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Gerry Baert

President's Message

Now that the holiday season is over and I've finally made my last credit card payment for Christmas, it's time to get into the swing of a new year.

I thought I would start 2018 with something a little different. Instead of me just writing an article on what my thoughts are, I thought I would give you all a breakdown in point form of all the things that your association, the executive, board members, their committees and local councils are working on.

Governance Committee

Past president Julia Marshall is chairing this very important restructuring of the board. We also have the very good fortune to have 2012-2013 president Scott Treasure and member-at-large Doug Van Helden to help guide us through this exciting change.

Tech Committee

This committee is currently working on a comparative chart of insurance companies committed to supporting broker progress in the digital world. The criteria are clear and comprehensive, showcasing those companies offering digital solutions for brokers. Ultimately, the comparison will highlight those companies focusing resources on the broker channel, those on a blended model or those with emphasis on direct-arm initiatives.

Scott Romans, Rikki McBride and I are also involved in a similar exercise evaluating BMS providers and their systems. Evaluation categories include things like system functionality, pricing, future developments and integration capabilities. Aviva has been the lead facilitator on this project and will be holding video-recorded sessions with the BMS providers sometime in February or March. Participants will present their systems based on the evaluation categories, and awards will be presented. Hopefully, most of you will watch the sessions that benefit your needs or questions.

Communications Committee

Headed up by Ken Holst, this committee's focus is on improving communication with our member brokers. The committee is reviewing our emails and surveying members to help ensure they are getting the information they want. Email subscription preferences are in your IBAA website profile bio. Please keep all the information in your profile updated so that we can target appropriately.

BIP Committee

Paul Vanderhooft chairs this ever-evolving and challenging committee. With Janis Losie from the office, they are concentrating on getting the message out to members to display the BIP symbol on everything. Along with IBAC's national campaign, televised on Sportsnet, news and other highly visible websites, our Alberta campaign on local television, buses and billboards has promoted far more of a call to action. If you're not promoting the BIP, you're missing out on advertising in favour of brokers that do. The Find a Broker campaign has been by far the most successful Bipper campaign to date.

Charitable Committee

Trevor Sodergren chairs this committee. The discussions revolve around getting members more engaged in a common charity that goes beyond individual brokers' fundraising initiatives. We feel that a neutral organization like Ronald McDonald House (RMH) could resonate with members, yet for two years in a row only a very small percentage have participated. The result has been a disappointing donation to a worthy cause. While brokerages may have their own charities of choice, we are staying with RMH for at least one more year. Surely, we can do both. A minimal donation from each branch will go far.

Big Picture Efforts

Other IBAA and board members have also volunteered their time to help keep us informed and drive change in areas that impact our brokers. For example, members have been actively advocating for regulation changes to allow equivalencies for licensing and lobbying to close the bodily injury loophole for TMJD (temporomandibular joint disorder) and PTSD (post-traumatic stress disorder).

In closing, I am not only honoured but humbled by the commitment and effort your executive, board and office make to help strengthen the broker's place in this rapidly changing environment. If you have any thoughts or concerns, please reach out to any of us. Most of the people mentioned are the volunteers who put their hands up to work for you. I'm grateful for that.

I would also like to do a special shout out to Joanne and Debbie from A-WIN. Thanks for the discussion and tune up, I really appreciated it.

Thank you and as always,

Let's talk.





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CLEAR MESSAGE

SCC Rules on Faulty Workmanship Exclusion in Builders Risk Policies

Contracts govern many of our day-to-day business relationships. With increasing population growth, construction demands and costs of material and labour comes greater risk of sizeable expense and reconstruction costs as a result of negligence and faulty workmanship on construction sites. To respond to this risk, the purchase of an all-risk or builders' risk policy has become commonplace. The purpose of such policies and what they are intended to cover or exclude is important on large construction projects.

A builders' risk policy is a standard-form insurance contract. Coverage is generally broad, resulting in higher premiums given that the cost of re-doing a contractor's faulty work can be sizeable. Such policies are commonly used on construction sites and cover not only the owner and general contractor but all contractors. Generally, they include a faulty workmanship exclusion to prevent indemnification for shoddy work. The purpose of such contracts is important when interpretation of its clauses becomes an issue.

In one of the key recent Canadian decisions relating to interpretation of an exclusion clause in a builders' risk policy, the Supreme Court of Canada ("SCC") in *Ledcor v. Northbridge*¹ ("*Ledcor*") held that interpretation of standard-form contracts is subject to review on a standard of correctness. In addition, the SCC interpreted the faulty workmanship exclusion clause to exclude only the cost of redoing the faulty work from coverage and not the cost of repairing the resultant damage arising from faulty work.

In *Ledcor*, Ledcor was the general contractor for the owner, Station Lands Ltd., of the recently constructed EPCOR Tower in Edmonton. During construction, the windows became dirty with paint specks, dirt and concrete spatter. The building owner hired Bristol Cleaning to conduct a "construction clean" of the windows. Bristol Cleaning used improper tools and cleaning methods and ended up scratching all of the windows, such that the windows had to be replaced entirely at a cost of \$2.5 million. The building owner and Ledcor claimed the replacement cost of the windows through their builders' risk policy. The insurers denied the claim on the basis of the faulty workmanship exclusion. The building owner and Ledcor filed a statement of claim seeking enforcement of the policy and coverage for the replacement cost of the damaged windows.

The exclusion in the policy read as follows:

(b) The cost of making good faulty workmanship, construction materials or design unless physical damage not otherwise excluded by this policy results, in which event this policy shall insure such resulting damage.

The trial judge concluded that the cleaning work was faulty workmanship, but that the exclusion clause did not exclude from coverage the damage that the faulty workmanship caused to the windows. The court found the exclusion clause was ambiguous and found the interpretations provided by both sides plausible. The court applied the rule of *contra proferentem* against the insurers. The decision was appealed.

The Alberta Court of Appeal reversed the trial judge's decision and declared that the damage to the windows was excluded from coverage on the basis of a novel test of physical or systemic connectedness. The decision was further appealed.

The SCC was asked to decide two issues:

1. What standard of appellate review applies to a standard form insurance contract?
2. What is the proper interpretation of the faulty workmanship exclusion clause and the resulting damage


exception to that exclusion contained in builders' risk insurance policies?

The SCC held that, generally, interpretation of standard-form contracts is a question of law and subject to review based on the standard of correctness.

In reviewing the appropriate approach to contractual interpretation, the governing principles can be found in *Progressive Homes Ltd. v. Lombard General Insurance Co. of Canada*, [2010] 2 S.C.R. 245. Where a policy is unambiguous, effect should be given to its clear language when reading the contract as a whole. If there is any ambiguity, the interpretation should be consistent with the reasonable expectations of the parties so long as it does not lead to any commercially unreasonable results.

The SCC held that the exclusion clause in this instance was ambiguous. It then looked to the purpose and intention of the parties when purchasing a builders' risk policy. The court held that the faulty workmanship exclusion serves to exclude from

coverage only the cost of redoing the faulty work (i.e., in this case, improperly cleaning the windows). The policy did not cover the cost of re-cleaning the windows, but did cover the replacement cost of the windows. This aligned with commercial reality and the need to ensure sensible results in the interpretation of the exclusion clause.

