

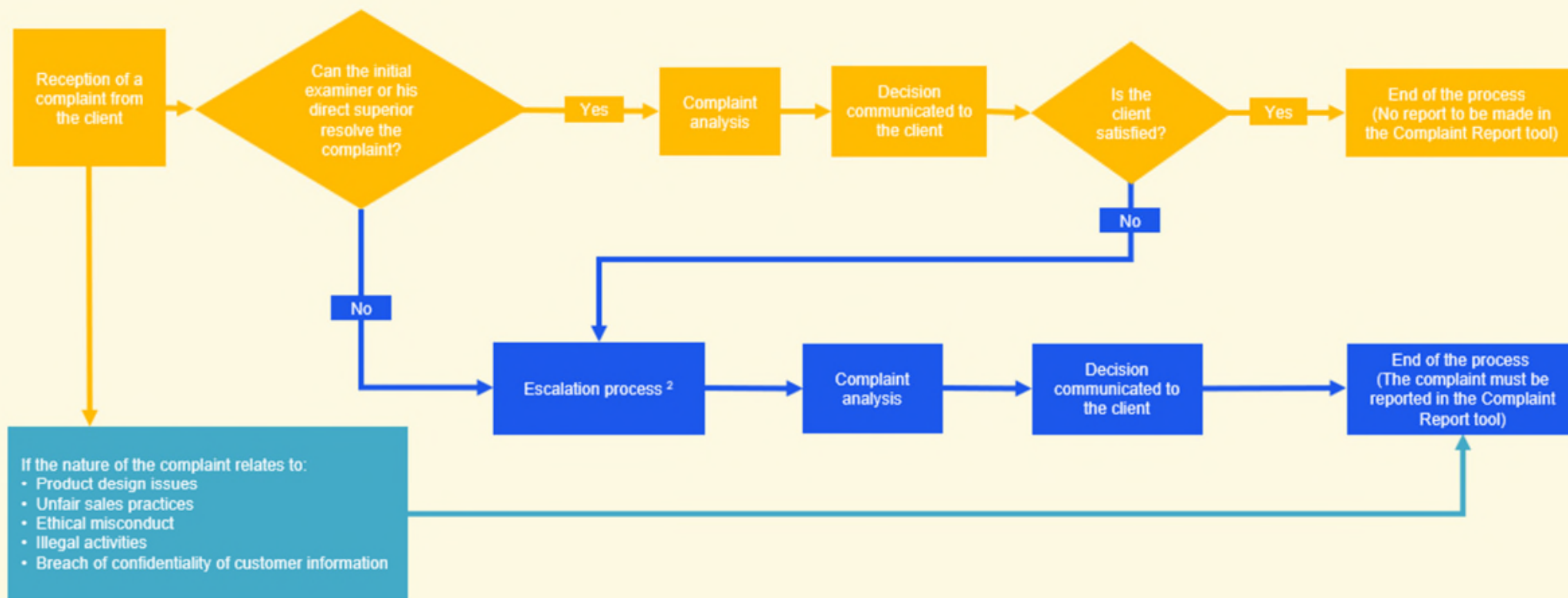


Information Session
Complaints
Disclosure
Process



Thursday, September 19, 2024

Process diagram



² The **Escalation process** refers to the process of handling a client's issue that cannot be resolved by the initial examiner or his direct superior, and that must be approved or handled at another hierarchical level.



Product design issues

These are complaints about product features that do not correspond to the needs and interests of the targeted consumer groups, or part of them.

Examples of customer complaints:

- An insurance policy with two coverages, one of which expires at a given age. Once the age is reached, the portion of the premium for this coverage continues to be deducted despite its termination.
- Exclusions or limitations making coverage too limited.
- The maximum coverage limits offered are not sufficient to cover the cost of an average claim.
- A basic policy does not contain coverage and the underwriting rules of the rider containing the additional coverage do not allow it to be purchased.
- A claim for short-term loss of rental income is not granted because of a clause in the insurance policy that is unclear as to the calculation of said loss of income.



