



GUIDANCE CONDUCT OF INSURANCE BUSINESS AND FAIR TREATMENT OF CUSTOMERS

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Preamble

In Canada, the conduct of business in insurance is the exclusive authority of the provinces and territories. Each jurisdiction has its own regulatory approach for the conduct of business, based on its unique culture, traditions and legal regime.

However, despite these differences, regulators within each jurisdiction have a common set of expectations pertaining to the conduct of business to ensure the fair treatment of customers. With respect to these expectations, jurisdictions that already have or plan to develop a framework based on this guidance, shall ensure coherence with the latter.

This guidance sets out the Canadian Council of Insurance Regulators (“CCIR”) members’ vision, including their expectations, relating to conduct of insurance business and fair treatment of customers.

The CCIR provides this guidance to support insurers and intermediaries in achieving fair treatment of customers, strengthen public trust and consumer confidence in the Canadian insurance sector, minimize the risk of insurers and intermediaries following business models that are unsustainable or pose reputational risk and support a sound and resilient insurance sector. The guidance is based on Insurance Core Principles of the International Association of Insurance Supervisors (“IAIS”).¹

Expectations for the conduct of insurance business may differ depending on the nature of the customer with whom industry participants interact, the type of insurance provided and the distribution strategy.

The guidance provides insurers and distribution firms with the necessary latitude to determine the requisite strategies, policies, processes, procedures and controls that apply to the offer of insurance products and services to customers, in order to facilitate achieving such results and to apply them based on the nature, size and complexity of their activities.

Supervision of the Conduct of Business of Insurance

Through the CCIR, all jurisdictions have a framework for information sharing and cooperative market conduct supervision to address conduct of business issues arising across jurisdictions (Framework for Cooperative Market Conduct Supervision).

In assessing conduct of business in insurance, regulatory authorities consider industry-wide as well as insurer/intermediary-specific activities against these customer outcomes. Effective assessment of the quality of conduct of business in insurance requires, to a large extent, supervisory consideration of strategies, policies, processes, procedures and controls that apply to the offer of insurance products and services to customers, which are more easily assessed through supervision of insurers and intermediaries. Thus, regulatory authorities monitor whether such policies and procedures are adhered to.

¹ [International Association of Insurance Supervisors, Insurance Core Principles, ICP 19 updated November 2017](#)

Effective assessment of the quality of conduct of business of insurers and intermediaries also requires supervisory considerations of the customer outcomes that are being achieved industry-wide as well as firm-specific.

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Scope

In order to promote the fair treatment of customers to insurance industry participants, this guidance applies to insurers and intermediaries. It does not apply to insurers only engaged in reinsurance. For the purpose hereof, use of “intermediaries” refers to individuals (agents and representatives) or distribution firms² authorized³ to distribute insurance products and services.

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. In the provision of products and services, insurers should, upon first contact with customers, make a commitment to them and hold it throughout the life-cycle of the product.

Intermediaries typically play a significant role in insurance distribution, but may also be involved in other areas. Their interactions with both customers and insurers give them a key role, and their conduct in performing the services in which they are involved is critical in building and justifying public trust and confidence in the insurance sector.

Where more than one party is involved in the design, marketing, distribution and policy servicing of insurance products, treating customers fairly in respect of the relevant services is a responsibility that is shared amongst involved insurers and intermediaries.

Some distribution firms do not have direct contact with the customer but act with other intermediaries to place business with insurers (such as wholesale intermediaries). Even though they do not necessarily deal directly with the purchaser of insurance, they perform a function in the chain of soliciting, negotiating or selling insurance and are therefore considered intermediaries.

Some distribution firms have a specific role of compliance and supervision over other firms and insurers outsource to them some functions, activities or processes. They hold at least one direct brokerage contract with insurance companies and are called “agent firms”.

Distribution firms may deal with any number of insurers either directly or through any number of agent firms. They should collaborate with insurers and agent firms, as the case may be, in order to achieve fair treatment of customers.

As individuals, agents and representatives must respect their regulatory obligations, codes of conduct/ethics of insurers and distribution firms. They must maintain an appropriate level of professional knowledge and experience, integrity and competence and collaborate with insurers and distribution firms with which they work to achieve fair treatment of customers.

² As the case may be, the term «distribution firm» includes sole proprietorships.

³ In Canada, intermediaries that are subject to licensing and supervision may vary from jurisdiction to jurisdiction. This guidance applies to all intermediaries that are authorized to do business within any jurisdiction.