This decision is important for actions involving litigation of standard insurance contracts and their clauses. Given the SCC's conclusion that interpreting standard form insurance contracts is a question of law subject to correctness, precedential weight will be given. It further clarifies the scope of a builders' risk policy and the nature of the risks it responds to. 

¹ *Ledcor Construction Limited v. Northbridge Indemnity Insurance Company et al.*, [2016] SCC 37 ("Ledcor") NOTE: Solicitors for one of the Appellants, Station Lands Ltd., was Dentons Canada LLP, Edmonton, represented by the litigation team of Dennis Picco, Q.C. and David Sommerfeldt



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A person in a dark suit is holding a bright yellow hard hat. The background is a construction site at sunset, with a crane and other structures visible against a warm, orange and yellow sky.

BUILDING BUSINESS

**SERVING CONSTRUCTION
INDUSTRY CONTRACTORS**

By Melanie Needham

Melanie Needham, FCIP, CRM, is president of MRD Training & Consulting Inc. (MRDconsulting.ca) providing training and consulting services to insurance professionals across Canada. Since 2016, Melanie has delivered several high-level and interactive seminars to IBAA members.



Mark Twain famously advised budding authors, “Write what you know.” The same could be said about insurance for construction industry contractors and sub-trades. With all the different exposures and types of coverage required—both mandatory and optional—it’s important to have a solid understanding of your client’s business as well as strong technical expertise in the product in order to write this interesting and intricate class of business properly.

The term “contractor” is a very broad term; a contractor is a person or company that undertakes a contract to provide materials or labour to perform a service or do a job. In anticipation of the increased activity in the warmer months, this article will focus on contractors in the construction industry.

TYPES OF COVERAGE

Before you can even begin to navigate the insureds’ requirements, it is important to understand what kind of contractors they are. For example, are they labour-intensive such as contractors in the construction industry or are they in the energy sector, which may require specialty coverage? Maybe they are small contractors that build one house at a time. Each contractor will have its own unique exposure; however, all contractors have standard coverage requirements as well.

In Alberta, construction insurance needs to include the mandatory requirements of liability and Workers’ Compensation coverage. Commercial general liability (CGL) is the coverage that protects your client’s assets from a variety of claims such as accidents and third-party claims. The CGL policy promises to pay only if bodily or property damage occurs during the policy period.

Your client may also need professional liability insurance to provide coverage for errors such as improperly negotiating contracts. Workers compensation coverage is a requirement for your client as well to protect its employees if they are injured on the job.

After these mandatory coverages have been addressed, there is a plethora of additional coverage that a contractor may require. The following are a few examples of coverage that are important for a broker to understand.

Builder’s Risk Insurance, also referred to as “Course of Construction” (COC), covers a building where the building or insured area is presently being constructed. It can cover just the structure or also the materials on site waiting to be installed or transported to the job site and is an insurance that most owners will ask every contractor to carry. The limit is determined by the completed value of the project, which includes all labour and material costs. The policy period is based on the time it will take to complete the build but can usually be extended if required. An important exclusion that should be read in its entirety is for damage resulting from faulty design, planning, workmanship and materials; these causes of damage would be addressed by professional liability rather than a builder’s risk.

Claim Example: Water damage originated on the roof, but the water trickled down and damaged sheet rock and insulation in the

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wall as well as flooring material, trim and paint, which all had to be ripped out and replaced quickly. The COC covered the costs of additional materials, labour and time required, whereas the roof damage was covered by the building policy.

Equipment & Tools coverage can be purchased on a scheduled policy or a blanket policy. It can cover all equipment and tools regardless of where they are at the time of loss. There are advantages and disadvantages to both formats, and the right choice really depends on your client. The blanket coverage may work better for a large contractor who has equipment in numerous locations and little chance of a total loss. The scheduled format would be better for a client with specific equipment that needs to be covered on lower-valued items.

Reviewing the insuring agreement on the equipment policy is critical, but don't ignore other policy terms such as the "property not covered" section, the exclusions and, finally, the loss-valuation clauses. Each of these sections have some relevance on coverage provided under the policy and what is ultimately paid on a claim.

Forest Fire Fighting Expenses can be astronomical in cost, so this policy extension is very important for your contractor to understand. Typically, this coverage extends the policy to cover liability imposed by law upon your client for the cost of controlling and extinguishing fires. This coverage, however, does not cover any fines or penalties imposed on your client or intentional fires set by the contractors or their sub-contractors. This coverage is being added for all contractors really and is an important topic to discuss with clients.

FACT: Did you know the insured cost of Alberta's Fort McMurray wildfire was \$3.77 billion, making it Canada's most expensive insured natural disaster (Source: Insurance Bureau of Canada). Sure, this example isn't common (hopefully!), but the broker's job is to explain not just the common but also the uncommon risks that could have devastating consequences if not insured properly.

Pollution Coverage is one of the essential exposures for many clients, but many times clients decline the coverage because it is not always a



requirement in their contract. Contractors have an exposure of causing property damage or third-party environmental damage caused by pollution that resulted from their work, and this policy will address that. This coverage can be challenging for brokers and underwriters as it can be difficult to pinpoint the exposures and further explain coverage.

Claims Example: A residential contractor unknowingly spread contaminated soil across a project site while filling for a residential housing project. The project was halted while clean up was happening, which caused a large loss of \$300,000 in clean up and defence costs.

Products and Completed Operations

coverage of the CGL covers the liability incurred by a contractor for property damage or injuries that may happen to a third party once contracted operations have ceased or been abandoned. This coverage is subject to and does not override the requirement for the loss to occur during the policy period. Products and completed operations will cover bodily injury and property damage which is distinct from professional liability that only covers personal injury (e.g., the mental or psychological damage of false arrest, libel, slander, etc.)

Professional Liability covers contractors who provide advice and could be held accountable if something goes wrong. Contractor responsibilities have expanded beyond construction to include tasks such as design delegation and even hiring design firms. Errors and omissions associated with performing a professional service could, for example, result in time delays and lead to a claim against the contractor.

Wrap-Up Liability is a policy that provides bodily injury and property damage coverage for all contractors and subcontractors working on a large project. Wrap-up insurance is intended for larger construction projects and is purchased by the owner/general contractor. This policy can include the project manager and even consultants, engineers and architects, however they are still subject to the professional liability exclusion.

Claims Example: Construction of a building was commenced and during excavation a sewer line was hit and damaged, resulting in further damage to the surrounding area. The city sued for remedial costs. The general contractor was sued, but the sub-contractor did the damage, so the wrap-up responded.

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TIPS FOR BROKERS

KNOW THE JOB DEMANDS

Make sure your contractor client is purchasing appropriate coverage to meet its contract requirements. For example, a \$10 million liability requirement is common for jobs with a municipality. When speaking of wrap-up liability, a \$25 million per occurrence with a \$50 million aggregate coverage is commonly required. It is imperative to ensure that the appropriate coverage limits are purchased, whether they be through primary, excess or umbrella insurance.

BE CAUTIOUS WITH CERTIFICATES

Be very cautious with issuing your certificates of insurance. Remember that an “additional insured” and an “additional named insured” affords different coverage under the policy. An additional insured will have the same rights under the insured policy, but coverage granted is typically limited to liability arising out of operations performed by or on behalf of the named insured. Simply put, there has to be a connection with the operations of the named insured for the policy to respond. When you add an additional named insured, the named insured (your client) is extending coverage under its policy to all of the operations of the additional party.

