ABOUT US
The General Insurance OmbudService (GIO) is an independent organization, created in 2002, with the sole purpose of helping Canadian consumers resolve disputes or concerns with their home, auto or business insurers. Our goal is to use our extensive experience and industry-related insight to work towards a fair resolution between individuals and their insurance providers.

Any home, auto or business insurance consumer in Canada who has a concern or dispute with one of GIO’s member insurance companies can initiate the process by contacting us with the details of his or her complaint. GIO’s services are available free of charge, in both English and French. The majority of issues GIO deals with concern claims, interpretation of policy coverage, policy processing and handling.

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OUR VISION
The General Insurance OmbudService will be recognized as the destination of choice for complaint resolution for the General Insurance Industry, its Customers, and Governments, by being a Centre of Excellence.

OUR MISSION
The General Insurance OmbudService mission is to provide consumers of car, home and business insurance in Canada with a cost-free, independent and impartial process to resolve their complaints. To achieve our mission, we are committed to:

• Making insurance consumers aware of the service we provide;
• Applying best practices and standards in addressing complaints;
• Providing access for consumers by toll-free telephone, mail, e-mail, internet and facsimile;
• Maintaining a knowledgeable and courteous consumer service staff;
• Ensuring that all cases are treated in a confidential, balanced and fair manner.

HOW TO REACH US
GIO can be accessed right across Canada.
For help with problems with your insurance company, call General Insurance OmbudService on its national toll free number at 1-877-225-0446 or visit www.giocanada.org.

Head Office
2727 Courtice Road • P.O. Box 98009 • Courtice, ON L1E 3A0
Tel. 416-299-6931 • Fax 416-299-4261

Cover artwork by Laura Boos
Our Commitment to Consumers

The General Insurance OmbudService treats all consumers with fairness, impartiality and integrity. We cultivate an environment characterized by the highest ethical standards and consistently adhere to the following principles:

**Accessibility**
Providing convenient ease of contact for consumers to express and pursue their concerns. Consumers wishing to access our services may contact GIO in a variety of ways, including our national toll-free telephone number 1-877-225-0446, mail, electronic mail, facsimile and through our website, [www.giocanada.org](http://www.giocanada.org). Our Consumer Service Officers will assist consumers in either English or French.

**Timeliness**
Responding promptly to consumer inquiries and complaints. In the case of fax or e-mail messages, we strive to get back to the consumer within one business day. In most cases, our telephones are answered directly. When that is not possible, we will respond to messages within one business day. For all situations, GIO will strive to keep the consumer informed at all times of the status of their concern.

**Courtesy**
Always treating consumers with respect, civility and politeness.

**Consistency**
Treating similar cases in a similar fashion. We learn from each experience and use that knowledge to refine and enhance the perspective we can bring to recurring issues.

**Accuracy**
Always providing consumers with information that is accurate and correct. If we don’t fully understand any aspect of the issue, we will ask the appropriate party for clarification.

**Clarity**
Using simple, easy-to-understand language in all our communications, delivered in the consumer’s choice of English or French.

**Knowledge**
Demonstrating an understanding of the product and providing accurate information and guidance on the complaint resolution process.

**Privacy/Confidentiality**
Ensuring that personal/proprietary information is kept absolutely private and confidential. Our employees are bound by rigorous confidentiality standards and agreements as defined in our privacy policy.

**Independence & Objectivity**
Ensuring that GIO is independent and separate from government and industry, with its own Board of Directors, whose members represent a range of professional backgrounds, the majority coming from outside the insurance industry.

**Fairness Standard**

1. GIO shall pursue all communications and delivery of its services with consumers, insurance companies and their associated service providers, with what is fair to consumers, and their insurance companies in the circumstances.

2. GIO shall employ practices and processes in respect of complaint handling (including recommendations) that are demonstrably fair to both the consumer and the Member Company insurer.

3. GIO shall apply a broad and reasonable approach to complaint handling, with a view to fair business dealings and the reasonable expectations of consumers, as well as the laws of Canada and its Provinces.

4. GIO shall employ complaint handling procedures that are impartial and which provide a fair and balanced opportunity for both the consumer and the Member Company insurer to make presentations, present documentation and information to GIO.

5. GIO shall employ complaint handling procedures that aim to treat similar cases in a similar fashion in both process and outcome. Notwithstanding this, the fairness principle is paramount and GIO shall not be bound by any previous non-binding recommendation.

6. GIO shall employ complaint handling procedures that ensure that both the consumer and the Member Company insurer will have equal access to GIO staff in connection with the handling of a complaint.