Conduct of Business⁴

In the field of insurance, conduct of business encompasses industry-wide as well as insurer/intermediary specific activities with customers.

Sound conduct of business includes treating customers fairly throughout the life-cycle of the insurance product. This cycle begins with product design and runs until all obligations under the contract are fulfilled.

In their conduct of the business of insurance, insurers and intermediaries are expected to:

- act with due skill, care and diligence when dealing with customers;
- maintain good and sound relationships between themselves and with the regulatory authorities;
- establish and implement policies and procedures on fair treatment of customer, as integral parts of their business culture;
- act in compliance with the laws, regulations and guidelines to which they are subject;
- promote products and services in a clear, fair and not misleading manner;
- provide customers with timely, clear and adequate pre-contractual and contractual information;
- take into account customer's disclosed circumstances when customers receive advice before concluding insurance contracts;
- avoid or properly manage any potential conflicts of interest, before concluding an insurance contract;
- handle complaints in a timely and fair manner;
- have and utilize appropriate policies and procedures for the protection and use of customer information; and
- have contractual arrangements between each other, that ensure fair treatment of customers.

Moreover, insurers are expected to:

- take into account the interests of different types of consumers when developing and distributing insurance products;
- service policies appropriately throughout the life-cycle of the product;
- disclose information on any contractual changes occurring during the lifecycle of the contract to the policyholder;
- disclose further relevant information depending on the type of insurance product to the policyholder; and

⁴ Where an insurer or a distribution firm are part of an insurance group, the application of appropriate policies and procedures on conduct of business should be consistent across the group, recognizing local specificities, and should result in fair treatment of customers on a group-wide basis.

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- handle claims in a timely and fair manner.

Although ongoing policy servicing is traditionally seen as primarily the responsibility of the insurer, intermediaries are often involved, particularly where there is an ongoing relationship between the customer and the intermediary. In such a case, the insurer remains ultimately responsible for servicing policies throughout their life-cycle, and ensuring that intermediaries have appropriate policies and procedures in place in respect of the policy servicing activities performed on the insurer's behalf.

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Fair Treatment of Customers

Fair treatment of customers encompasses concepts such as ethical behavior, acting in good faith and the prohibition of abusive practices.

Ensuring fair treatment of customers encompasses achieving outcomes such as:

- developing, marketing and selling products in a way that pays due regard to the interests of customers;
- providing customers with accurate, clear, non-misleading and sufficient information before, during and after the point of sale, which will allow them to make informed decisions;
- minimizing the risk of sales which are not appropriate to the customers' needs;
- ensuring that any advice given is of a high quality;
- dealing with customer claims, complaints and disputes in a fair and timely manner; and
- protecting the privacy of customer information.

Corporate Culture

Corporate culture refers to the common values (e.g., ethics and integrity) and standards that define an organization and influence the mindset, conduct and actions of its entire staff as well as all aspects of decision-making, from strategic decisions to those made by customer-facing employees on a daily basis.

Establishing a customer-centric culture creates an environment that fosters consumer confidence and long-term customer relationships, rather than focusing on short-term financial goals that could cause serious harm to customers and damage the organization's reputation to the point of having an adverse impact on profitability.

A corporate culture that seeks to achieve meaningful results, particularly regarding the fair treatment of customers, should help meet the following objectives:

- The organization understands the importance of placing clients at the center of its concerns: strategic decisions, daily conduct and results clearly demonstrate that customers and market integrity are real priorities for the organization.
- All levels of the organization embrace the corporate culture and recognize the risks that could hinder the achievement of expected results regarding the fair treatment of customers as well as the means to mitigate such risks.
- The organization understands the importance of reporting the achievement of expected results throughout the organization and to market participants, using indicators in terms of fair treatment of customers that are measured, monitored and driven by a cycle of continuous improvement.