PAY ATTENTION TO DETAIL

You should always read your client’s insurance policy to be familiar with its limitations and exclusions, especially when there are unique exposures that could be excluded or special warranties attached. Sometimes these can be negotiated or written back in.

For general contractors, have a discussion with your clients about the importance of obtaining updated certificates of insurance from their sub-contractors, even when there is a long-term relationship. The minimum would be a CGL with sufficient limits required for the project at hand. Of course, it’s important to ensure the dates coincide with the project and the policy is actually in force. Mistakes happen and being pro-active is the best risk-management tool we have.

If you have issued the equipment and/or tools on a blanket policy, make sure you read the policy to see if a margin clause is attached. It is also important to review co-insurance clauses. For example, if the value submitted is not at least 80 per cent, a claim will be adjusted with a potential penalty assessed to the insured contractor for “undervaluing” the equipment. Let’s say a crane valued at \$100,000 was only insured for \$50,000. With an 80 per cent co-insurance clause, the contractor would not recover the total loss.

When you understand what policies respond to which exposures, it is much easier to develop a package for your client and easily explain why all the coverage suggestions are required. Of course we want to avoid an E&O claim by making sure we at least offer the appropriate coverage and document our files accordingly.

Contractors know their business inside and out and it isn’t enough to just talk the talk; you need to walk the walk. Understand what they do—ask clients to walk through a typical week of what they do so you can better understand their business. Beyond the general contractor, there are so many different types of contractors, each with their own unique exposures. Here is a short list on construction industry contractors along with an example of a risk inherent to their business.

Carpenters—dust collection as well as separation and storage of flammable varnishes and glues

Electricians—fire caused by improper wiring

Excavators—risks associated with adequate soil compaction and meeting proper grades for water run off

Landscapers—cutting down the wrong tree

Painters—pollution exposure due to chemical use

Plumbers—a risk of explosion when working around pipes, which can cause extensive damage.


DO YOUR HOMEWORK

It isn’t enough to just be familiar with the markets you deal with; you have to know the marketplace and what coverage is available, as well as possess a deep comprehension of the policy wording. The best way to learn about a sector is to speak its language. Know the industry processes, what the contractors achieved to do what they do and, most importantly, understand their pain points. Read industry publications to keep on top of current trends. I am a fan of McKinsey & Company’s website and *On-Site* magazine as resources. Network to meet people and learn what they and their companies do.

TARGET YOUR MARKET

Networking is also a great way to cultivate prospects as well as the following strategies:

- Use pay per click (PPC) advertising on social media targeted to the market or sub-sector based on geographical region. PPC advertising is beneficial and perfect for niche market campaigns, especially when you include long-tail queries as well as high commercial-intent keywords. The key here is to ensure your campaign is optimized for mobile use and to get your message in front of the right people.
- Form an alliance by aligning yourself with a similar type of business can be a powerful way to get your name out there. Maybe choose a risk-management company or an insurer. Develop a unique offering to stand out.
- Contact a local trade association and offer to host a free insurance seminar for its members or deliver a workshop at one of its upcoming meetings or conferences. Attend or sponsor its events such as golf tournaments and curling bonspiels—anything that gives you the opportunity to make connections.

Always remember, we are here to educate first. When clients understand their own exposures, the consequences of a claim and how they can protect themselves, the sale will happen naturally. Then you can truly “Write what you know.” 



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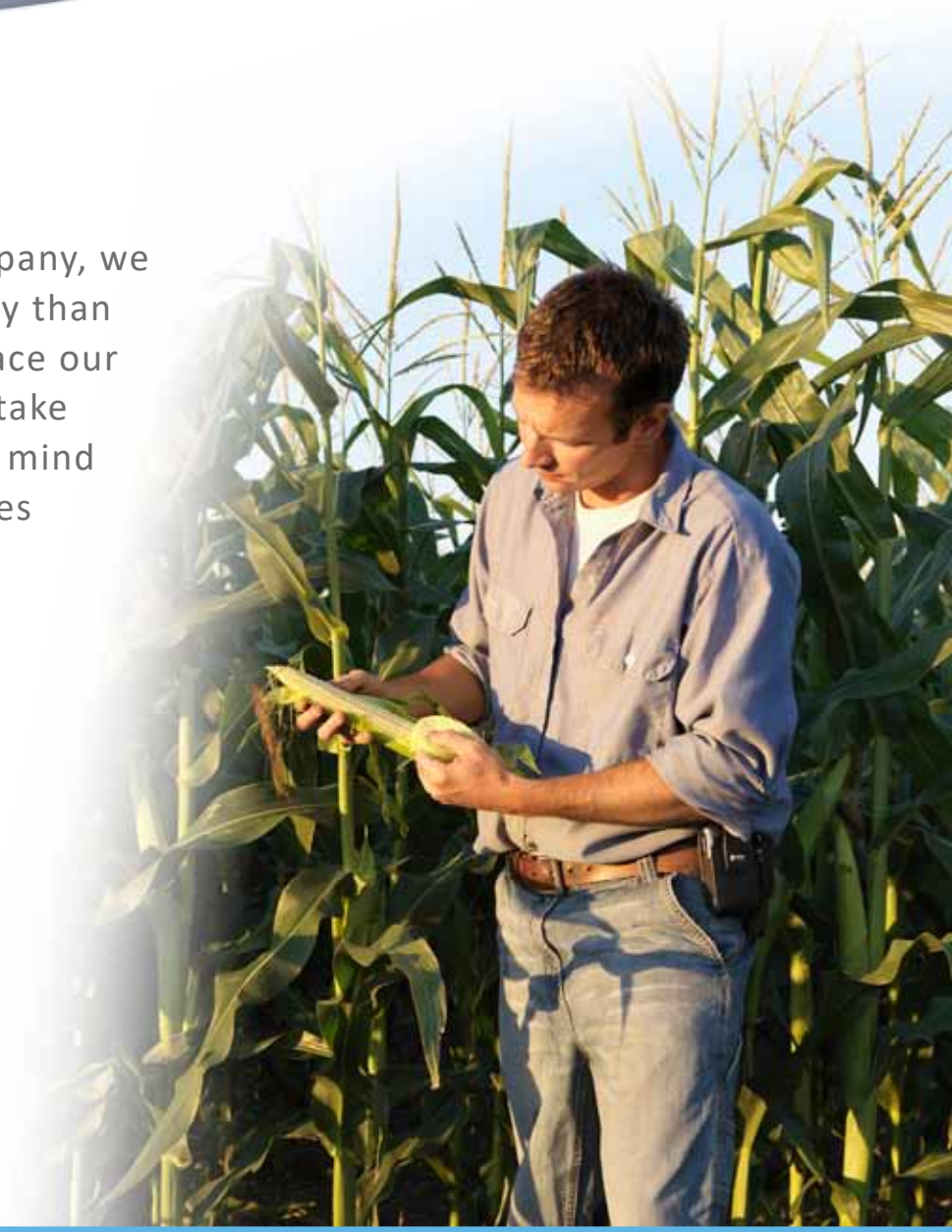
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Chinook COUNTRY REPORT

BROKER NEWS

New and not so new ...

