



CCIR Information Session

Annual Statement on Market Conduct (ASMC)

For Property and Casualty Insurers

November 29, 2023

Agenda

2



The Annual Statement 2023 form



Upcoming changes to the Annual Statement 2024 form



Updating the complaint reporting tool



Consultation on the type and nature of complaints to be disclosed



Next steps

The ASMC 2023 form

Identification

ASMC form 2023

- ▶ Message updated on line 090 if the answer is “Commercial”: Commercial line insurers are only required to complete the Identification, Governance (2.0), and Complaint section (9.0), as well as the Complaint Reporting tool.
- ▶ Message updated on line 100 if the answer is “No”: Insurers that are only servicing existing policies are only required to complete the Identification, Governance (2.0), and Complaint section (9.0), as well as the Complaint Reporting tool.

Governance

5

ASMC form 2023

- ▶ No change in either forms or instructions

Policies

ASMC form 2023

- ▶ Added an instruction about Accident and Sickness “Other”

3. POLICIES

DEFINITIONS

The reference period is the fiscal year for which the statement is filled.

The information to be reported in this tab excludes commercial insurance policies.

Except for the Number of Policies in Force at the End of the Previous Reference Period (00), which is the data from your last filed return (tab 3.0 Policies and column (11) per class of insurance), all of the information requested is for the reference period.

The Number of Policies in Force at the End of the Reference Period (11) is an automated calculation of Policies in Force at the End of the Previous Reference Period column (00) plus New Policies (01) minus all terminated policies from columns (03)+(05)+(07)+(08)+(09)+(10) and if necessary, plus adjustment (+/-) to balance policies (21) with explanation in general comments line 140.

*Accident and Sickness class of insurance for each column available for input, indicate on line 100 the total number of policies. For the accident and sickness sub-class of insurance on lines 101 to 107 indicate the number of coverages. The number of coverages does not necessarily equal the number of policies (example: 1 individual insurance policy containing 5 coverages in accident and sickness insurance = 1 single policy but 5 coverages for the purposes of this table). If there are data under "Other", provide detail in general comments.

Main guarantee: indicates the number of insurance contracts according to the main guarantee (e.g. 1 automobile insurance owner contract containing liability coverage, Life insurance endorsement and which covers the damage to the insured vehicle = Only 1 policy for the purposes of this table). Provide explanation in general comments when a class of insurance reported in the Identification tab is not standalone.


Class of Insurance (Main Guarantee)	Number of Policies in Force at the End of the Previous Reference Period (from your last filed return column (11))	Number of New Policies Issued	Number of Applications Declined by Insurer	Number of Policies Renewed	Number of Insurer Initiated Non-renewals	Number of Customer Initiated Non-renewal	Number of Customer Initiated Cancellations	Number of Insurer Initiated Cancellations			Adjustment to Balance Policies (explanation needed in general comments row 140)	Number of Policies in Force at the End of the Reference Period
								Without any Refund of Premium	With Fully Refunded (ab initio) Premiums	With Prorated and Short-rated Premiums		
	(00)	(01)	(04)	(02)	(03)	(05)	(07)	(08)	(09)	(10)	(21)	(11)
												$\begin{aligned} & [((00)+(01)) - ((03)+ \\ & (05)+(07)+(08)+(09) \\ &)+(10)]+(21)] \end{aligned}$

Products

7

ASMC form 2023

- ▶ Added instructions on Existing products for Accident and Sickness sub-class – “Other” for Individual and Group products

 **4. PRODUCTS** DEFINITIONS

The information to be reported in this tab excludes commercial insurance products.

The Reference Period is the fiscal year for which the statement is filled.

Products: Each combination of benefits presented under a same name and each main insurance coverage with an own insurance form (wording) is considered as distinct product and must be reported separately. For purposes of this disclosure, an endorsement is not considered a product.

