

RIBO

REGISTERED INSURANCE BROKERS OF ONTARIO

BULLETIN

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PRESIDENT'S MESSAGE



DOUG GRAHLMAN

The provincial legislation aimed at combatting insurance fraud (Bill 171) died when the election was called for June 12, 2014. That Bill sought tighter controls over tow truck operators and health clinics, amongst others, in an effort to reduce the amount of fraud present in the auto insurance sector. The promised auto premium reductions are in large part dependent on reducing costs in the system and instances of fraud in the sector. While it is unclear if the legislation or something comparable will be re-introduced by the new government, brokers can still play an important role in fighting fraud through:

- sensitivity to circumstances surrounding a claim that suggest something is not quite right, for example, staged accidents
- generally, having a second look where client activity seems to indicate some fraudulent purpose.

Both FSCO and the IBAO have created excellent materials which seek to educate the public on auto insurance fraud. We encourage brokers to make use of these materials by having them available in your office, on your websites, etc. Further, brokers are encouraged to report good faith concerns about potential fraud to insurance companies, regulators and, where appropriate, the police.

Also with respect to auto insurance, brokers have an ongoing obligation to review with their clients the optional benefits available,

not only when writing new business but also upon renewal. As a client's circumstances may change through the year, their coverage needs may change as well. Such a review and concurrent file documentation will benefit the client, and also ensure that brokers fulfill their responsibility to offer suitable coverage to their clients based upon their specific needs. Also note that the RIBO spot check program will seek to determine if such a review process is in place.

The Notice of Election of Council Members is included with this Bulletin. I hope that many of you will seriously consider running for Council, as it provides an extraordinary opportunity to participate in the regulation of our profession. I would be happy to chat with anyone considering putting their name forward.

Have a safe and enjoyable summer season.

...brokers can still play an important role in fighting fraud...

Qualification and Registration Committee Report



BETH PEARSON
CHAIR

As the temperature is warming, a nice summer is arriving. As with every summer, it is renewal season. Each individual is responsible for renewing their RIBO license by the **August 31st** deadline.

Paper renewals will not be sent out as it is a **mandatory** online renewal this year. Renewing online is faster and more efficient for yourself and RIBO. For those who have renewed online in prior years, the process and user information/login remains the same. If this will be your first time renewing online, please go to www.ribo.com, "Member Login" (at the top right corner) to set up online access. Please refer to the 2014-2015 Renewal Process page for more information about the 2014/2015 renewal.

It is important to note that many individual follow-ups are a result of incorrect answers on the renewal application. **Please read and answer each question carefully.**

To comply with the requirements, all continuing education hours for the renewal must be completed by **September 30th** in order to avoid a license suspension. This deadline is not to be confused with the renewal deadline of

August 31st. It is highly recommended that the hours be completed early to reduce pressure and stress. If you have partially completed the required hours or are in the process of completing the hours, you are still required to complete the application and pay the renewal fee by the deadline, but must answer "NO" to the continuing education question. Answering otherwise is an act of misconduct and falsification of the renewal form.

Over the last three months we reviewed 61 requests for secondary business exemptions. The exemption breakdown was as follows: 6 individuals were granted exemptions to sell financial products and 55 individuals were granted other secondary business exemptions.

The Qualification & Registration staff or I will be happy to assist you with any questions you may have.

Have a safe and delightful summer.

Broker Disputes Over Portfolio Rollover

RIBO has experienced an increase in the number of complaints emanating from brokers regarding the difficulties they are experiencing when trying to make a portfolio transfer from one registered brokerage firm to another.

In spite of the existence of a contract between the brokers, quite often the relationship between the parting brokers breaks down in the early stages of the portfolio rollover. It is not unusual in these situations for one broker or the other to bring the matter to RIBO along with allegations of misconduct against the other broker.

If this happens, RIBO will investigate the conduct of all parties involved to determine if possible misconduct has occurred.

In general, RIBO does not get involved in contractual disputes between brokers, as the ordinary civil remedies apply. However,

RIBO will get involved if there is consumer exposure as a result of these disputes.

Brokers are reminded that during any portfolio rollover all parties are required to act in a professional manner and should assist in any possible way to make certain that there is a smooth and seamless transfer for the files and that consumers are not left exposed in any way.

Please refer to the RIBO Principal Broker's Handbook. The supplementary resources section (pages 6.2 through 6.5) provides guidelines to assist brokers when transferring portfolios.

ADVANCE NOTICE

The 33rd Annual Meeting of members of the Registered Insurance Brokers of Ontario will take place on Thursday, November 6, 2014 at 1:30 p.m. at the Arcadian Loft, 401 Bay Street, Simpson Tower, 8th Floor, in downtown Toronto. A formal notice of meeting and proxy, along with the election material, will be mailed to each registrant in good standing in early October. All registrants are eligible to attend and to vote on matters properly brought before the meeting.