- Congratulations to Gates Agencies of Standard, Alberta, on achieving its 50-year anniversary!
- Schartz Reliance opened a new office in Coaldale.
- Centre Street Insurance expanded its operation into Edson.
- Lucas & Wright officially changed its name to BrokerLink and plans to relocate in January.
- MKMK moved its Calgary head office to Symons Valley Road.
- Ontario-based Aligned Insurance opened a Calgary office on 3 Street SW.
- On November 3, 2017, Toole Peet Insurance announced its partnership with Navacord Inc.
- Hillcrest Insurance recently moved to a new location in Strathmore.
- Darrell Verbonac joined Western General as an account executive.

COMPANY NEWS

Congratulations to Diane Brickner, vice chair of the board, Peace Hills Insurance, for her receipt of a Senate 150th anniversary medal, which commemorates the first time senators came to Ottawa to sit in Parliament, on November 6, 1867. The medals are being awarded to Canadians or permanent residents actively involved in their communities who, through generosity, dedication, volunteerism and hard work, make their hometowns, communities, regions, provinces or territories a better place to live. The medal was presented to Ms. Brickner by Senator Scott Tannis, founder of Western Financial Group. Well known and respected by all, it's no surprise to anyone that Diane



Diane Brickner accepting medal

was honoured for her leadership and contributions to Alberta's communities.

Jean-Francois Blais, president of Intact Insurance, retired January 1, 2018. Louis Gagnon became the new president of Canadian operations.

It was a fun November for Economical Select who gave away a Toyota Rav 4 to Marsh client Pierre Arpin. This was the second vehicle give away in its 2017 Select Sweepstakes.

Recently hosting an open house for its brokers, Travellers officially moved to its new Calgary location on 8 Avenue SW.

Partner News

Sedgewick Claims Management Services Inc. signed an agreement to acquire Cunningham Lindsay.

WORK-LIFE BALANCE

I recently had the opportunity to visit the new office of Magna Insurance during its holiday season open house. Ed Sikorski has built his own team of insurance professionals out of long-term colleagues and family. It's not all about left brain success in the Sikorski/Jardine family though. While admiring the location and bright clean lines of the new space, I was told by senior vice president Brian Jardine that Erin Jardine, who is a local artist, had painted the majority of the canvases on the walls, and that she and mother Maureen Sikorski painted the board room canvas together as a mother/daughter project. Enter right brain balance to this insurance dynasty!

Thank you to everyone who contributed to this month's column—I appreciate you!

MICHELLE HAMMEL

Director of Strategic Projects

Michelle.Hammel@intact.net



Erin Jardine and Maureen Sikorski, Magna Insurance



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HOT TOPICS

In late November of the past year, the IBAA executive held its fifth annual series of round-table meetings with insurance company executives. This year, seven companies took part in the one-hour discussions over a period of two days. Discussion topics ranged widely, including overland water, rising claims costs in auto, commercial insurance and cyber coverage. Other topics included support for the broker channel in the digital space and the effect artificial intelligence (AI) and machine learning will have.

Overland Water and Earthquake

Currently, overland water solutions are varied, with policy wordings that are inconsistent and often difficult to understand. Consistency is difficult to achieve as it would require the companies to discuss their offerings, an act that is considered collusion and prohibited by law. The most difficult inconsistency is the lack of agreement on words such as *flood*, *water*, and *overland water*. The same term can mean one thing in one policy and something entirely different in another. While these inconsistencies will work themselves out over time, the errors and omissions risk is rather high in the meantime, with potentially painful consequences all around. Most agreed that some standardization of definitions and terminology is needed.

Many of the problems in residential flood coverage stem from the rapid speed at which carriers wanted to get into the market. Some wanted to be first and others, of course, wanted to follow equally quickly. Some of the policies have been tested, largely in Ontario. Some said they have learned much

from the Ottawa floods this past year, while others point to the 2013 southern Alberta flood as the most influential recent event. Some pointed out that the wordings regarding snow melt were not as responsive as they should have been. Others felt that their products are working well, although most say they have not yet been tested in Alberta.

As expected, some companies are planning to introduce new water products, while others are not. Many are tweaking their current products and educating brokers on their current offerings before rolling out new ones. Some are contemplating the introduction of new products that will replace the old ones, while others are adding things such as salt water to their existing policies. In the end, companies will do what they need to do based on their individual situations.

Pretty much everyone agreed that too many properties still have no coverage available or, in some cases,

have available coverage that is not affordable. One problem that often arises is that the product is affordable but high deductibles render the product of little use. Regarding overland flood insurance, Alberta Emergency Management states, "The Government of Alberta strongly advises all property owners to purchase adequate overland flood insurance for their property, as the Disaster Recovery Program (DRP) may not provide assistance for damages once insurance is considered reasonably and readily available." The concern then becomes whether or not the Disaster Recovery Plan will consider the current flood offerings to be "reasonably and readily available." We need clarity from the DRP regarding eligibility as the DRP rulings on coverage could create a significant E&O problem.

Considerable discussion focused on whether or not anything learned from the flood introduction could

be applied to earthquake coverage. Earthquake, particularly in British Columbia, has potential for a much greater catastrophe than flood or fire to date. Many do not believe they have an earthquake product that will respond very well for consumers, particularly from a deductible perspective.

What concerns most regarding a catastrophic earthquake is that no one has the appropriate capital to cover such an event and no one seems to be coming to the table to work on this problem. This concern is particularly true for banks and others in the financial sector. A catastrophic earthquake occurring in the current environment has the potential to bring the entire economy to its knees. As with flood, the insurance industry and others need to work together with government to arrive at solutions.

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Cyber risk and data breach are growing issues. Are your commercial customers ready if an event happens to them?

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Alberta Auto

Insurance companies and brokers are beginning to sound like proverbial broken records regarding Alberta auto insurance. Increasing claims driven by bodily injury and fraud are creating serious havoc in the P&C industry. Most agree that without provincial government action to limit the claims, the only solution is at least some rate increases. Many see their auto book as inadequate and believe that rate increases will still result in claims costs that continue to increase faster than premiums by about six months to a year.

The pressure on premiums is primarily due to bodily injury but not exclusively so. The cost of repairs on vehicles has skyrocketed mainly due to sensors and cameras. Legal claims for the loss of earning capacity has also resulted in significant increased claims costs.

Since the round-table meetings, two initiatives may spark positive and negative changes. First, the government has capped increases at 5%. This low limit has the potential to create future problems regarding availability.

Secondly, President Gerry Baert held his second “Let’s Talk” webinar with IBC western vice president Bill Adams soon after the meetings. The webinar discussed the auto issues and was followed up by outreach to IBAA members to write their MLAs a letter outlining industry concerns.

Commercial Lines and the Broker Channel

Brokers still retain the largest piece of the market share in commercial lines, but the increasing use of direct-to-consumer technology by some companies raised concerns from brokers around the table that other companies may be doing the same. This concern was universally allayed as each company that operates in the commercial space said it had no plans to head in this direction. Some

companies reiterated the phrase, “We are 100% broker.”

For the most part, companies are working on quick quoting tools for their commercial brokers simply because brokers have told them their customers want faster turn arounds on quotes. In the end, all felt that the broker channel is well suited for commercial, rather than the direct-to-consumer model. A lot of broker loyalty is out there.

Cyber Risk

With all of the hacking going on, cyber risk is an issue that is on many folks’ minds. Ransomware, for example, is a huge global problem.

“Most ... see significant consolidation in the future along with the disappearance of the non-digital broker.”

