

### Changes within the Licensing Department

There has been tremendous transition within the licensing department at the ICM. This transition includes two key ICM staff members: Kristin Denkova-Gavranovic and Shairah (Shy) Cortes.

Kristin began her career with the ICM in October 2013 as a Licensing Clerk, advancing to a Licensing Officer role, and finally within her current position as a Senior Licensing Officer. Over the past eight years with the ICM, Kristin has displayed a deep understanding of the Rules and Regulations, in addition to bringing her past experience as a Life Insurance Agent.

Shy joined the ICM in November 2018 as a Licensing Clerk, and became an immediate reliable team member. In December 2021, Shy accepted the role of Licensing Officer, completing the team of "Officers" in the licensing department.

Both Kristin and Shy are valuable members in the organization, and we are proud to have them on the ICM team.

## Renewal is Approaching Fast

**DON'T MISS  
THE DEADLINE!**

Licence Renewal is fast approaching. Renewal of all agent licences **is required by May 31, 2022**. Renewal of all adjuster licences **is required by June 30, 2022**. If you fail to renew your licence(s) by your required date, your licence(s) will expire and you will not be licensed to do business in Manitoba. No extensions past these dates are provided, as these dates are outlined in *The Insurance Act* of Manitoba (Section [373\(1\)](#) and [386\(8\)](#)).

Licence Renewal is communicated via email, sent from one of the following email addresses: [licensing@icm.mb.ca](mailto:licensing@icm.mb.ca) or [InsuranceCouncilofManitoba@icm.mb.ca](mailto:InsuranceCouncilofManitoba@icm.mb.ca). Renewal information is continually updated on the ICM website at our [renewal link](#).