RATING OF SEASONAL VEHICLES

As the summer months are almost upon us, RIBO would like to remind brokers about the opportunity to talk with your clients about seasonal vehicle rates calculation as well as possible cancellation penalties for policies cancelled mid-term. As many seasonal vehicle riders, this being motorcycle, snowmobile or any other seasonal vehicle, are looking for insurance for the first time, they may not be aware of how the seasonal rates are calculated. They may also not be aware of the type of cancellation penalties involved when they request a policy to be cancelled at the end of the season. Many experienced riders who have had insurance for a number of years may also have forgotten about the cancellation penalties involved when a policy is cancelled mid-term.

The time of writing up a new application or offering a renewal policy is a perfect time to inform or remind clients about the seasonal rates, earned premium calculations as well as cancellations and short rate penalties. Brokers are also encouraged to keep proper file documentation at all times, not only limited to seasonal vehicles.

Notice of Election of Council Members



Notice is hereby given that the annual election of council members will be held on **Monday, November 3, 2014** at which time three council members are to be elected for a term of three years.

Registrants have the opportunity to nominate candidates, including incumbents if they agree to have their names put forward for election to serve another term. Candidates for election will be divided into two streams. Those from firms with 20 or more licensed individuals and those from firms with less than 20 licensed individuals. A nomination form with instructions is enclosed in this edition of the Bulletin. Eligibility for election is set out in RIBO By-law No. 21, Section 1 (2) as follows:

Each person who is an individual member of the corporation (RIBO) and,

- a) who is qualified to vote at an election of Council, (a person is registered under the Act and not in default with respect to payment of fees),
- b) who is a Canadian citizen ordinarily resident in Ontario or a permanent resident within the meaning of the Immigration Act, 1976 (Canada) and ordinarily resident in Ontario, except a permanent resident who has been ordinarily resident in Ontario for more than one year after the time at which they first became eligible to apply for Canadian citizenship,
- c) who is nominated in accordance with Section 8,
- d) whose conduct is not the subject of a complaint referred to the Discipline Committee, or the subject of disciplinary proceedings before the Discipline Committee,

is eligible to stand for election to the Council in accordance with this By-law.

Nominations, a brief biography (under 110 words), outlining professional qualifications and record of community service, and a photograph must be received in writing by the Manager at the RIBO office no later than 4:00 p.m., on September 15, 2014.

In early October, each registered insurance broker will receive a list of nominated candidates. The nomination bio sheet will be accompanied by a ballot form and a return envelope to be delivered to the RIBO office to the attention of the Manager, no later than 4:00 p.m. on the date of the election, **November 3, 2014**.

2014 - 2015 Renewal Process

As previously announced, beginning with the 2014/2015 renewal term, **all** renewals will be processed **online only** and paper renewals will no longer be available. Each individual must have a current, unique and valid email address (not a common corporate email account). Without a unique and valid email address the online renewal process cannot be completed. **Please add the email domain "ribo.com" onto your email Safe Senders list or Address Book/Contacts.**

The online renewal portal will be available on July 1, 2014. It is the Principal Broker's responsibility to ensure that the renewal application form for the firm is properly completed and submitted. While it remains the responsibility of each individual member to ensure that his or her registration is renewed, Principal Brokers are expected to ensure that all individuals associated with the firm renew their registration and comply with the continuing education requirements.

DEADLINE to renew for the 2014/2015 term is August 31, 2014. The 2013/2014 licenses will expire on September 30, 2014. Any licenses not renewed by the expiry date will be lapsed and will be subject to a \$170 penalty fee, in addition to the registration and reinstatement fee, to reinstate the license.

For First-Time Membership Users:

(has not previously renewed online)

1. Create a RIBO online account by accessing "Member Login" from RIBO's home page www.ribo.com (at the top right corner).
2. Select "New User".
3. Fill in the required information and press "Submit" (an email with a temporary password and login instructions will be sent to the email address on file).
4. Log in and fill out and submit the "renewal" application form.

For Existing Membership Users:

(has previously renewed online)

1. Log in the usual manner ("Member Login" and input user name and password).
2. Fill out and submit the renewal application form.

If you do not receive an email, please check your "Junk Mail" or "Spam" folder.

FEE DISCOUNTS:

Council has decided to allow a \$10 discount for ALL renewals submitted by August 31, 2014.