Almost every company is coming out with a cyber product. While most products will be unique from one company to another, many will be white-labelled (i.e., rebranding the same product). A fairly wide gap in terms of coverage seems to exist between basic products and more robust products. It was pointed out that a very long application for cyber coverage can make the product difficult to sell.

The whole issue of cyber risk is a great unknown, with the possibilities limited only by the hackers’ skill and imagination. As well, the dollar value of the risk is difficult to estimate.

Most markets have either a commercial cyber product of their own or have a white-labeled product, but a personal-lines cyber product does not appear available. All-in-all, cyber products appear to be still in their infancy with a lot more development to be done yet.

The Future of Digital vs. Non-Digital Brokers and Direct-to-Consumer Apps

I’m always surprised that some brokers still operate with little or no web presence let alone any digital capabilities. A few brokers are way ahead of the curve. At least one is investing in machine learning. IBAA has a tech committee that is looking at BMSs, analyzing what is available and comparing open platforms with closed ones. The tech committee is also looking at what insurers are doing in the tech space.

In terms of artificial intelligence (AI) and machine learning, look for a lot of routine claims and underwriting in particular to become more automated. Some insurance companies are currently working on AI and machine learning for broker manuals.

Many recent reports have noted the huge number of jobs that will be lost to AI and machine learning.

Fortune.com reported that up to 40% of current jobs in the U.S. could be lost in the next 20 years. Most companies agree that, like most society-altering advances in technology in the past dating back to the industrial revolution in the 18th and 19th centuries, AI and machine learning will cause a shift in employment. Many tasks that folks are doing today will disappear, but the technology itself will create new jobs. In other words, the job market will change, but the number of people working won’t—where people are placed will merely shift.

The companies are all supporting both digital and non-digital brokers for now, but those who are unwilling to get on board with digitization will become problematic. Some are openly saying that brokers who are not digital may end up losing some business, while others are saying that eventually non-digital brokers will disappear, likely through consolidation. Most companies are investing heavily in digital infrastructure and we should

see some changes over the next year as a result. Most are willing to help brokers, but brokers also have to meet the companies part way and have to want to be helped in this regard.

In terms of direct-to-consumer apps, most companies don't seem to have direct-to-consumer apps and, moreover, have no such plans. Some even say that they are focusing on developing tools that will give brokers the continued ability to provide exceptional service to their customers. From IBAA's perspective, consumers do not seem well served by a handful of company-specific apps on their smartphones. A broker app that works with all the companies and gives consumers a single app on their phones would serve their interests much better.

Claims Service

Most companies do not believe they can sell based on price and, I believe, none think that selling based on price is sustainable for anything other than the short term. Claims—where the

insurance policy promise is delivered—is the focal point. Poor claims service often becomes a reflection on the industry as a whole.

All companies are looking to improve their claims process with some looking at hiring a claims relationship manager. Most say that empathy is the key skill they are looking for in claims adjusters. In this focus on claims, some companies are sending claims reps out to meet with brokers, not just the standard underwriting reps.

With this new emphasis on improving claims service, most companies are undertaking real and practical initiatives.

The Broker Channel in 5 to 10 Years and IBAA's Role

Companies see the need for the broker channel in the future—people will still be looking for advice. Brokers see exposures that companies don't know about. Some see the broker as a risk manager who can provide development assistance and guidance

in customizing products. Brokers will also be involved in data consultation and analytics.

Most, however, see significant consolidation in the future along with the disappearance of the non-digital broker. Brokers who embrace technology will be fine.

In terms of what companies would like to see from the IBAA, virtually all wanted to see the association advocate for the insurance industry with government. Some were concerned about brokers selling to company competitors and felt that this subject was worthy of dialogue within the association.

All in all, these were very informative discussions. Look for a more detailed report on the IBAA website (www.ibaa.ca).

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Why brokers should not make claims decisions on behalf of carriers or clients

One recurring theme seen by insurance brokers' E&O claim handlers is the problem created by a broker's recommendation that a particular claim not be submitted to all potentially responsible carriers. An agent or broker who does an excellent job in location and placement of policies, later undoes all of his or her good work by making assumptions about coverage for an occurrence or potential occurrence when one finally happens.


This is understandable. Insurance brokers, like everyone else, want to save themselves and their clients' unnecessary work that seems unlikely to produce tangible results. A good broker wants to get to a productive solution rather than wasting valuable time when he or she perceives that there is no coverage.

In the simplest example of where good intentions can go wrong, consider a claim where, for whatever reason, a homeowner's policy does not carry sewer backup coverage. When the client calls to report the mess in his basement, the broker has two choices. First, the broker can advise the client that, unfortunately, his policy does not cover sewer backup, and ask if he'd like to add the coverage for the future. Second, the broker can advise about the availability of the coverage, but go ahead and submit the claim to the carrier anyway. In truth, there are many reasons why the coverage may not have been on the policy, some of which may lead the carrier to reform the policy to include the coverage. Further, there are some causes of sewer backup that some carriers may consider

to be covered occurrences even absent the specific coverage. Imagine the client's reaction when his neighbour's claim is covered, but his is not. That reaction could lead to an E&O claim that could have been avoided merely by reporting the claim to the carrier.

More typically, the failure to report claims scenario is a bit more complex. One example is a claim against an employer by its recently fired employee, which the employer's insurance broker submits only to the employment practices liability carrier, and not to the GL carrier. In fact, the GL carrier might have obligations regarding defamation allegations against the employer, and failing to submit the claim to the GL carrier could lead to an E&O claim. Another example is part of a load falling from a truck and causing property damage. Would the allegations that the trucking company failed properly to train and supervise the employees who loaded the truck be excluded by the GL policy's auto exclusion? This is a determination that should be made by the GL carrier, and not by the insurance broker. The better practice is to submit the claim both to the business auto and to the GL carrier.

One group of carriers that should always be included among those to which claims are submitted is excess and umbrella carriers. Even if it appears at first blush that the underlying policy limits are more than adequate, it is good practice to notify these carriers along with the primary carriers. Later on, should the claim develop such that upper layers might be involved, any



successful late notice defence available to the excess/umbrella carriers could result in a successful E&O claim against the broker who didn't report the claims to all the carriers involved.

In many cases the broker's initial reaction is correct: No coverage is available to the client. Nevertheless, this is not the broker's determination to make. While a policy may have lapsed or been canceled, if a broker reports a loss under that policy, the carrier in question typically has a statutory or regulatory obligation to review the matter and make a coverage determination. While rules may differ, all carriers are obligated to make a timely coverage determination and to provide timely notice of that determination to the entity making the claim for coverage. Failure to make the timely determination or provide timely notice of the determination may affect a carrier's ability to deny coverage, even on a policy that is no longer in effect. This is, admittedly, not a strong position, as it relies on the remote possibility that a carrier may make an unlikely mistake or favourable determination in handling



situation. You should not undertake to explain the situation to the “would be” carrier hoping for *ex gratia* consideration of your client’s claim, as such a request might be considered an admission that breaches your E&O policy’s cooperation clause. Remember that your E&O carrier deals with similar situations on a daily basis and will work with you to resolve the situation in the best way possible.