Examples:

- Homeowner - Property
- Tenant occupant - Property
- Owner - Auto
- Complementary Insurance for Damage Caused to Insured Vehicle (Replacement Insurance) – Auto

Existing products refer to those available for sale during the Reference Period. Populate the products offered for each sub-classes Accident and Sickness (lines 111 to 117). Accident and Sickness class of insurance is an automated calculation totalling all the sub-classes of insurance under it. If there are data under "Other", provide detail in general comments.

(02) Indicate the main guarantee of the product offered. Provide explanation in general comments when a class of insurance reported in the Identification tab is not standalone.

(05) Most significant Types of Changes to be reported are limited to changes initiated by the insurer or resulting of a decision made by the insurer. It excludes regulatory required changes. Please only include the most significant changes made, if more than one change was made to a product. The number of products modified should not exceed the number of products offered per class of insurance.

Premiums and Claims

8

ASMC form 2023

- ▶ No change in either forms or instructions

Distributors

ASMC form 2023

- ▶ No change in either forms or instructions

Sales and Servicing Incentives

10

ASMC form 2023

- ▶ Updated instructions
 - ▶ Moving or separating paragraphs
 - ▶ Clarification of references and words



7. SALES AND SERVICING INCENTIVES

DEFINITIONS

The information to be reported in this tab excludes commercial insurance products and reinsurance.

All amounts reported must be in thousands of dollars.

For all questions: list only the incentives that are provided by the insurer by class of insurance and distribution channel. If the data is not available by class of insurance, please consider the data by Main Guarantee and provide explanation in general comments.

"Incentives" are monetary (including commissions) and non-monetary compensation provided by Insurers to employees, intermediaries and other persons or entities acting on their behalf in the sale and servicing of insurance products.

(21) to (23) Monetary incentives include commissions paid based on sales and services expected and provided (e.g. initial sales, renewals, trailers) and bonuses paid on achievement of performance targets (e.g. number/dollar volume of sales, retention, growth, fair treatment).

(31) to (33) Non-monetary incentives are non-cash benefits, rewards and privileges such as travel, goods and hospitality, entertainment, memberships, contest entry, insurer client referrals, access to services, also related to performance targets.

For monetary incentives, Direct or Exclusive Channels (Agency) includes commissions paid to agents as well as firms for the sales or service of any product.

Accident and Sickness* class of insurance is an automated calculation totalling all the sub-classes of insurance under it.

Claims

12

ASMC form 2023


- ▶ No change in either forms or instructions

Complaint Examination

13

ASMC form 2023

- ▶ Updated instructions
 - ▶ Whether or not you have any complaints to report, you are required to complete and file (confirm) the Complaint Report.

 **9. COMPLAINT EXAMINATION** DEFINITIONS

Note that as of 2022, complaints to be entered and transmitted with your annual statement, are done so via the Complaint Reporting tool accessible throughout the year in the AMF's online services under the "Complaint Management" section.

Whether or not you have any complaints to report, you are required to complete and file (confirm) the Complaint Report.


001	Do you have a senior officer responsible for complaint handling?	(01)
Indicate if the following are present within your organization:		
160	Documented complaint handling policies and procedures guideline	(01)
170	Complaint handling unit or department	
	Reporting mechanism regarding aggregated complaints on a periodic basis to management and the board of directors	

Protection of Personal Information

14

ASMC form 2022

- ▶ Updated instructions
 - ▶ The members of the Canadian Council of Insurance Regulators (CCIR), representing Canada's insurance regulators, expect protection of confidentiality of personal information policies and procedures adopted by Insurers to ensure compliance with legislation relating to privacy protection.



10. PROTECTION OF PERSONAL INFORMATION

DEFINITIONS2023

The members of the Canadian Council of Insurance Regulators (CCIR), representing Canada's insurance regulators, expect protection of confidentiality of personal information policies and procedures adopted by Insurers to ensure compliance with legislation relating to privacy protection.

The information to be reported in this tab excludes commercial insurance products.