Adopted by the GIO Board of Directors, February 22, 2012.
I am honoured to contribute to the Annual Report of the General Insurance OmbudService (GIO) for its 17th year of operation ending in April 2019. Our Chair of the Board, Anne-Marie Trahan, stepped down due to ill health in June and sadly passed away July 12, 2019. Her many contributions to GIO’s success and her joie de vivre will be missed.

GIO was established under federal legislation in 2002. The government of the day created financial ombudservices to protect consumers in three areas: general insurance (GIO), life and health insurance (OLHI), and banking and investment services (OBSI). All three were to provide independent dispute resolution services for consumers.

In the past year, GIO has responded to over 5,000 calls, emails or website complaints or inquiries – an increase over last year. All inquiries require response, and complaints, resolution. Most contacts are from people looking for information about their insurance coverage and are grateful to find a knowledgeable and independent source to answer their questions. Feedback from satisfied consumers clearly demonstrates that our remarkable Staff do a great job in resolving consumers’ concerns and in providing objective information to those who contact GIO. The board is grateful to our Executive Director and to our Staff in Edmonton, Toronto and Montreal for their continuing efforts to get the best possible resolution for every consumer who asks GIO for help.

We continue to search for more ways to let people know about GIO and how to make use of the services we provide.

GIO welcomed April Schulze as Executive Director and Corporate Secretary on 24 September 2018. Ms. Schulze is a lawyer with five years’ direct experience with ombudservices; the most recent being ADR Chambers in Toronto.

Effective May 15, 2019, Mr. Stanley Griffin, joined GIO as Interim Executive Director and Corporate Secretary, standing in for Ms. Schulze who is on maternity leave. Mr. Griffin is past President and CEO of Insurance Bureau of Canada and past Industry Director of GIO. The board is grateful to Mr. Griffin for stepping into this role with little notice; he has done a wonderful job of showing us the meaning of “seamless transition”.

The Board of Directors provides oversight to GIO. The board has two directors nominated by Insurance Bureau of Canada to represent the industry and five independent directors appointed with the goal of providing social and geographical diversity to the governance of the organization.

Wayne Chiu joined the GIO board as Independent Director for the Prairies, Northwest Territories & Nunavut in 2018. Mr. Chiu is the founder and CEO of Trico Developments Corporation and Trico Homes headquartered in Calgary, Alberta. He is an entrepreneur and known for his belief in philanthropy and community betterment. He is the recipient of many awards, amongst which, he is a Member of the Order of Canada, an appointee of the Alberta Order of Excellence and a recipient of the Queen Elizabeth II Diamond Jubilee Medal.
In addition, a Communications Protocol was established for GIO to respond appropriately to catastrophes as they occur.

Finally, I would like to thank GIO’s Board of Directors and staff for their support during this transitional period.

Regards,

Stan Griffin, M.A., CIP
Interim Executive Director, General Insurance OmbudService
CASE STUDY 1

DISPUTING THE PERCENTAGE OF FAULT

A complainant was calling on behalf of his father. The caller’s father was involved in an accident where the complainant is disputing the determination of fault.

The insurer deemed the caller’s father to be 50% at fault in applying the Fault Determination Rules.

CASE

The caller’s father was involved in a car accident wherein the other driver overtook the father’s vehicle while making a left turn, then struck the father’s vehicle and left the scene.

The caller contacted the General Insurance OmbudService (GIO) on behalf of his father because he felt his father should be held not at fault.

The Consumer Service Officer (CSO) read the insurer’s “Final Position Letter” and contacted the insurer’s Company Liaison Officer (CLO) to determine if the matter could be reviewed once again with respect to the percentage of fault determination.

The CSO reviewed the circumstances of the situation with the CLO and inquired if the ordinary rules of law could be applied.

RESOLUTION

The insurer’s CLO worked with the CSO and in the end, the caller’s father was deemed to be only 25% at fault by applying the ordinary rules of law. This meant that the caller’s father would not be rated for the at-fault accident. Additionally, the caller’s father would only be responsible for 25% of the repairs because the caller’s father had carried only liability coverage.