**2014/2015
Annual Fee**

**Renew by
Aug. 31/2014**

FIRMS:

The Principal Broker must login and complete the renewal application for each firm that they are the Principal Broker of. Please report and submit any changes in the registration to registration@ribo.com

Sole Proprietors

\$420

\$410

Partnerships and Corporations

\$470

\$460

Non-Active Firms

\$170

\$160

Individuals who have a non-active firm must separately complete and submit the renewal.

INDIVIDUALS:

Each individual must login and complete the renewal application. Please read and answer each question carefully. Please report and submit any changes in the registration to registration@ribo.com

Active

\$170

\$160

Inactive

\$170

\$160

To maintain an "inactive" status, individuals who are not employed or engaged in another business or employment must renew their registration and complete their continuing education requirement. Any individual who is currently employed or engaged in another business or occupation must resign the RIBO registration.

PAYMENT OPTIONS - CREDIT CARD ONLY (NO CHEQUES)

The Principal Broker must login and complete the renewal application for each firm that they are the Principal Broker of. Please report and submit any changes in the registration to registration@ribo.com

Individual Payment:

- The individual will pay for his/her own renewal by credit card
- Individuals employed at firms on the **Bulk Renewal Payment** option will not be prompted for payment as the firm will have submitted payment.

Firm Payment:

- Payment will be made under the Principal Broker login for all submitted individual renewals by credit card check-out process. This option should only be selected if the Principal Broker has obliged to pay for the renewal fee.
- **Principal Brokers** - please be advised that when an employee of your firm selects **Firm Payment**, you will be notified by email that a renewal payment is due for that individual broker.



DECISIONS OF THE **DISCIPLINE COMMITTEE**

CAUTION While the information contained below is public, members should take caution that inappropriate use of this information may be considered to be an act of misconduct.

Richard Bretzlaff
Registration Number: D1220
Garson, Ontario

HEARING DATE: January 30, 2014

MISCONDUCT: Ont. Reg. 991, ss. 14(1) and 14(3)

PARTICULARS OF THE COMPLAINT:

Richard Bretzlaff failed to forward an application for home insurance to an insurer resulting in a lack of coverage.

DISCIPLINE COMMITTEE'S DISPOSITION

Mr. Bretzlaff entered a plea of guilty and the Discipline Committee accepted the evidence adduced by RIBO in support of the plea of guilty. Accordingly, Richard Bretzlaff was found guilty and the Discipline Committee orders:

- (a) That the Certificate of Registration of Richard Bretzlaff be and is hereby suspended for eighteen (18) months effective January 30, 2014.
- (b) That a recommendation be made to the Qualification and Registration Committee that the Certificate of Registration of Richard Bretzlaff be restricted to acting under supervision and that they not consider any application by Mr. Bretzlaff to change his registration from acting under supervision for a period of no less than 5 years from the date of this Decision.

Affirm Business Centre Insurance Brokers Inc.
Registration Number: A3212
Mississauga, Ontario

Christa Ann Pissey
Registration Number: R9394
Mississauga, Ontario

HEARING DATE: February 27, 2014

MISCONDUCT: Ont. Reg. 991, ss. 15(1)13, 6(4) 4i and ii, 5 and (6).

PARTICULARS OF THE COMPLAINT:

Affirm Business Centre Insurance Brokers Inc. (hereinafter referred to as "Affirm Business Centre") and Christa Ann Pissey as Principal Broker, has been in breach of an Order of the Discipline Committee dated the 7th day of June, 2012, wherein Affirm Business Centre was ordered to file monthly position reports in Form-1 showing full compliance for a period of 1 year, commencing with the month ending July 31, 2012, and thereafter as at August 31, 2012, September 30, 2012, October 31, 2012, November 30, 2012, December 31, 2012, January 31, 2013, February 28, 2013, March 31, 2013, April 30, 2013, May 31, 2013 and June 30, 2013, with usual attachments. Upon review by RIBO staff Ms. Christa Ann Pissey continued to make transfers from the trust account to the general account, at the beginning of the month that exceeded the previous months net trust position resulting in a net trust deficit at the beginning of the month. Broker was advised formally in writing on January 15, 2013 to ensure adherence to the regulations. Upon a broker review on March 12, 2013 RIBO staff established that the

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above practice continued. Therefore Christa Ann Pissey and Affirm Business Centre are in breach of the Order dated June 7, 2012.

DISCIPLINE COMMITTEE'S DISPOSITION

The Discipline Committee found that there was sufficient evidence for the plea of guilty by Christa Ann Pissey personally and on behalf of Affirm Business Centre, and accepts the evidence adduced by RIBO in support of the plea of guilty and finds that Ms. Pissey and Affirm Business Centre are both guilty of the misconduct as alleged.

