



BULLETIN INSURANCE 2019-01

Re: **Guidance: Conduct of Insurance Business and Fair Treatment of Customers**

19 February 2019

On 27 September 2018, the Canadian Council of Insurance Regulators (CCIR) and the Canadian Insurance Services Regulatory Organizations (CISRO) jointly published **Guidance: Conduct of Insurance Business and Fair Treatment of Customers**. The full document can be found on the CCIR website:

<https://www.ccir-ccra.org/Documents/View/3450>

This Guidance was designed to align with the International Association of Insurance Supervisors (IAIS) Insurance Core Principles 19 (ICP 19). The Pensions and Insurance Division of FCNB actively participated in the design of this Guidance.

The IAIS core principles set requirements for the conduct of the business of insurance that ensures customers are treated fairly. The Guidance establishes that the fair treatment of customers is integral to sound market conduct practices and fundamental to the reputation of every financial institution and consumer confidence in the financial system.

It is the expectation of the Pensions and Insurance Division of FCNB that insurance licensees (Insurers and Intermediaries) will adopt the principles as outlined in the Guidance and ensure that measures are in place to abide by them. These expectations involve the licensee's conduct at all stages of the lifecycle of the product (from design, to sales, to claims process, to the end of the lifetime of the policy).

In 2015, FCNB signed the Memorandum of Understanding and Protocol on Cooperation and the Exchange of Information with other CCIR members. The MOU allows FCNB to collaborate and share information with other regulators when conducting Market Conduct Exams of common licensees. The Guidance principles will be the standard used for all future Market Conduct Exams conducted by the Pensions and Insurance Division of FCNB.

For any questions on the Guidance, contact the Pensions and Insurance Division of FCNB at 866-933-2222 or by email at info@fcnb.ca