“THIS MEANT THAT THE CALLER’S FATHER WOULD NOT BE RATED FOR THE AT-FAULT ACCIDENT.”
# Calls Analysis

## Calls by Area of Concern

### 5 Year Trend

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Claims</td>
<td>3257</td>
<td>2466</td>
<td>2645</td>
</tr>
<tr>
<td>Policy Cancellation/Non-Renewal</td>
<td>1307</td>
<td>865</td>
<td>747</td>
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<tr>
<td>Coverage/Policy Rating</td>
<td>229</td>
<td>243</td>
<td>217</td>
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<tr>
<td>Availability</td>
<td>183</td>
<td>161</td>
<td>116</td>
</tr>
<tr>
<td>Administration/Billing Problems</td>
<td>155</td>
<td>110</td>
<td>93</td>
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<tr>
<td>Affordability</td>
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<td>37</td>
<td>24</td>
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### 2018-2019

<table>
<thead>
<tr>
<th>Area of Concern</th>
<th>Count</th>
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<tbody>
<tr>
<td>Claims</td>
<td>2992</td>
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<tr>
<td>Policy Cancellation/Non-Renewal</td>
<td>672</td>
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<tr>
<td>Coverage/Policy Rating</td>
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<tr>
<td>Affordability</td>
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<tr>
<td>Administration/Billing Problems</td>
<td>215</td>
</tr>
<tr>
<td>Availability</td>
<td>177</td>
</tr>
</tbody>
</table>

## How Did Consumers Contact GIO?

### 5 Year Trend

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone</td>
<td>3440</td>
<td>2733</td>
<td>2645</td>
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<tr>
<td>Online Complaint</td>
<td>1710</td>
<td>1203</td>
<td>1113</td>
</tr>
<tr>
<td>Letter</td>
<td>25</td>
<td>16</td>
<td>18</td>
</tr>
<tr>
<td>Fax</td>
<td>20</td>
<td>20</td>
<td>12</td>
</tr>
</tbody>
</table>

### 2018-2019

- Telephone: 3440
- Online Complaint: 1710
- Letter: 25
- Fax: 20

## Call Resolution

### 5 Year Trend

<table>
<thead>
<tr>
<th>Resolution Type</th>
<th>2016-2017</th>
<th>2017-2018</th>
<th>2018-2019</th>
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<tr>
<td>Provided Information</td>
<td>3257</td>
<td>2466</td>
<td>2645</td>
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<tr>
<td>Referred to Company</td>
<td>1307</td>
<td>865</td>
<td>747</td>
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<tr>
<td>Referred to Another Ombudservice</td>
<td>229</td>
<td>243</td>
<td>217</td>
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<tr>
<td>Referred to Another Organization</td>
<td>183</td>
<td>161</td>
<td>116</td>
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<tr>
<td>Complaint Unrelated to GIO’s Mandate</td>
<td>155</td>
<td>110</td>
<td>93</td>
</tr>
<tr>
<td>Referred to Broker</td>
<td>64</td>
<td>37</td>
<td>24</td>
</tr>
</tbody>
</table>

### 2018-2019

- Provided Information: 3257
- Referred to Company: 1307
- Referred to Another Ombudservice: 229
- Referred to Another Organization: 183
- Complaint Unrelated to GIO’s Mandate: 155
- Referred to Broker: 64
DISPUTING THE MOTORCYCLE POLICY’S CANCELLATION FOR NON-PAYMENT

A consumer contacted the General Insurance OmbudService (GIO) because he believed that his motorcycle policy was unfairly cancelled for non-payment.

The insurer cancelled the consumer’s policy in accordance with their billing, payment and cancellation guidelines.

CASE

The consumer was working with his insurance representative in regards to outstanding monies owed to his insurer.

The consumer decided to contact the insurer’s Company Liaison Officer (CLO) when he did not hear back from his insurance representative. The consumer’s motorcycle policy was cancelled for non-payment during the time period in which the consumer was trying to contact the insurer’s CLO. When the consumer reached the insurer’s CLO, the cancellation for non-payment was maintained.

The consumer reached out to the General Insurance OmbudService (GIO) because he believed that his policy should not have been cancelled for non-payment. The consumer had felt that his insurance representative would have taken care of the matter.

The Consumer Service Officer (CSO) reviewed the insurer’s “Final Position Letter” and contacted the insurer’s CLO to inquire if the matter could be revisited. The CSO advised the CLO about the consumer’s circumstances and stressed the desire by the consumer to pay the outstanding monies owed in order to have the cancellation for non-payment removed from his insurance record.

RESOLUTION

The insurer’s CLO advised the CSO about the removal of the cancellation from the consumer’s insurance record and allowed the consumer to cancel the policy. The insurer’s CLO further advised that the outstanding monies owed would be waived.