In sum, undertaking to assist your clients in reporting claims is not a duty to be taken lightly. In fact, while representing good customer service, it is typically not a duty the law requires an insurance broker to perform. However, if you choose to provide this service to your clients, you must report any claim to all reasonably relevant carriers, and especially to all excess and umbrella carriers. Err on the side of reporting. The best practice is to follow up by sending your client a letter setting forth the list of carriers and policy numbers under which the claim has been reported. If the client believes the claim should additionally be

reported to any other carriers, he should advise the brokerage immediately. Advise the client that he should be hearing from each of the carriers shortly, and he should feel free to follow up with the brokerage if he does not hear from one or more carriers. Finally, you should advise your client that the brokerage is not involved in the claim process of any carrier, and any questions about any carrier’s process must be addressed to that carrier. 🗑️

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the claim. Still, from an E&O

perspective, getting the claim

covered lessens the possibility

of facing an E&O claim down the road. In fact, the mere effort of submitting the claim for the carriers’ consideration could provide an important avenue of defence should an E&O claim arise.

There are obvious situations where it makes no sense to report a claim. If your client has driven his only car away on vacation, and his house burns down while he’s away, presenting the claim to his auto carrier would be frivolous in most cases. However, this author suggests that brokers should err on the side of reporting to too many carriers rather than too few.

Finally, there is the true E&O situation, where the lack of coverage seemingly arises from brokerage error, such as misplacing and then failing to submit an application for coverage. In such cases, you should immediately report the situation to your E&O carrier and seek your carrier’s advice for handling the

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DOLLAR\$ & SEN\$E

Brokers Play a Pivotal Role in Improving Financial Literacy

The need for an increased level of financial literacy is a serious and, some would suggest, growing concern for many sectors, including the property & casualty (P&C) insurance industry.

Governments, for instance, have recognized the need and made various well-intended efforts to increase financial literacy, including the federal

campaign, “Count me in, Canada.”

Banks, financial planners and investment companies all thrive when customers recognize the need to engage a professional to help navigate the financial options for savings and retirement planning.

Essentially, increasing one’s financial literacy is an act of improving resiliency, as is the purchase of a P&C insurance policy.

When consumers and businesses know their financial potential and future needs, they are better able to meet those needs and to manage the sudden and unexpected expenditures that life throws at all of us from time to time.

In a review of the industry’s efforts responding to the Fort McMurray disaster, insurers discovered that those

consumers who were best-informed about their insurance policy and its benefits had the most successful claims experience. They knew what they were entitled to and were able to effectively work with their claims adjuster through the claims process.

On the other hand, those who didn't understand their policy and benefits had the most complicated relationship with the claims process. Many consumers spoke of significant anguish on learning of a serious gap between their expectations and the level of coverage provided by their policy.

In the process of helping customers file their claims in Fort McMurray, insurance personnel heard a number of unfortunate stories that could have been avoided if more people had a higher level of understanding about the role of insurance.

One story in particular provides an exceptionally sad, yet powerful, reminder to the entire insurance and emergency response communities that the issue of insurance literacy is a common problem that can have a profound impact on the lives of those recovering from a disaster.

At an evacuation centre on the day following the Fort McMurray evacuation, a couple looking for assistance approached one of the many tables that insurers had set up to begin the claims process for their customers. The wildfire had destroyed this couple's home and, like so many of their neighbours, they were trying to figure out their next steps.

Unfortunately, they no longer had home insurance. Since they had recently just paid off their mortgage, they cancelled their policy thinking they didn't need it anymore since there was no bank requiring it.

While one's heart aches for them, it is a powerful example of the potentially extreme impacts that can be caused by a lack of understanding about insurance.

Clearly, every aspect of our industry needs to do a better job in helping customers understand their risks and the insurance coverage that is best for their particular situation.

Brokers are in a unique position to help close this gap when it comes to insurance. Many of your customer relationships can span years, even decades, and this adds credibility to your voice as a reliable source of information. A conversation about insurance literacy is a natural part of the renewal process discussion—at the same time when premium, changing

“Many consumers spoke of significant anguish on learning of a serious gap between their expectations and the level of coverage provided by their policy.”

needs and where to find the best deal are on the table.

Another way to encourage customers to know their coverage is to impress a simple fact upon them: While it might not be pleasure reading, a policy shouldn't be looked at as the most complicated thing in the world, especially when the basics of the policy—such as what's covered, conditions, limits, and price—are easy to find in most modern policies.

Insurance Bureau of Canada (IBC) offers a number of resources to boost consumer literacy, including our webpage, “Know Your Policy” (www.ibr.ca/on/insurance-101/know-your-policy). It walks a consumer through the concept of insurance and the common aspects of a typical policy.

Insurance literacy also involves knowing how to match coverage to the threats that consumers face in their individual situations. For

instance, those at risk of flooding should be made aware of the growing availability of flood insurance and why it is becoming even more important as earth's climate continues to warm.

Businesses, large and small, increasingly face the threat of cybercrime which can go far beyond mere tampering and all the way to holding a company's website hostage by freezing access until a ransom is paid.

Promoting insurance literacy also helps brokers develop a competitive advantage. After all, those who help clients learn how to become better-informed consumers are more apt to

receive referrals and additional business, as well as a higher level of retention.

There have been many industry campaigns over the years designed to encourage customers to know what they're buying in an insurance policy and how it will protect them against relevant risks. Yet we are still left with this situation where a sizeable portion of our customer base is unclear about what they're covered for when disaster strikes and they file a claim.

Clearly, we have no magic bullet for increasing financial literacy, which is why it's so important that everyone in our industry keep this issue at the forefront of customer outreach and interactions.

Customers who feel “taken care of” are repeat customers who use their word-of-mouth to share their good experiences.

So while literacy can seem like a bothersome investment of time to consumers, it has the potential to be a very fruitful investment for those in our industry who embrace it.

BILL ADAMS
Vice President,
Western & Pacific,
Insurance Bureau
of Canada



A FOCUS ON MARKET CONDUCT

across the country. Ensuring the fair treatment of insurance consumers is fundamental to the work of my office. The fair treatment of consumers (FTC) is a key element we examine when

evaluating the effectiveness of the market and is central to

our work supporting the insurance needs of the province and its citizens. I would like to highlight a couple of key market conduct initiatives my office is involved in both nationally and locally.

Firstly, the CCIR launched a new regulatory reporting requirement with a focus on the FTC in the spring of 2017, called the Annual Statement on Market Conduct (annual statement). This is a harmonized approach to the collection of data to support a better understanding of the insurance marketplace and insurer conduct. The annual statement collects insurance companies' information relative to their FTC governance, practices and policies. The annual statement contains nine sections including data such as cancellations and non-renewals by class of insurance, material changes to products in past year, premiums and commissions by distribution channel, commission percentages and complaint reporting.

CCIR implemented a tiered approach to the collection of data

for the first year. CCIR members are currently reviewing the reports and data from the inaugural collection and will be utilizing this data as part of ongoing market conduct risk assessment and analysis.

This leads me to the second initiative I want to share. As you may recall, in 2016, my office released Bulletin 03-2016 Insurance Legislation Compliance, in which I remind all insurance companies operating in Alberta of important FTC-related requirements under the Insurance Act and the consequences for non-compliance. In 2017, we completed an on-site examination of a major insurer operating in Alberta, with a focus on this bulletin and the fair treatment of consumers. We also participated with our CCIR colleagues on examinations and reviews of other insurers, which were conducted under the CCIR annual supervisory plan.

