

Date	19 November 2018
Recipient	All Stakeholders writing business in Canada
Subject	Fair Treatment of Customers

<i>Purpose:</i>	To inform Stakeholders of the upcoming implementation of <i>Fair Treatment of Customers</i> guidelines.
<i>Affects:</i>	All Stakeholders writing business in Canada
<i>Line of Business:</i>	All
<i>Jurisdiction :</i>	Canada
<i>Effective:</i>	To be advised once known at a later date

What you need to know

The Canadian Council of Insurance Regulators (CCIR) and Canadian Insurance Services Regulatory Organizations (CISRO) have published their joint guidance that sets out the expectations for how intermediaries conduct insurance business to ensure the fair treatment of customers. The joint guidance is principle-based to enable intermediaries to determine how best to achieve expected customer outcomes. It speaks to all insurance market participants.

The guidance document is modelled after the international standards developed by the International Association of Insurance Supervisors with the specifics of the Canadian insurance market addressed. CCIR and CISRO consulted the Canadian regulatory partners and industry stakeholders to ensure regulatory and supervisory harmonization while enhancing consumer protection.

The guidance addresses the areas of:

- Governance and Business Culture
- Conflicts of Interest
- Outsourcing
- Design of Insurance Product
- Distribution Strategies
- Disclosure to Customer – including the need to identify and display the name of the insurer on insurance documentation.
- Product Promotion
- Advice

- Disclosure to Policyholder
- Claims Handling and Settlement
- Complaints Handling and Dispute Resolution
- Protection of Personal Information

In addition, it should be noted that CCIR and CISRO have defined intermediary, for this purpose as; *individual agents, brokers and representatives as well as the business entities that are authorized to distribute insurance products and services, including managing general agencies and third party administrators.*

To date Quebec ([AMF](#)), Ontario ([FSCO](#)) and British Columbia ([FICOM](#)) have published their statements that will follow the CCIR and CISRO guidance as each province and territory within Canada has their own regulatory body.

What this means to you

In preparation for the implementation of the *Fair Treatment of Customers* guideline, expected in 2019, the published document [GUIDANCE Conduct of Insurance Business and Fair Treatment of Customers](#) should be reviewed in conjunction with your current protocols assessing the impact to your business.

As an intermediary for Lloyd's Underwriters, it is expected that your organization will ensure the Fair Treatment of Customers and implement the necessary controls to measure customer outcomes and ensure compliance.

For further information, please contact either our Lloyd's Canada Toronto office (416) 360-1512 or Montreal Office (514) 861-8361.

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