The breaches reported in this form are those that have a significant impact on the customer and require disclosure under applicable privacy legislation.

Breaches refers to incidents and occurrences based on applicable privacy legislation and provincial insurance legislation regardless of the number of individuals impacted by the breach.

10 Do you have policies and procedures in place regarding breaches in confidentiality and the protection of personal information? (01)

Upcoming changes to the ASMC 2024 form

Governance 2024 changes

16

- ▶ Added instruction for a new question:
 - ▶ Employees assigned in whole or in part to FTC are those whose duties are related to the FTC principles laid down by IAIS.
- ▶ Added a new question line 175:
 - ▶ Of the total number of employees in your organization on line 170, indicate the total number assigned to FTC Performance Assessment

2. GOVERNANCE DEFINITIONS

The reference period is the fiscal year for which the statement is filled.

The Fair Treatment of Customers (FTC) is a principle that focuses on consumer outcomes, in particular, having due regard for the interests of the consumer and treating the consumer fairly. It refers to the consumer-related conduct of insurers and how insurers treat consumers at each stage of the life cycle of a product. The lifecycle of the product begins with its design to after-sales services and from the moment obligations under the contract arise until the point at which all obligations under the contract have been fulfilled.

The outcomes associated with FTC as described by the International Association of Insurance Supervisors (IAIS) include the following:

- Developing and marketing products in a way that pays due regard to the interests of customers;
- Providing customers with clear information before, during and after the point of sale;
- Reducing the risk of sales which are not appropriate to customer's needs;
- Ensuring that any advice given is of a high quality;
- Dealing with customers complaints and disputes in a fair manner;
- Protecting the privacy of information obtained from customers; and
- Managing the reasonable expectations of customers.

Total number of employees includes all types of employees (full time, contractual, etc.). It does not include employees from other organizations in your Financial Group.

Employees assigned in whole or in part to FTC are those whose duties are related to the FTC principles laid down by IAIS.

Audit(s)/review(s) refers to those conducted by the insurer and includes, but are not limited to, examinations, compliance reviews, internal audits and other assessments of market conduct.

A product is considered to be sold by internet/online if the entire sale process is done online without using the services of an agent or broker. If a sale is completed by a licensed agent after the consumer obtains information or a price from a website, it is not considered as an Internet sale.

001 Do you have senior officer(s) in charge of ensuring the development, implementation and enforcement of policies and practices related to the Fair Treatment of Customers? (01)

170 Indicate the total number of employees in your organization (01)

Of the total number of employees in your organization on line 170, indicate the total number assigned to FTC Performance Assessment (01)

Sales and Servicing Incentives 2024 changes

- ▶ A new question line 001 with an updated title:
 - ▶ Indicate the total number of people benefiting from these incentives

Number of people benefiting from incentives and incentives (\$000) by classes of insurance								
Class of Insurance	Monetary Incentives				Non-monetary Incentives			
	Independent Channels (Broker)	Direct or Exclusive Channels (Agency)	Other Distribution Channels	TOTAL (\$000)	Independent Channels (Broker)	Direct or Exclusive Channels (Agency)	Other Distribution Channels	TOTAL (\$000)
	(21)	(22)	(23)	(29)	(31)	(32)	(33)	(39)
Number of people benefiting from incentives by distribution channel								
001	Indication the total number of people benefiting from these incentives			0				0
Incentives (\$000) by classes of insurance by distribution channel								
010	Property			0				0
030	Automobile			0				0
	Liability			0				0

Updating the Complaint Reporting Tool

The Complaint Reporting Tool

19

- ▶ Update of the “Product” category drop-down menu:
 - ▶ Reinstate cause for complaint: Adequacy of Product

Financial products or services

Select the financial products or services offered and the reasons for complaint that most accurately reflect the information in the complaint record.