“THE INSURER’S CLO FURTHER ADVISED THAT THE OUTSTANDING MONIES OWED WOULD BE WAIVED.”
CALLS ANALYSIS (CONT’D)

CALLS BY PROVINCE OF ORIGIN (2018-2019)

<table>
<thead>
<tr>
<th>Province</th>
<th>Calls</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB</td>
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<tr>
<td>BC</td>
<td>302</td>
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<tr>
<td>MB</td>
<td>58</td>
</tr>
<tr>
<td>NB</td>
<td>57</td>
</tr>
<tr>
<td>NL</td>
<td>44</td>
</tr>
<tr>
<td>NS</td>
<td>80</td>
</tr>
<tr>
<td>NT</td>
<td>2</td>
</tr>
<tr>
<td>ON</td>
<td>321</td>
</tr>
<tr>
<td>Outside Canada</td>
<td>16</td>
</tr>
<tr>
<td>PE</td>
<td>9</td>
</tr>
<tr>
<td>QC</td>
<td>218</td>
</tr>
<tr>
<td>SK</td>
<td>34</td>
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<tr>
<td>YT</td>
<td>7</td>
</tr>
<tr>
<td>NU</td>
<td>1</td>
</tr>
</tbody>
</table>

HOW DID CONSUMERS FIND GIO? (2018-2019)

<table>
<thead>
<tr>
<th>Method</th>
<th>Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>GIO Website</td>
<td>3656</td>
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<tr>
<td>Government</td>
<td>544</td>
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<tr>
<td>Other</td>
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<tr>
<td>Insurance Company</td>
<td>264</td>
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<tr>
<td>Family/Friend</td>
<td>143</td>
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<tr>
<td>Insurance Broker</td>
<td>84</td>
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<tr>
<td>Regulator/Supt. of Insurance</td>
<td>50</td>
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<tr>
<td>IBC</td>
<td>47</td>
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<tr>
<td>Trade Associations</td>
<td>29</td>
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<td>Insurance Adjuster</td>
<td>7</td>
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<tr>
<td>Media</td>
<td>5</td>
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<tr>
<td>Financial Services Associations (CLHIO, OBSI)</td>
<td>4</td>
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<td>FSON</td>
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</tbody>
</table>

NOTES ON ESCALATION

Cases:
Of the 5,195 calls received in 2018-2019, 156 were given Case status. A call becomes a case when:
- A Final Position Letter is received;
- If any third party contact is made by GIO, including to the insurance company, broker, adjuster, government, industry association or regulating council;
- If there are follow up calls which require further review;
- If there is a large volume of documentation that requires analysis and review.

Mediation:
There were two mediations approved, of which one was successful and one was unsuccessful.

Senior Adjudication:
No cases escalated to the Senior Adjudicative phase this year.

WEB SITE ACTIVITY

GIO’s websites are designed to be easily found by consumers when they need us. This year GIO recorded 46,856 visits: 44,016 to the English site and 2,840 to the French site. 77% were new visitors and 23% were return visitors.

Mobile Devices (smartphones and tablets) were used 26% of the time to gain access to the websites. Both GIO sites are adapted for mobile usage.

GIO’s weblog had 999 visitors this year. The websites also feature the ability for visitors to single-click share on social media. There are also links to GIO’s Facebook page on both websites where insurance related articles and news items are provided.
CASE STUDY 3

DISAGREEMENT ABOUT ADDITIONAL LIVING EXPENSES (ALE)

The consumer had been provided an initial offer to cover his additional living expenses due to the delay in the repairs of his house.

The insurer withdrew the initial offer when the consumer inquired about the method used to calculate the additional living expenses and if these expenses could be increased.

CASE

The consumer was working with his adjuster in regards to the rate allowed per day to cover his additional living expenses.

The consumer escalated the matter to the insurer’s Company Liaison Officer (CLO) when he could not work things out with the Claims Department.

The insurer’s CLO issued a “Final Position Letter” (FPL) which was later confirmed to have incorrect information regarding the eligibility for additional living expenses.

The consumer contacted the General Insurance OmbudService (GIO) because he believed that the insurer should reinstate their initial offer.

The Consumer Service Officer (CLO) contacted the insurer to discuss the specifics of the consumer’s circumstances while addressing the policy wordings employed by the insurer to substantiate its position.

Since the insurer maintained its position, the CSO informed the insurer about the next phase of GIO’s process with respect to mediation. At this point, the insurer’s Deputy CLO intervened and requested some additional time to review the matter once again.

RESOLUTION

The insurer’s Deputy CLO in collaboration with the Business Manager decided to re-honour the initial offer made to the consumer for covering his additional living expenses.