Relationships between Insurers and Intermediaries

In managing their relationships with intermediaries, insurers are expected to:

- have effective systems and controls in place and communicate clear strategies for selecting, appointing and managing arrangements as part of their overall distribution plan;
- conduct due diligence in the selection of intermediaries to ensure that they are authorized and have the appropriate knowledge and ability to conduct insurance business and, for distribution firms, have appropriate governance policies and procedures with respect to fair treatment of customers;
- have written agreements in place to clearly define the conditions, scope and limits of contracted services, clarify roles and promote the fair treatment of customers. Such agreements would include, where relevant, respective responsibilities on matters such as:
 - product development;
 - product promotion;
 - the provision of pre-contractual and point of sale information to customers;
 - post-sale policy servicing;
 - claims notification and handling;
 - complaints notification and handling;
 - management information and other documentation required by the insurer;
 - remedial measures; and
 - any other matters related to the relationship with customers.
- manage contracts, once in place, to ensure that intermediaries continue to be authorized and remain suitable to do business with them and are in compliance with their contract conditions;
- be satisfied that the involved intermediaries are providing information to customers in such a manner that will assist them in making an informed decision; and
- analyze complaints concerning intermediaries in respect of products distributed by intermediaries on their behalf, to enable them to assess the complete customer experience and identify any issues to be addressed.

Relationships with Regulatory Authorities

With regard to regulatory authorities, insurers and distribution firms are expected to:

- make available their strategies, policies and procedures dealing with the fair treatment of customers; and
- implement the necessary mechanisms to promptly advise regulatory authorities if they are likely to sustain serious harm due to a major operational incident that could jeopardize the interests or rights of customers and the organization's reputation.

Moreover, insurers are expected to communicate and report to the regulatory authorities any intermediaries with which they have transacted and may be unsuitable or not duly authorized, all of which would have the undesirable result of impairing fair treatment of customers.

This may include:

- identifying whether particular intermediaries or particular matters are subject to regular or frequent complaints; and
- report to the regulator recurring issues relevant to the regulator's assessment of the concerned intermediaries.

Customers outcomes and expectations

This section outlines the customers' outcomes that CCIR expects to be achieved by insurers and intermediaries, as the case may be, and enunciates CCIR's expectations to achieve those outcomes.

Governance and Corporate Culture

CCIR expects that fair treatment of customers be a core component of governance and corporate culture of insurers and distribution firms.

Incorporating a fair treatment of customer's culture requires the involvement of all the organization's levels and processes, from strategic planning to decision-making and governance structures to operations.

Expectations to achieve this outcome (insurers and distribution firms)

- Overall responsibility for fair treatment of customers is at the level of the board and senior management, who design, implement and monitor adherence to policies and procedures aimed at ensuring that customers are treated fairly.
- Management information includes the most useful information and indicators to allow the board and senior management to:
 - assess the organization's performance with respect to fair treatment of customers;
 - react, in a timely manner, to changes or risks likely to have a negative impact on the organization's customers; and
 - demonstrate that fair treatment of customers is part of the organization's corporate culture.
- Mechanisms and controls are established to identify and deal with any departure from the organization's strategies, policies and procedures, any conflicts of interest or any other situation likely to interfere with fair treatment of customers.
- Appropriate measures are taken to ensure that their employees and others meet high standards of ethics and integrity, beginning at recruitment.
- Relevant staff is trained to deliver appropriate outcomes in terms of fair treatment of customers.
- Remuneration, reward strategies and evaluation of performance are taken into account when determining the contribution made to achieving outcomes in terms of fair treatment of customers.

Conflicts of Interest

CCIR expects that any potential or actual conflicts of interest be avoided or properly managed and not affect the fair treatment of customers.

In their dealings either with each other or with customers, insurers and intermediaries may encounter conflicts of interest. As intermediaries interact with both customers and insurers, they may be more likely to encounter potential or actual conflicts of interests. Where conflicting interests compete with duties of care owed to customers, they may create risks that insurers, intermediaries or any person acting on their behalf will not act to support the fair treatment of customers.

Examples of Conflicts of interest that may arise:

- from compensation structures, performance targets or performance management criteria that are insufficiently linked to customer outcomes;
- from inducements offered to an insurer or intermediary or any person acting on its behalf, incentivizing that firm/person to adopt a particular course of action; and
- where the intermediary or insurer owes a duty to two or more customers in respect of the same or related matters or, has interest in the outcome of a service or a transaction carried out on behalf of a customer or, has significant influence over the customer's decision.

These situations may encourage behaviors that result in unsuitable sales, have a detrimental impact on the quality of the service provided or otherwise breach the insurer's or intermediary's duty of care towards the customer. They also may affect the independence of advice given by intermediaries.

Expectations to achieve this outcome (insurers and intermediaries)

- Take all reasonable steps to identify and avoid or manage conflicts of interest, and communicate these through appropriate policies and procedures.
- Ensure that the disclosure of conflicts of interest is used appropriately and does not put an unreasonable onus on the customer, especially if the customer does not fully appreciate the conflict or its implications.
- Where conflicts of interest cannot be managed satisfactorily, this results in the insurer or intermediary declining to act.