The Panel heard submissions from Counsel for RIBO and from Christa Ann Pissey with respect to both penalty and publication. RIBO's outside Counsel noted that Ms. Pissey was an experienced broker and has been registered since October 24, 1984. Furthermore, he argued that the previous disciplinary Order dated June 7, 2012 was not followed; the seriousness of the previous action was not recognized and insufficient steps taken to remedy the situation. The Discipline Committee therefore orders:

- (a) That the Certificate of Registration of Christa Ann Pissey is hereby restricted to Y Unrestricted Technical Only (Discipline Order). This restriction to be in effect immediately or at which time a new Principal Broker of Affirm Business Centre can be appointed. In either case this restriction to be in effect no later than 60 days after the Order of the Discipline Committee has been ratified.
- (b) That a recommendation be made to the Qualification and Registration Committee that the Certificate of Registration of Christa Ann Pissey be so restricted for a period of not less than three (3) years. Should Ms. Pissey wish to remove the restriction at that time, she must first attend the IBAO Advanced Broker Management Course and pass the RIBO Unrestricted Management Exam to be set by RIBO.
- (c) That Affirm Business Centre file monthly position reports in Form-1 showing full compliance for a period of 3 years commencing with the month ending April 30, 2014 and finishing with the month ending March 31, 2017 and to be accompanied with the usual verifying financial attachments.

ADDITIONS & DELETIONS FROM THE RIBO REGISTER

MARCH 1, 2014 - MAY 31, 2014

A D D I T I O N S

Ribo No.	Broker	City
3750	Oasis Outdoor Adventure & Sport Insurance Solutions Inc.	North Battleford
3751	Sym-Tech Insurance Services Inc.	Richmond Hill
3755	Aligned Insurance Inc.	Toronto
3757	Prime40 Insurance O/B BTI Direct Insurance Inc.	Richmond Hill
3761	North West International Insurance Brokers Ltd.	Oakville
3762	Ives Insurance Brokers (2014) O/B 2408308 Ontario Ltd.	Essex
3763	Falvey Insurance Services, (Canada) ULC	Oakville
3764	OMA Insurance Inc.	Toronto
3765	Highgate Insurance Brokers Inc.	Port Hope
3768	Insurancehound Inc.	Toronto
3769	Ned Insurance O/B 2411214 Ontario Inc.	Stoney Creek

D E L E T I O N S

Ribo No.	Broker	City
230	Bourgeois, Cote, Forget, Swim & Oliver	Orleans
247	Barry Breen Insurance Brokers (Renfrew) Ltd	Renfrew
354	Sholdice Insurance Ltd.	Brussels
417	F.Wallace Clancy & Son Limited	Toronto
671	Elliott Nixon Insurance Brokers Inc.	Blyth
1036	Instar Insurance Brokers Incorporated	Ottawa
1152	Kleinknecht Insurance Brks Ltd	Linwood
1288	Lyons & Mulhern Insurance Brokers Ltd.	Goderich
1632	North York Insurance Brokers Ltd.	Aurora
1642	O'neil & Company Inc.	Renfrew
2111	Swick Bauman & Associates Insurance Brokers Ltd.	Midland
2251	Vista Ins & Financial Services O/B Vista Ins Brokers Ltd	Mississauga
2931	Huron Insurance Managers Group	Goderich
2975	Tribute Insurance Brokers Inc.	Hamilton
3366	Omni Corporate Solutions Ltd.	Montreal
3576	Seaforth Insurance Ltd.	Blyth
3663	Epic (Every Person's Insurance Centre Ltd.)	Ajax

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Public members are appointed by the Lieutenant Governor-in-Council to represent the public interest.

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PLEASE VISIT OUR USER FRIENDLY WEBSITE AT WWW.RIBO.COM



is the self-regulatory body for general insurance brokers in Ontario.





NOMINATION FORM

RIBO COUNCIL

Registered Insurance Brokers of Ontario
P.O. Box 45, 401 Bay Street
Suite 1200, Simpson Tower
Toronto, ON M5H 2Y4

_____, Registration # _____, who is _____
(Nominee's Name) (Position)

of _____, Registration # _____, which employs

Twenty or more individual members* Less than 20 individual members

is hereby nominated as a candidate for the election to RIBO Council.

The nominators are as follows:

Signature	Name (print)	Reg. #	Employer (print)
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____
7. _____	_____	_____	_____
8. _____	_____	_____	_____
9. _____	_____	_____	_____
10. _____	_____	_____	_____
11. _____	_____	_____	_____
12. _____	_____	_____	_____
13. _____	_____	_____	_____
14. _____	_____	_____	_____
15. _____	_____	_____	_____

I hereby consent to the above nomination.

(Signature of Nominee)

(Date)

(*) By-law 21, Section 8(1)(c).