“...DECIDED TO RE-HONOUR THE INITIAL OFFER MADE TO THE CONSUMER FOR COVERING HIS ADDITIONAL LIVING EXPENSES.”
Hello GIO: Consumers Speak

The Consumer Service Officer was very knowledgeable and helpful. Thank you so much for your professionalism and empathy. Excellent client service.

The information shared was effective and efficient and resulted in settlement of my claim.

Thank you for taking the time to speak with me and giving me a few ideas for avenues to approach the situation that I hadn’t thought of; it was extremely helpful.

Very quick to get back to me with extensive and detailed information, all relevant to my line of questions. Thanks so much!!

One of the most empathic and knowledgeable customer services experiences I’ve ever had.

Very helpful and I was provided with key points to raise with the insurance company.

This is the most professional and surprising experience I have had. Keep up the excellent work!

Extraordinary guidance, patience and knowledge in advising me on my claim.

My questions were answered with both kindness and accuracy, and the respect and understanding of my difficulties was genuine.

I called extremely upset and left our conversation extremely satisfied with the level of help I received. I have never been happier with the level of customer service provided.

The Consumer Service Officer was very analytical and gave valuable advice on the way to move forward.

My voice message was responded to in less than an hour.
CASE STUDY 4

ALL OF THE EMERGENCY TOWING CHARGE SHOULD BE COVERED

The consumer contacted the General Insurance OmbudService (GIO) in order to mediate his complaint regarding his insurer’s refusal to cover all of his emergency towing charges. The Senior Consumer Service Officer (SCSO) contacted the consumer to obtain further details.

CASE

The consumer advised that he was very frustrated because he had verbal confirmation from the after hours claim representative that the emergency towing expense would be paid in full.

Additionally, the consumer advised that the policy did not explicitly state a limit for emergency towing expenses; the coverage wordings were ambiguous, and; that he was unable to reach the insurer’s Company Liaison Officer (CLO).

The SCSO obtained a signed authorization from the consumer to contact the insurer and obtained the written correspondence between the insurer and the consumer. The SCSO asked the CLO to listen to the taped recording between the consumer and the after hours claim representative regarding the emergency towing service. The CLO provided a written transcript of the salient parts of the recording. The SCSO also received the relevant policy declaration pages and written notices about the emergency towing service.

The SCSO provided the consumer with all of GIO’s correspondence with the insurer and explained the process to obtain access to the taped recording with the after hours claim representative.

RESOLUTION

The consumer was very pleased with the information received from the SCSO.

The consumer withdrew his request for mediation with GIO and accepted the partial payment for the emergency towing service.

As a result, the CLO informed the SCSO that he would recommend a change to the display of the emergency towing coverage on the insurer’s policy documents.

“THE CONSUMER WAS VERY PLEASED WITH THE INFORMATION RECEIVED FROM THE SCSO.”
REGULATORY RELATIONSHIPS

GIO maintains an ongoing collaborative relationship with government regulators who oversee insurance activity in Canada, while maintaining GIO’s independence. This is done through the Canadian Council of Insurance Regulators (CCIR). The CCIR has a similar relationship with the OmbudService for Life & Health Insurance (OLHI). These relationships help GIO and OLHI to provide Canadian consumers of insurance products with high quality, effective and efficient complaint resolution services that are accessible, independent and impartial, transparent and fair.

Consumers can contact OLHI for complaints about Life and Health insurance at:
Tel: 1-416-777-9002 Fax: 1-416-777-9750
Toll Free: 1-888-295-8112 Website: www.olhi.ca

BOARD OF DIRECTORS

The seven-member board is comprised of five independent members and two industry directors.

The independent members of the Board meet stringent conflict of interest guidelines to ensure that the public can be confident that they operate independently from the property & casualty insurance industry and from government. They are chosen to reflect a diversity of experience, interests, backgrounds, and geographic representation. They are individuals known and respected on a national and regional basis.

GIO has established three Standing Committees of the Board: the Governance and Standards Committee, Budget and Audit Committee and Human Resources Committee. Each Committee is comprised of at least three members, the majority of whom are Independent Directors of the Board. The Committees assist the Board on matters related to standards and best practices, development and compliance, and supervision in the management of the financial and business affairs of the Corporation.