Outsourcing

CCIR expects that any functions outsourced to third parties do not hinder the quality of services or jeopardize the insurer's or distribution firm's ability to achieve fair treatment of customers.

Outsourcing is defined as delegating to a service provider, over a defined period, the performance and management of a function, activity or process that is or could be undertaken by the insurer or distribution firm itself.

When tasks of an insurer or a distribution firm are delegated to a third party, the third party must carry out these tasks in compliance with the laws, regulations and guidelines applicable to the insurer's or intermediary's activities.

Expectations to achieve this outcome (insurers and distribution firms)

- Retain full and ultimate responsibility for those outsourced functions and, consequently, monitor them accordingly.
- Only deal with third parties whose policies, procedures and processes are expected to result in fair customer outcomes.
- Maintain appropriate controls over outsourced functions.
- Develop outsourcing agreements that do not hinder the quality of services or jeopardize their ability to fulfill fair treatment of customers-related obligations.
- Ensure that the firms to which they outsource processes have adequate policies and procedures in place for the protection and use of private customers' information records.

Expectations to achieve this outcome (insurers)

- Supervise and monitor functions outsourced to agent firms.
- If any of the claims handling or complaints processes are outsourced in part or in full, maintain close oversight and ultimate responsibility for the provision of fair and transparent claims handling and complaints resolution.

Design of Insurance Product

CCIR expects that the design of a new insurance product or significant adaptations made to an existing product take into account the interests of the target consumers' group.

With the development of complex products, sometimes high-risk or difficult to understand, any weakness in the design or the related disclosure documents can increase the likelihood of inappropriate choices from consumers.

Expectations to achieve this outcome (insurers)

- Development of products includes the use of adequate information to assess the needs of different consumer groups.
- Product development (including a product originating from a third party administrator) provides for a thorough assessment of the main characteristics of a new product and of the related disclosure documents by every appropriate department of the insurer.
- Policies, procedures and controls put in place enable the insurer to:
 - offer a product that delivers the reasonably expected benefits;
 - target the consumers for whose needs the product is likely to be appropriate, while preventing or limiting, access by consumers for whom the product is likely to be inappropriate;
 - assess the risks resulting from the product by considering, among other things, changes associated with the environment or stemming from the insurer's policies that could harm customers; and
 - monitor a product after its launch to ensure it still meets the needs of target customers and, as the case may be, take the necessary remedial action.
- Provide relevant information and training to intermediaries to ensure that they understand the target market, such as information related to the target market itself, as well as the characteristics of the product.
- Retain oversight of, and remain accountable for, the development of its products whenever product development is undertaken by distribution firms on its behalf.

Expectations to achieve this outcome (intermediaries)

- Provide information to the insurer on the types of customers to whom the product is sold and whether the product meets the needs of the target market, in order to enable the insurer to assess whether its target market is appropriate and to revise the product, when needed.
- When undertaking product development on behalf of an insurer, take customers' interests into account in performing this work.

Distribution Strategies

CCIR expects that distribution strategies are tailored to the product, take into account the interests of the target consumer groups and result in consistent consumer protections independently of the distribution model chosen.

Insurers are accountable for distribution strategies and are ultimately responsible for all aspects of oversight of the distribution of their products, regardless of the distribution model.

Distribution models have evolved and CCIR expects this evolutionary process to continue, particularly considering the rapid pace of change brought on by technological developments in the financial services sector.

However, regardless of the distribution model and medium used, insurers must ensure that consumers are treated fairly. Adequate protection is of paramount importance.

Expectations to achieve this outcome (insurers)

- Development of distribution strategies includes the use of adequate information to assess the needs of different consumer groups.
- Policies, procedures and controls put into place ensure that distribution methods are appropriate for the product, particularly in light of the legislation in force and whether or not advice should be provided.
- Assess the performance of the various methods of distribution used, particularly in terms of fair treatment of customers and, if necessary, take the necessary remedial action.

Expectations to achieve this outcome (intermediaries)

- Provide information to the insurer, particularly in terms of fair treatment of customers in order to enable the insurer to revise its distribution strategy, when needed.

Disclosure to Customer

CCIR expects that a customer is given appropriate information in order to make an informed decision before entering into a contract.

Insurers and intermediaries ensure that customers are appropriately informed about a product, before and at the point of sale, to enable them to make an informed decision about the proposed product.