Select the industry:

Property and Casualty Insurance



Select the class of insurance:

Property



Select the corresponding product type:

Personal



Select the distribution channel:

Direct or exclusive channels



The reason (category) for the complaint is related to:

Select the distribution channel:

Select

Adequacy of product
Availability/Accessibility
Policy provisions
Policy value
Prospectus
Rate of Return (ROR)
Renewal
Other

Select



The Complaint Reporting Tool

20

- ▶ Updated Step 2 section of the Complaint Reporting Tool

Step 1 – Complaint entry Step 2 – Complaint reporting

Complaint reporting

1

2

3

4

5

Reference period: from July 1 to December 31, 2022
Reporting related to: Securities adviser, dealer

Reference period: from January 1 to December 31, 2023
Reporting related to: Firms, representatives and independent partnerships

Submitted complaint reports

Number of reports: 1

REFERENCE PERIOD	COMPLAINTS REPORTED	REPORTING RELATED TO	DATE SENT	CONFIRMATION NO.	SENT BY	EXPORT
July 1 to December 31, 2022	1	Firms, representatives and independent partnerships	2023-03-06 13:07:10 (ET)	LDPSF-20230306-130710441	Your Name	

The Complaint Reporting Tool

21

- ▶ Update the title of the next page in Step 2

Send the complaint report

Information summary

Reference period:
July 1 to December 31, 2022

Firm:
MY FIRM

Reporting related to:
Firms, representatives and independent partnerships

Report sent by:
Your Name

Date submitted:
3/6/2023

Statistics

Closed complaints (closing date indicated)	0
New complaints, in process (closing date not indicated)	1
Previous complaints, in process (closing date not indicated)	0
Withdrawn complaints	0
TOTAL COMPLAINTS REPORTED	1

Complaints reported

Number of complaints: 1 [Export the list](#) ↓

The Complaint Reporting Tool

22

- ▶ Update the message in Step 1 to match the updates in Step 2

The screenshot displays the 'Complaint report' interface for the 'AUTORITÉ DES MARCHÉS FINANCIERS'. The page is divided into two main sections: 'Step 1 - Complaint entry' and 'Step 2 - Complaint report'. The 'Step 1 - Complaint entry' section is currently active and contains a dropdown menu for selecting the type of complaint, with 'Firms, representatives and independent partnerships' selected. The 'Step 2 - Complaint report' section is partially visible and contains an information box with three numbered callouts (1, 2, and 3) pointing to specific elements: 1 points to the text 'You can enter or update information about complaints received by the firm at any time', 2 points to the text 'During the annual reporting period of April 1 to May 1 inclusive, click "Step 2 - Complaint report" to file your complaint report.', and 3 points to the 'Contact us' link. The 'Contact us' section includes the telephone number 1 877 525-0337, ext. 4122, and the email address rapportdeplantes@lautorite.qc.ca.

AUTORITÉ DES MARCHÉS FINANCIERS [Français](#) [Back to E-Services](#)

Complaint report

MY FIRM
Client number: 3000320956

Step 1 - Complaint entry | Step 2 - Complaint report

Complaint entry

Enter information about the complaints received by the firm relating to:

Firms, representatives and independent partnerships ▾

1 You can enter or update information about complaints received by the firm at any time.

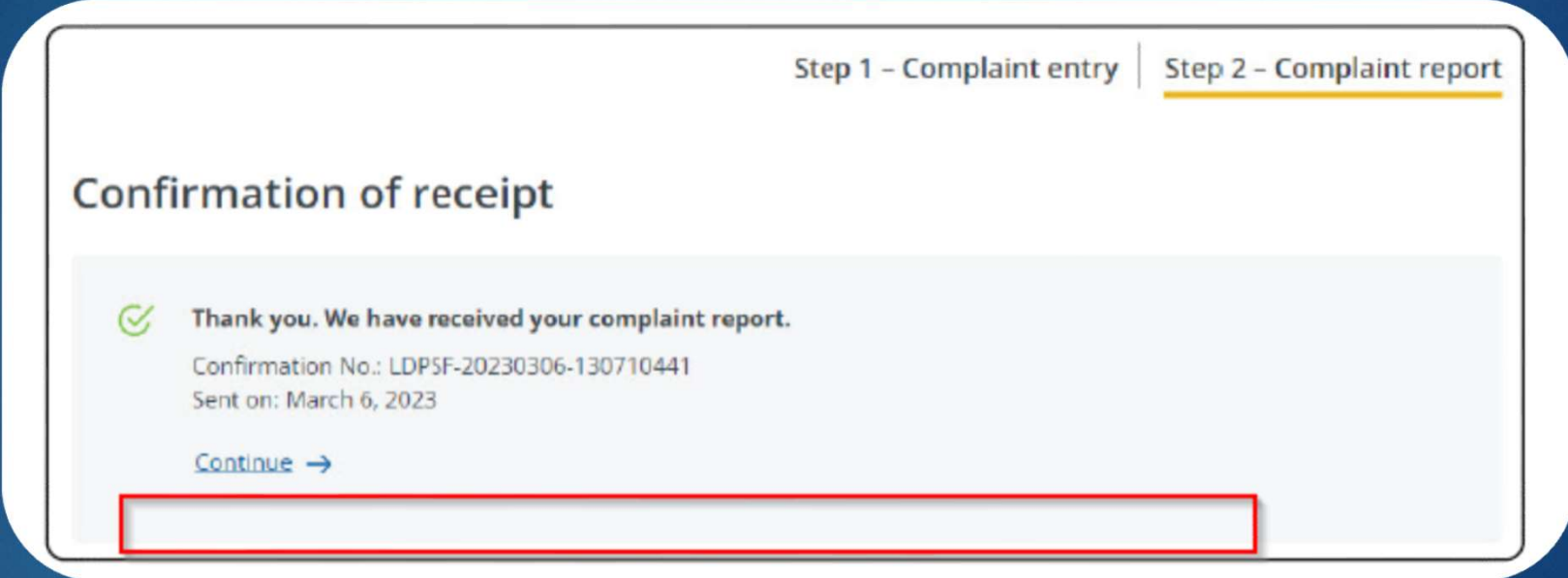
2 During the annual reporting period of April 1 to May 1 inclusive, click "Step 2 - Complaint report" to file your complaint report.

3 **Contact us**
Telephone (voicemail): 1 877 525-0337, ext. 4122
E-mail: rapportdeplantes@lautorite.qc.ca

The Complaint Reporting Tool

23

- ▶ An additional contextual message



The screenshot displays a user interface for the Complaint Reporting Tool. At the top right, there are two tabs: "Step 1 - Complaint entry" and "Step 2 - Complaint report", with the latter being the active tab. Below the tabs, the heading "Confirmation of receipt" is visible. A light blue message box contains a green checkmark icon, the text "Thank you. We have received your complaint report.", the confirmation number "LDP5F-20230306-130710441", and the date "Sent on: March 6, 2023". A "Continue →" link is positioned below the message. At the bottom of the message box, there is a red-outlined rectangular input field.

Consultation on
the type and
nature of
complaints to
be disclosed

Next Steps

Next Steps



26

December 2023

- Consultation on changes to ASMC (2025 filing of 2024 ASMC data)

January 1, 2024

- Excel 2023 ASMC form available for download from your E-Services

March 1, 2024

- Filing period for the 2023 ASMC data

April 2024

- Information session on the upcoming complaint reporting

May 1, 2024

- Deadline to file the ASMC and Complaint Report 2023

Fall 2024

- Information session Year 9 ASMC (2025 filing of 2024 ASMC data)
- Consultation on changes to ASMC (2026 filing of 2025 ASMC data)

For questions email to:

- ▶ CCIR at: ccir-ccrra@fsrao.ca
- ▶ AMF at: infoform.pc-mc@lautorite.qc.ca