INTERNATIONAL AFFILIATIONS

GIO is a member of the INFO Network, an international association of financial service ombudsmen, with 61 members from 38 jurisdictions. INFO has identified six Fundamental Principles from worldwide standards relevant to dispute resolution, to which INFO members are committed to aspire. They are:

- Independence, to secure impartiality
- Clarity of scope and powers
- Accessibility
- Effectiveness
- Fairness
- Transparency and Accountability

These principles are in line with the resolutions of the G8 Economic Summit, and the International Association of Insurance Supervisors. INFO has also pursued Effective Approaches to implementing the Fundamental Principles, keeping in mind the spectrum of cultural, legal and economic circumstances of member countries. For more information see http://www.networkfso.org/.
Membership in GIO is available to all federally regulated property and casualty (P&C) insurers, including companies that no longer sell insurance, but continue to have policy liabilities, to comply with the obligations of the Insurance Companies Act. Also, all insurance companies doing business in Alberta and British Columbia are required to be members of GIO. Some other provincially regulated insurance companies have joined GIO on a voluntary basis to offer consumers the same level of service as their federal counterparts.

GIO has two categories of members – voting and non-voting. Board members, made up of independent and industry directors, are voting members. Non-voting members include: insurers; companies discontinuing business, licensed in Canada to carry on the business of general insurance; and Lloyd’s which has been admitted pursuant to the by-laws of GIO. This structure was created to guarantee an appropriate degree of separation and independence from non-voting members who are in the insurance industry. As of printing, GIO had 152 member companies, as follows:

LIST OF MEMBERS

Additional Municipal Hall Ltd. (AB Only)
Affiliated FM Insurance Company
Allianz Insurance Company of Canada
Alberta Motor Association Insurance Company (AB & BC Only)
Allianz Global Risks US Insurance Company
Allied World Specialty Insurance Company
Allstate Insurance Company of Canada
American Bankers Insurance Company of Florida
American Road Insurance Company–Canadian Branch
Arch Insurance Company
Ascentus Insurance Ltd.
Aspen Insurance UK Limited
Associated Electric & Gas Insurance Services Limited (AEGIS)
Atiradius Credit y Caution, S.A. de Seguros y Reaseguros (AB & BC Only)
Awa General Insurance Company
Awa Insurance Company of Canada
AXA Insurance Company-Cdn Branch
AXIS Reinsurance Company-Canadian Branch
BCAA Insurance Corporation (BC only)
Belair Insurance Company Inc.
Berkeley Insurance Company
Boiler Inspection & Insurance Company of Canada (The)
CMA Insurance Company
Canada Guaranty Mortgage Insurance Company
Canadian Direct Insurance Incorporated
Canadian Farm Insurance Corp.
Canadian Northern Shield Insurance
Canadian Premier General Insurance Company
Capitale General Insurance Inc. (La) - (BC Only)
Certsar Direct Insurance Company
Certac Home and Auto Insurance Company
Cherokee Insurance Company
Chicago Title Insurance Company
Chubb Insurance Company of Canada
Co-operators General Insurance Company
Coachman Insurance Company (AB, BC, ON, SK only)
Compagnie Francaise d’Assurance pour le Commerce Extérieur-Canada Branch
Continental Casualty Company
CorePointe Insurance Company
Cosco Insurance Company
Cumis General Insurance
Dominion of Canada General Insurance Company (The)
Ecclesiastical Insurance Office plc
Echelon Insurance
Economical Mutual Insurance Company
Electric Insurance Company
Elite Insurance Company
Employers Insurance Company of Wausau