Looking ahead, we plan to build on the momentum we gained last year and, along with our colleagues across Canada, we will leverage the data received through the annual statement in order to inform our regulatory work for both Alberta-specific and CCIR cooperative supervision activities to help us determine who we examine next.

For more information please see our website at www.finance.alberta.ca/business/insurance/index.html

The regulatory environment continues to evolve and the key drivers of that change include changing consumer expectations, global influences and a shift in global focus towards market conduct and market practices. This shift has elevated the importance of market conduct, its regulation and its oversight, which has led to an emphasis on the fair treatment of consumers at all stages of an insurance product life cycle. This past year, we increased our focus and attention on the market conduct practices of insurance companies operating in Alberta, and I am pleased to have the opportunity to provide information about this work.

In recent years, along with our provincial colleagues on the Canadian Council of Insurance Regulators (CCIR), our focus has been on increasing cooperation amongst insurance regulators with respect to market conduct supervision. My office has taken a lead role in this work nationally and continues to be a key contributor, along with our counterparts

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Did You Know...

Electric vehicles were first used commercially in 1897?

An electric vehicle uses an electric motor and electrical energy stored in batteries. Although the electric vehicle has been around since 1880, we are seeing a resurgence in production and use now. This is most likely due to rising oil prices, concern for the environment and an improvement in battery technology.

Amazon is opening a new insurance-focused division in London, England?

The buzz since the early fall is that Amazon is getting into the insurance business in the European market. This could be one of the largest disruptions in the insurance industry since Lemonade came to market. As always, Amazon's strategy will be to remain customer-centric and technology driven.

We had more broker participation at the PYIB Trivia Nights than the last IBAA Fall Conference?

We were very pleased to have so many brokers come out and participate in the PYIB Trivia Nights. Because of the overwhelmingly positive response, we will definitely

be hosting a PYIB Trivia Night again. Thank you to our major sponsor partners: Economical Insurance, Wawanesa Insurance, Intact Insurance, Aviva Insurance, RSA, Peace Hills Insurance, Travelers, BMO Bank of Montreal, Swiss Re Corporate Solutions, SGI Canada, Opta and Pembridge Insurance.

IBAA is looking for a few good people?

Now is the time to start thinking about getting involved with your association. Let us know if you are interested in participating in meetings with elected officials or if you have a great idea about something IBAA could do. We love to hear from our members, so don't be a stranger!

The staff at IBAA want to help you?

We are so proud of everyone working at the IBAA office. Staff are consistently working hard to create and deliver what you, our valued members, want and need. We are always looking for great ideas and insights into what would help you most. Please make sure to reach out to your friendly neighbourhood IBAAer and let us know what we can do for you.



Sources: IBAA, Wikipedia, Environment and Natural Resources Canada

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Today, 70% of consumers use some form of digital research before buying insurance. And, 40% of Canadian consumers are obtaining insurance quotes online.*

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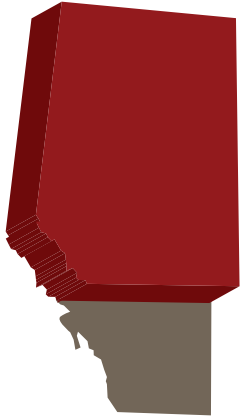
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NORTHERN EXPOSURE

BROKER NEWS

Congratulations to Grigg Insurance in Whitecourt on celebrating its 70th anniversary in 2017.



In other broker news ...

- A-WIN is pleased to announce Mitko Toshev joined its head office team as director—digital & marketing strategy.
- Greg Knott and Colin Knott of Tailor Made Insurance in Sherwood Park purchased the four JDR Insurance locations effective January 1, 2018.
- After 30 years in the industry, Jeff and Marg Richards will be retiring in March to Coldstream, B.C.
- At Caliber Insurance Brokers, Gavin Radzick joined the team in June as personal lines executive and Emerson Valdez followed suit as commercial lines executive in January 2018.

- Kelly West, previously a commercial lines underwriter with Intact, joined Lloyd Sadd Insurance Brokers.
- Stalco Insurance, with offices in Wainwright and Provost, are now independent offices and no longer part of the Excel Insurance Group.
- Farnese Insurance in Fort Saskatchewan was sold to Steve Bhardwaj of Alpine Insurance effective November 1.

INDUSTRY PARTNERS & PROFESSIONAL ORGANIZATIONS

Kudos to the Edmonton Insurance Curling League. In January, they received the Gold Flame Award from WICC for their fundraising efforts through their annual Sip and Slip Funspiel. The league and their participants have raised over \$14,000 for WICC since 2008 through raffles and silent auction items.

First General Services (Edmonton) Inc. is celebrating its 20th anniversary in the insurance restoration business. They were also the big winners of the food bank collection box decorating contest. The staff built a replica gingerbread house.



COMPANY NEWS

Gail Routh of Peace Hills Insurance retired in October 2017. Gail started with Peace Hills over 25 years ago. Her first job was in the personal lines underwriting department, and she retired as the branch manager of the ROC (rest of Canada). Germaine Adornetto, previously manager of the business service unit at Intact Insurance, has moved over to Wawanesa as personal lines supervisor. Brenda Pinsky of Portage Mutual Insurance retired at the end of December after 25 years in the industry. She spent her last ten years with Portage as a personal lines auto underwriter.

GIVING BACK

Preparation for this column took place in mid-December, the heart of the giving season, so I asked for contributions made to charities by our industry partners. The insurance industry is so generous and charitable. The Edmonton Insurance Association held its 27th annual food bank drive. On November 3, they kicked off the drive with a networking and silent auction event, raising \$5,025 and collecting 913 lbs of food. The food bank drive itself collected another 3869 lbs for a total of 4782 lbs of food.

And the tales of generosity continued!

Aviva collected hats, mitts and gloves fundraising for a school in need. They donated 79 hats and 96 pairs of gloves and mitts to the students of St. Francis of Assisi School. Ravenhill Agencies (Edmonton & Tofield) were proud to be able to prepare a hearty home-cooked lasagna meal for the parents and children at the Ronald



Ravenhill staff at Ronald McDonald House

McDonald house in November. Then in December, the staff at All Insurance visited Ronald McDonald house to make a chili supper and Christmas cookies for the residents.

Caliber Insurance Brokers raffled off a pair of Oilers hockey tickets with a \$100 Joey's gift card, with all proceeds being donated to the Edmonton Food Bank. International Order of the Honorable Blue Goose—Edmonton Pond held a charity Christmas lunch on December 5. They raised over \$4000 and collected a mountain of toys for Santa's Anonymous. Pratt, Lambert and Brown Insurance supported Sun Safe Water, Compassion and World Vision in 2017. Portage Mutual Insurance sponsored a mom with two kids at the Edmonton WIN House.

IBC Western (Insurance Bureau of Canada's Edmonton office) took part in the United Way's Day of Caring, which is a part of the larger United Way campaign. This year, the

Edmonton office chose to volunteer at the Edmonton Food Bank. Jacquie Alderton reports, "We had a great turnout and everyone really enjoyed the opportunity to volunteer at an organization doing important work." IBC takes part in the United Way campaign annually, with over half of IBC employees donating to the

campaign this year. In 2017, IBC's fundraising goal was \$75,000, which it exceeded, coming in at over \$100,000. 🙌

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All Insurance—Irfan and Jackie making Chili at Ronald McDonald house



BUILDING OUR FUTURE

How PYIB Is Working to Attract New Brokers and Help Them Succeed

We work in one of the best industries in this great province. Daily, we have opportunities to enhance the public's well-being and peace of mind by providing insurance coverage that is specifically tailored to meet individual needs. We develop relationships with our clients that often last through the years and we are one of their lifelines when they are facing some of their most difficult challenges. Our own current challenge is maintaining the great rewards that the broker channel brings to brokers and the public.