The information provided is sufficient to enable customers understanding the characteristics of the product they are buying and help them understand whether and how it may meet their needs. To this end, the level of information required will tend to vary accordingly to the knowledge and experience of a typical customer for the product in question and the product's overall complexity.

Whatever distribution model and medium used to make the disclosure, insurers and intermediaries ensure they provide an equivalent level of protection to customers.

Expectations to achieve this outcome (insurers and intermediaries)

In particular, CCIR expects the disclosure to customers to:

- be up to date and provided in a way that is clear, fair and not misleading, using plain language wherever possible;
- be prepared in written format, on paper or another durable and accessible medium;
- focus on the quality rather than the quantity of information;
- identify the insurer and provide its contact information;
- include information on key features of particular significance to the conclusion or performance of the insurance contract, including any adverse effect on the benefit payable under that contract;
- clearly identify the rights and obligations of the customer, including the rights to cancel, to claim benefits and to complain; and
- make available the information on their policies and procedures on claims and complaints publicly.

Expectations to achieve this outcome (intermediaries)

- The types of business for which they are authorized.
- The services provided, including whether they offer products from a full range of insurers, from a limited range or from an exclusive insurer.
- Their relationship with the insurers with whom they contract.

Product Promotion

CCIR expects that product promotional material is accurate, clear, not misleading and consistent with the result reasonably expected to be achieved by the customer of this product.
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The insurer is responsible for providing promotional material that is accurate, clear and not misleading not only to customers but also to intermediaries who may rely on such information. To this end, the insurer ensures that advertising material regarding its products is reviewed independently prior to being disseminated. Any promotional material designed by intermediaries follows the same principles.

If an insurer or intermediary becomes aware that the promotional material is not accurate and clear or is misleading, it informs the party responsible for designing the material, whether insurer or intermediary, and has the material withdrawn. In cases where the insurer or intermediary knows that customers are relying on any materially inaccurate or misleading information, they notify such customers and correct the information as soon as reasonably practicable.

Expectations to achieve this outcome (insurers and intermediaries)

To promote products in a fair manner, the information provided:

- is easily understandable;
- is consistent with the coverage offered;
- accurately identifies the product provider;
- states prominently the basis for any claimed benefits and any significant limitations; and
- does not hide, diminish or obscure important statements or warnings.

Advice

CCIR expects that, when advice is given, customers receive relevant advice before concluding the contract, taking into account the customer's disclosed circumstances.

Advice goes beyond the provision of product information and relates specifically to the provision of a personalized recommendation on a product in relation to the disclosed needs of the customer.

Insurers and intermediaries are committed to delivery of high quality advice, communicated in a clear and accurate manner that is comprehensible to the customer. Minimizing the risk of inappropriate sales is a core priority. Independent of the distribution model or the medium used, it is made clear to the customer whether advice is provided or not.

Expectations to achieve this outcome (insurers and intermediaries)

- Insurers and intermediaries seek the information from their customers that is appropriate for assessing their insurance demands and needs, before giving advice. This information may differ depending on the type of product and may, for example, include information on the customer's:
 - financial knowledge and experience;
 - needs, priorities and circumstances;
 - ability to afford the product; and
 - risk profile.
- The basis on which a recommendation is made is explained and documented, particularly in the case of complex products and products with an investment element. Where advice is provided, this is communicated to the customer in written format, on paper or in a durable and accessible medium, and a record kept in a "client file".
- Insurers and intermediaries review the "client files" of those under their responsibility to exercise control after the fact on the quality of the advice given, take any necessary remedial measures with respect to the delivery of advice and, if applicable, are in a position to examine fairly any complaints submitted to them.
- In cases where advice is not required by law but would normally be expected and may be waived by the customer, the insurer or intermediary retains an acknowledgment by the customer to this effect.

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- In order to ensure the delivery of quality advice, insurers and intermediaries establish continuous training programs that allow the persons giving advice to maintain an appropriate level of knowledge about :
 - their industry segment;
 - the characteristics and risks of the products and services and their related documentation; and
 - the applicable legal and regulatory requirements.

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Disclosure to Policyholder

CCIR expects that policyholders are provided information allowing them to make informed decisions throughout the lifetime of their contracts.

CCIR expects that the disclosure processes established by insurers allow policyholders to determine whether the product continues to suit their needs and expectations and as the case may be, remind them in a timely manner of options that can be exercised from time to time.