Esurance Insurance Company of Canada (AB Only)
Euler Hermes North America Insurance Company
Everest Insurance Company of Canada
Factory Mutual Insurance Company
FCT Insurance Company Ltd.
Federal Insurance Company
Federalated Insurance Company of Canada
Fenchurch General Insurance Company
First American Title Insurance Company
First North American Insurance Co.
Fortress Insurance Company (AB & BC Only)
General Reinsurance Corporation
Genworth Financial Mortgage Insurance Company of Canada
Gore Mutual Insurance Company (AB & BC Only)
Great American Insurance Company
Guarantie Company of North America (The)
Hamford Fire Insurance Company
HD Global SE Canada Branch
HD Global Specialty SE
Heartland Farm Mutual Inc. (AB & ON Only)
Industrial Alliance Pacific General Insurance Corporation (AB & BC Only)
Intact Insurance Company
Intochore Insurance Ltd. Canada Branch (AB & BC only)
Jezco Insurance Company (Intact Financial Corporation)
Jewelers Mutual Insurance Company
Lawyers Professional Indemnity Company (AB & BC Only)
Liberty Mutual Insurance Company
Lloyd’s
Max Insurance (AB & BC Only)
Mennonite Mutual Insurance Co. (Alberta) Ltd. (AB Only)
Millennium Insurance Corporation
Missipi Insurance Company
Mutual Sumitomo Insurance Company
Mutual Fire Insurance of B.C. (The) (AB & BC Only)
National Liability and Fire Insurance Company
New Home Warranty Insurance (Canada) Corporation (The)
Nordic Insurance Company of Canada (The)
Northbridge General Insurance Corporation
Novex Insurance Company
Old Republic Insurance Company of Canada
Omega General Insurance Company
Optimum West Insurance Company Inc. (AB & BC Only)
Orion Travel Insurance Company
Paddock Insurance Company
Pallisar Insurance Company Limited (AB Only)
Peace Hills General Insurance Company
Pembroke Insurance Company
Personal Insurance Company of Canada (The)
Pert Insurance Company
Petline Insurance Company
Pilot Insurance Company
Portage la Prairie Mutual Insurance Company (AB & BC Only)
Primerium Insurance Company
Protective Insurance Company
Québec Assurance Company
Red River Mutual Insurance Company
Royal & Sun Alliance Canada
Safety National Casualty Corporation
Saskatchewan Mutual Insurance Company (AB Only)
Scor Insurance Canada Branch
Scotia General Insurance Company
Scottish & York Insurance Co. Limited
Security National Insurance Company
Sentry Insurance a Mutual Company
SGI Canada Insurance Services Ltd. (AB & BC & ON Only)
Shipowners Mutual Protection & Indemnity Association (Luxembourg)
Insurance Company (Canada Branch)
Sampo Japan Hapersonka Insurance Inc.
Sonnet Insurance Company
Sovereign General Insurance Company
Stewart Title Guaranty Company
STP Fire & Marine Insurance Company
Sunderland Marine Insurance Company Ltd. (Canada Branch) (AB Only)
S&W Insurance Company
TD Direct Insurance Inc.
TD General Insurance Company
TD Home and Auto Insurance Company
Technology Insurance Company, Inc.
Temple Insurance Company
Tokio Marine & Nichido Fire Insurance Co. Ltd
Traders General Insurance Company
TransGlobal Insurance Company of Canada
Travelers Insurance Company of Canada
Trisura Guarantee Insurance Company
Triton Insurance Company - Canadian Branch
T.H.E. Insurance Company
Unica Insurance
Unifund Assurance Company
Unique General Insurance Inc. (L) (AB & BC Only)
United States Liability Insurance Company, Canada Branch
Verisure Insurance Company
Virginia Surety Company Inc.
Waterloo Insurance Company
Wawanesa Mutual Insurance Company
Western Assurance Company
Western Surety Company
Westland Insurance Company Limited (BC Only)
Westport Insurance Corporation (Ria ERC)
Wynward Insurance Group
XL Reinsurance America Inc. (Canadian Branch)
XL Specialty Insurance Company
Zenith Insurance Company
Zurich Canadian Holdings Limited
INDEPENDENT AUDITORS’ REPORT