The opportunity to work in this incredibly rewarding field is often overlooked by those entering the job market. This professional industry is one of the few that does not require a university degree and provides the opportunities to obtain university-level education by working through programs such

as CAIB, CPIB and CCIB offered through IBAA, CIP/FCIP offered through the Insurance Institute, and BBA/MBA offered through IBAA in conjunction with Laurentian University.

Sadly, for those who decide to choose this profession, the hurdle of the provincial licensing exam often seems to be an insurmountable barrier. One of PYIB's initiatives is working together with IBAA to lobby the provincial government for regulatory changes in the licensing process. The proposed changes would allow those who have passed certain courses in the CAIB or CIP designations to be considered equivalent to those who have passed the Alberta Insurance Council Level 1, 2 or 3 licensing exams. These designation courses are offered by two of the most respected insurance education providers in Canada and guarantee a high standard of

practical and theoretical insurance knowledge. Such equivalencies would also serve to bring Alberta on par with most other provinces in Canada that already have such provisions.

Toward this end, PYIB held a legislature day in July 2017 and joined IBAA's legislature day in November 2017 to present our case to many Alberta MLAs. We proposed that these equivalencies and the expected resulting increase of qualified brokers would greatly benefit insurance consumers, the industry, the Alberta economy and job seekers. We received very positive response from the MLAs regarding the proposed changes to regulation and are cautiously optimistic that we may see change on this front.

While equivalencies would allow us another avenue to bring qualified brokers into the industry, we still need to raise awareness for young people entering the job market of the professional opportunities in becoming insurance brokers. The first hurdle to overcome is making them aware that the opportunity exists. A key PYIB initiative has been promoting the industry to young people through presentations to high school CALM classes and high school career fairs. These presentations have allowed us to reach out to students that are on the verge of entering the job market, giving them an opportunity to realize the wide range of possibilities available to them in insurance. Many have advised us that they would never have considered insurance as a career before we spoke to them, and our hope is that we will be instrumental in securing our future brokers.

People truly make our industry great—from clients to co-workers—and will continue to do so in the future. As an association, we would accomplish very little without the amazing individuals that have so graciously volunteered their time to serve on our

boards. Thanks to their tireless efforts, we have been able to host successful events, visit high schools, attend career fairs and lobby government on behalf of all brokers across this great province. While the rewards of these activities are not always immediately apparent, the long-term impact of advocacy and involvement pays incredible dividends.

"The only way we are able to make any of these initiatives work is with the involvement of brokers willing to become a part of something bigger than themselves."

The only way we are able to make any of these initiatives work is with the involvement of brokers willing to become a part of something bigger than themselves. Our industry needs people who take an interest in our future as a whole and are willing to give some of their time to further the broker channel throughout our province. A great place to start is by attending,

via webinar, the PYIB annual general meeting on April 19 and the IBAA AGM on April 24. You will not only receive continuing education credits for your attendance but also have a voice for the future of our association and see how these processes work. Going a step further, nominate someone or consider volunteering yourself when positions are available on either the PYIB board or the IBAA board. Attend events that are held in your areas; these are great networking opportunities and great fun getting to know other brokers. The upcoming IBAA spring convention in Banff on May 6–9 is always a great opportunity for both.

There are many ways to be involved, and I challenge all of us to become more connected and engaged in this great industry.

With your input and support, we look forward to seeing the amazing things that can be accomplished in the years to come.

JONATHAN BROWN

Vice President

PYIB

JBrown@PetersInsurance.ca



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sgicanada.ca/farm



Fanning the Flame

Greetings from WICC Alberta

This past November our crew in Edmonton hosted their 3rd annual breakfast event. It ran in conjunction with the National Finals Rodeo and had a real country feel. They had rodeo queens from around the world, great food and amazing entertainment from Band 6. This is the second time the band has played at the event and we really appreciate their generosity. It was great to have Christine McCourt-Reid come talk about her new role at the Canadian Cancer Society (CCS). The wonderful folks from the Chateau Lacombe couldn't be better supporters. Hope to see you all at the 4th annual.

Your WICC board continued their support of Dr. Douglas Mahoney with our annual donation. We truly believe in the project. If you were at the Gold Flame Awards Lunch on January 25, you would have heard all about the project and the support we are providing.

The lunch gives WICC the opportunity to showcase our gratitude to the people and organizations who are exceptional supporters of WICC and our cause. This year's Gold Flame Award winners are:

- The Edmonton Curling Assoc.
- Silvercrest Insurance Group
- First On Site
- First Insurance Funding
- The All Industry Pre-Stampede Party Committee
- The Sinclair
- Intact Insurance

The "Volunteer of the Year" award was given to Allison Lockhart, National Account Manager, Xpera Risk Mitigation & Investigation. Allison is always the first to volunteer when we send out a request; she's responsive not just to WICC Alberta but to other charities and she's the best security person ever. (Allison is also "Canada's Strongest Woman.")

The board was thrilled to have Brett Wilson as our keynote speaker at the lunch. Being a two-time cancer survivor and supporter of the CCS, he was a great fit. We are forever grateful to WICC supporter Darcy Hulston for connecting us to Brett.

One thing I know to be true: by the end of 2017, WICC Alberta will surpass \$3 million in donations to fund cancer research. Another thing I know to be true is that our success is because of each one of you. If you baked, bought, chipped, dressed down, golfed, championed, hoorayed, lunched, ponged or found another creative way to support WICC Alberta, we thank you for your continued support.

Until next time!



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1
LICENSING

Calgary Immersion Apr 2-6
Edmonton Immersion Mar 12-16
Live Online evenings M-F, Apr 16-27

CAIB
1 & 3
FAST TRACK

SATURDAYS

CAIB 1
Calgary Apr 7-28
Edmonton Feb 24-Mar 17

CAIB 3
Calgary May 26-Jun 23
Edmonton Mar 24-Apr 21

WEBINARS

Next Level Social Media:
Beyond the Basics Mar 6

Claims for Brokers Mar 14

Customer Service Tune-Up Mar 15

Specialty Coverage:
Personal Lines Mar 20

Crime & Fidelity Apr 5

Beyond the Basics:
Business Interruption Apr 17

Advanced Commercial Lines
(3 modules) Apr 18, 25, May 2

2
LICENSING

Calgary Immersion M-F, Mar 12-16
Edmonton Immersion M-F, Apr 9-13

CAIB
1-4
ENSURE ONLINE TRAINING

CAIB 1
Tuesday evenings Oct 2-Nov 27

CAIB 2
Tuesday evenings Apr 24-Jun 26

CAIB 3
Wednesday evenings Oct 3-Nov 28

CAIB 4
Wednesday evenings Apr 18-Jun 27

DESIGNATION EXAM

March 21
May 2
July 4
September 5
October 24
December 5

SEMINARS

Calgary:
SCORE!
Sales & Communication Mar 7-8

Edmonton:
SCORE!
Sales & Communication Mar 5-6
Errors & Omissions Apr 11 (eve)



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