2

Illegal activities

These are complaints about activities that violate laws or regulations.

Examples of customer complaints:

- Pyramid selling.
- Someone or a company offers insurance products without an authorisation or a license.
- Failure to provide the customer with a document required by law or regulation.
- Theft or misappropriation of funds from a customer's investment account.
- An employee exceeding his or her legal limits.
- An adjuster involved in a car theft scheme.



3

Breach of confidentiality

A breach of confidentiality is any harm that is likely to affect a customer.

Examples of customer complaints:

- Disclosure of confidential information from one customer to another without consent.
- Using a customer's confidential information without consent.
- Access to confidential customer information without consent.
- Loss of personal information or any breach in the protection of such information.
- Upon separation, one of the spouses changes his or her email address to receive insurance documents. When renewal documents are sent, they are emailed to the address of the other spouse, not to the new address.
- Client is incorrectly mailed an account statement of a different client.



Unfair sales practices

Unfair sales practice complaint is one that involves an action that is contrary to sound business practice and undermines the fair treatment of customers.

Examples of customer complaints:

- Practices may include incentives, discounts or other deceptive behavior on the part of the insurance company.
- A customer subscribes to a product with a lifetime guarantee, but a few months later, the insurer makes a change to the duration without notifying the customer.
- An insurer announces exaggerated statistics to promote an insurance product that covers only a tiny fraction of the population.
- During a claim, a customer realized that a cover sold was unnecessary, as his basic cover was sufficient for his needs. During the investigation, it was found that pressure had been exerted on the customer at the time of sale, and that the interaction between the basic coverage and the other coverage had not been properly explained to the customer.
- The insurance policies were promoted to a vulnerable clientele whose needs and interests were not met by the product.



5

Ethical misconducts

A complaint for conflicts of interest or lack diligence.

Examples of customer complaints:

- An employee is named beneficiary on behalf of a client or has been granted a legal power of attorney by a client.
- An employee enters into a loan agreement to borrow money from a client.
- A claims adjuster who receives compensation from a contractor due to referral for reconstruction work.
- An employee places himself in a conflict of interest.
- An employee who fails to make himself available and respond to a customer's requests.

What not to disclose in the Complaint Report

Claim for an indemnity or any other insurance claim

Examples:

- The client asks the insurer to reconsider its decision to reject his claim following a loss.
- The client contacts the insurer for follow-up on the processing of his disability claim, believing that the delay is too long.

What not to disclose in the Complaint Report

Communication of a comment or feedback

Examples:

- The client contacts the company to say that he finds its website not very user-friendly and is having trouble finding the company's street address.
- The client reports the long waiting time before speaking with a customer service agent.

What not to disclose in the Complaint Report

Request made for information or materials in respect of an offered product or service

Examples:

- The client contacts his insurer to find out why the premium for the renewal of his insurance contract has risen and asks for an explanation of the reasons for the increase.
- The client wishes to obtain clarification on fees charged for services rendered.
- The client requests a copy of the company's complaints procedure.

What not to disclose in the Complaint Report

Request for access or rectification made in accordance with the CCIR Guidance Conduct of Insurance Business & FTC

Unless current provincial legislation defines a request for access or rectification as a complaint

Example:

- The client requests a copy of his file from the company.

What not to disclose in the Complaint Report

Request for correction of a clerical error or mistake in calculation

Unless the correction of the calculation and/or clerical error requires other measures to resolve the consequences for the claimant

Example:

- The client asks the insurer to correct an error in the transcription of his postal address.

Please note!

If the error giving rise to the correction request has other consequences for the client or for several clients, it should be treated as a complaint.



To share examples, please contact:

AMF at: infoform.pc-mc@lautorite.qc.ca

CCIR at: ccir-ccra@fsrao.ca