Where there are changes in terms and conditions, the insurer notifies the policyholder of their rights and obligations regarding such changes and obtains the policyholder's consent as appropriate.

Expectations to achieve this outcome (insurers)

The system includes the disclosure of information:

- on the insurer:
 - any change in the name of the insurer, its legal form or the address of its head office and any other offices as appropriate;
 - any acquisition by another insurer resulting in organizational changes as far as the policyholder is concerned; and
 - where applicable, information on a portfolio transfer (including policyholders' rights in this regard).
- on terms and conditions:
 - evidence of cover (including policy inclusions and exclusions) promptly after inception of a policy; and
 - changes in policy terms and conditions or amendments to the legislation applicable to the policy.
- in the case of switching between products or early cancellation of a policy.

Claims Examination and Settlement

CCIR expects claims to be examined diligently and fairly settled, using a simple and accessible procedure.

The claims examination and settlement processes are key indicators for assessing an insurer's performance regarding the fair treatment of customers. Sometimes, intermediaries serve as an initial contact for claimants, which may be in the common interest of the policyholder, intermediary and insurer.

Expectations to achieve this outcome (insurers)

- Maintain written documentation on their claims handling procedures, which include all steps from the claim being made up to and including settlement. Such documentation may include expected timeframes for these steps, which might be extended in exceptional cases.
- Claimants are informed about procedures, formalities and common timeframes for claims settlement.
- Claimants are given information about the status of their claim in a timely and fair manner.
- Claim-determinative factors such as depreciations, discounting or negligence are illustrated and explained in comprehensive language to claimants. The same applies when claims are denied in whole or in part.
- Dispute resolution procedures follow a balanced and impartial approach, bearing in mind the legitimate interests of all parties involved. Procedures avoid being overly complicated, such as having burdensome paperwork requirements.
- Mechanisms are in place to review claims disputes within the insurer to promote fair play and objectivity in the decisions.

Complaints Examination and Dispute Resolution

CCIR expects complaints to be examined diligently and fairly, using a simple and accessible procedure.

The complaint examination and dispute resolution processes are key indicators for assessing an organization's performance regarding the fair treatment of customers.

A complaint can be defined as an expression of dissatisfaction about the service or product provided by an insurer or intermediary. It may involve, but is differentiated from, a claim (unless in dispute) and does not include a pure request for information.

Expectations to achieve this outcome (insurers and intermediaries)

- Establish policies and procedures to deal in a fair manner with complaints which they receive. These include keeping a record of each complaint and the measures taken for its resolution.
- Respond to complaints without unnecessary delay; complainants are kept informed about the handling of their complaints.
- Analyze the complaints they receive to identify trends and recurring risks. Analysis of what leads to individual complaints can help them to identify and enable them to correct, common root causes.

Protection of Personal Information

CCIR expects protection of confidentiality of personal information policies and procedures adopted by insurers or intermediaries to reflect best practices in this area and ensure compliance with legislation relating to privacy protection.

Theft, loss or inappropriate use of personal information obtained from customers represents a risk to customers and a threat to the reputation of organizations.

The protection of personal information is a key issue for insurers and intermediaries. The sustainability of their operations depends, among others, on public confidence in this regard. Customers expect their information to remain confidential and be handled accordingly.

Expectations to achieve this outcome (insurers and intermediaries)

- Provide their customers with a level of comfort regarding the security of their personal information.
- Have sufficient safeguards in place to protect the privacy of personal information on customers.
- Have appropriate policies and procedures in place. Examples of areas that might be covered include:
 - ensuring that the board and senior management are aware of the challenges relating to protecting the privacy of customers' personal information;
 - demonstrating that privacy protection is part of the organization's culture and strategy, through measures such as training to employees that promotes awareness of internal and external requirements on this subject; and
 - implementing internal control mechanisms that support the objectives of protecting the privacy of personal information on customers and assess the risks associated with potential failure to protect the privacy of personal information.

Glossary

Authorized	Includes licensing registration or exemption. In Canada, intermediaries that are subject to licensing and supervision can vary from jurisdiction to jurisdiction. This guidance applies to all intermediaries that are authorized to do business within any jurisdiction.
Consumers	All actual and potential customers for insurance products.
Customer	Policyholder or prospective policyholder with whom an insurer or insurance intermediary interacts, and includes, where relevant, other beneficiaries and claimants with a legitimate interest in the policy.
Intermediary	As the case may be, individuals (agents and representatives) or distribution firms.
Organizations	As the case may be, insurers and/or distribution firms.