To the Members of the General Insurance OmbudService

Opinion

We have audited the financial statements of the General Insurance OmbudService (the Entity), which comprise:

- the statement of financial position as at April 30, 2019
- the statement of operations and changes in general fund balance for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at April 30, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “Auditors’ Responsibilities for the Audit of the Financial Statements” section of our auditors’ report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our
## Statement of Financial Position

April 30, 2019, with comparative information for 2018

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$ 1,877,609</td>
<td>$ 2,028,472</td>
</tr>
<tr>
<td>Account receivable</td>
<td>500</td>
<td>–</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>66,336</td>
<td>65,416</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$ 1,944,445</td>
<td>$2,093,888</td>
</tr>
<tr>
<td><strong>Liabilities and General Fund Balance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued expenses and other payables</td>
<td>$ 118,287</td>
<td>$ 106,115</td>
</tr>
<tr>
<td>General fund balance</td>
<td>1,826,158</td>
<td>1,987,773</td>
</tr>
<tr>
<td><strong>Total liabilities and General Fund Balance</strong></td>
<td>$ 1,944,445</td>
<td>$ 2,093,888</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.

## Statement of Cash Flows

Year ended April 30, 2019, with comparative information for 2018

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash provided by (used in) operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess (deficiency) of revenue over expenses</td>
<td>$(161,615)</td>
<td>$ 230,347</td>
</tr>
<tr>
<td>Change in non-cash operating working capital:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(500)</td>
<td>–</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>(920)</td>
<td>(59)</td>
</tr>
<tr>
<td>Accrued expenses and other payables</td>
<td>12,172</td>
<td>(21,479)</td>
</tr>
<tr>
<td><strong>Total cash provided by (used in) operating activities</strong></td>
<td>$(150,863)</td>
<td>208,809</td>
</tr>
<tr>
<td>Increase in cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash, beginning of year</td>
<td>2,028,472</td>
<td>1,819,663</td>
</tr>
<tr>
<td><strong>Cash, end of year</strong></td>
<td>$ 1,877,609</td>
<td>$ 2,028,472</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
Statement of Operations and Changes in General Fund Balance

Year ended April 30, 2019, with comparative information for 2018

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member assessments</td>
<td>$ 1,603,118</td>
<td>$ 1,738,145</td>
</tr>
<tr>
<td>Interest</td>
<td>44,798</td>
<td>28,162</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$ 1,647,916</td>
<td>$ 1,766,307</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and benefits (note 2)</td>
<td>1,040,494</td>
<td>811,498</td>
</tr>
<tr>
<td>Office and administration</td>
<td>156,600</td>
<td>160,550</td>
</tr>
<tr>
<td>Professional services (notes 2 and 3)</td>
<td>195,031</td>
<td>210,532</td>
</tr>
<tr>
<td>Board of Directors</td>
<td>222,005</td>
<td>150,070</td>
</tr>
<tr>
<td>Information technology</td>
<td>104,310</td>
<td>97,906</td>
</tr>
<tr>
<td>Public affairs</td>
<td>91,091</td>
<td>105,404</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$ 1,809,531</td>
<td>$ 1,535,960</td>
</tr>
<tr>
<td><strong>Excess (deficiency) of revenue over expenses</strong></td>
<td>(161,615)</td>
<td>230,347</td>
</tr>
<tr>
<td><strong>General fund balance, beginning of year</strong></td>
<td>$ 1,987,773</td>
<td>$ 1,757,426</td>
</tr>
<tr>
<td><strong>General fund balance, end of year</strong></td>
<td>$ 1,826,158</td>
<td>$ 1,987,773</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.

Notes to Financial Statements

Year ended April 30, 2019

The General Insurance OmbudService (“GIO”) is an independent not-for-profit corporation incorporated under the Canada Not-for-profit Corporations Act. GIO was established with the sole purpose of helping Canadian consumers resolve disputes or concerns with their home, auto or business insurers. GIO uses their extensive experience and industry-related insight to work towards fair solutions between individuals and their insurance providers regarding claims, interpretation of policy coverage and policy processing and handling.

The corporation is domiciled in Canada. The address of the Corporation's registered office is 10 Milner Business Court, Suite 701, Toronto, Ontario, M1B 3C6.

1. Significant accounting policies:
The accompanying financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. The most significant accounting policies are described below:

a) Basis of presentation and use of estimates:
   These financial statements follow the restricted fund method of accounting, whereby the activities of the general fund and restricted fund are separately disclosed. The general fund reports unrestricted resources. GIO does not have any restricted funds at the present time.
   The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.
(b) Revenue recognition:
GIO derives its revenue primarily through member assessment fees. Fees are recognized as revenue in the membership year to which they relate.

(c) Financial instruments:
The carrying amounts of all financial assets and liabilities approximate their fair values due to the short-term maturity of these financial instruments.

(d) Income Taxes:
GIO is exempt from income taxes provided certain requirements of the Income Tax Act (Canada) continue to be met. As a result, no provision for income taxes is required in these financial statements.

2. Due to Insurance Bureau of Canada:
During 2019, certain operating costs totalling $36,430 (2018 - $33,048) were incurred by the Insurance Bureau of Canada (“IBC”) on behalf of GIO, and these costs have been charged to GIO at cost. In addition, a service fee of $25,990 (2018 - $25,990) was charged to GIO by IBC for certain administrative expenses.

3. Professional services:
Professional services expenses for the year ended April 30, 2019 amounted to $195,031 (2018 - $210,532) and comprised legal fees, audit fees, accounting fees, consultants, professional membership fees, publication fees and convention costs.

4. Commitments:
GIO is committed to future minimum payments under its leases of office premises as follows:

<table>
<thead>
<tr>
<th>Year ending April 30:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$31,565</td>
</tr>
<tr>
<td>2021</td>
<td>27,294</td>
</tr>
<tr>
<td>2022</td>
<td>4,485</td>
</tr>
</tbody>
</table>

5. Financial risks:

(a) Liquidity risks:
Liquidity risk is the risk that GIO will be unable to fulfill its obligations on a timely basis or at a reasonable cost. GIO manages its liquidity risk by monitoring its operating requirements. GIO prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2018.

(b) Credit risk:
Cash consists of the interest-bearing cash balance with a highly rated Canadian financial institution.