

GIO SCAD



2018 - 2019 Annual Report

GIO SCAD

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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.

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 web site, 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 23, 2012

ACTING CHAIR'S MESSAGE

MARGUERITE VOGEL

Acting Chair of the Board, General Insurance OmbudService

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.



The Board has approved two significant policies in 2018; Respect in the Workplace, Policy and Program, and Alcohol and Drug Abuse Policy. In addition, the Board has approved GIO's Strategic Plan for 2019/21 comprised of four areas of focus: member companies, regulators, consumers and GIO's continuous improvement.

On behalf of the Board of Directors, I thank our skilled and talented Management and Staff and our member companies who continue to work cooperatively to find solutions for consumers.

A handwritten signature in black ink, appearing to read 'M. Vogel'. The signature is fluid and cursive.

Marguerite Vogel, M.A., LL.B

Acting Chair of the Board, General Insurance OmbudService

INTERIM EXECUTIVE DIRECTOR'S MESSAGE

STAN GRIFFIN

Interim Executive Director, General Insurance OmbudService

The year 2018/19 continued to be a year of change and transition for GIO.

GIO said farewell to Brian Maltman, Executive Director since 2008, upon his retirement in the fall of 2018 and welcomed April Schulze as Executive Director in September 2018. Ms Schulze immersed herself in GIO and immediately began outreach with relevant stakeholders.

With the news that Ms Schulze was expecting a child in May 2019, I took over as Interim Executive Director. Ms Schulze gave birth to a daughter in May.

Following the retirement of Roger Palmer, Chair, GIO Board of Directors, in October 2018, Anne-Marie Trahan was elected Chair. Sadly, Ms Trahan resigned in June and passed away in July following an extremely brief battle with cancer.

I was fortunate to serve as an Industry Director with Ms. Trahan and can testify to her commitment and contributions to GIO. Her diligence and sense of humour will be greatly missed. Marguerite (Marga) Vogel, Vice-Chair and a director since 2008 has stepped into the role of Acting Chair.

As Interim Executive Director I have come to appreciate first-hand the special expertise and enormous efforts of GIO's staff in assisting Canadian consumers resolve their insurance complaints. I thank them for welcoming and assisting me in this Interim role.

GIO's Board of Directors was engaged in its biannual strategic planning process that generated GIO's Strategic Plan 2019/21. This plan is focussed on four areas:

Members: strengthening the relationship and dialogue with member insurers and ensuring that they are complying with terms of membership;

Regulators: ensuring that GIO is delivering services in-line with its Regulatory Framework and is working with regulators to identify mutual areas of interest and create a working relationship that advances the interests of both parties;

Consumers: ensuring that consumers are made aware of GIO's services at the time that GIO's services are relevant and available to them;

GIO's continuous improvement: ensuring sustainability and high performance by making progress in the areas of training, development, engagement, succession planning and IT security.

I look forward to implementing elements of this Plan in the coming year.



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,

A handwritten signature in black ink that reads "Stan Griffin". The signature is fluid and cursive, with a long horizontal stroke at the end.

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.

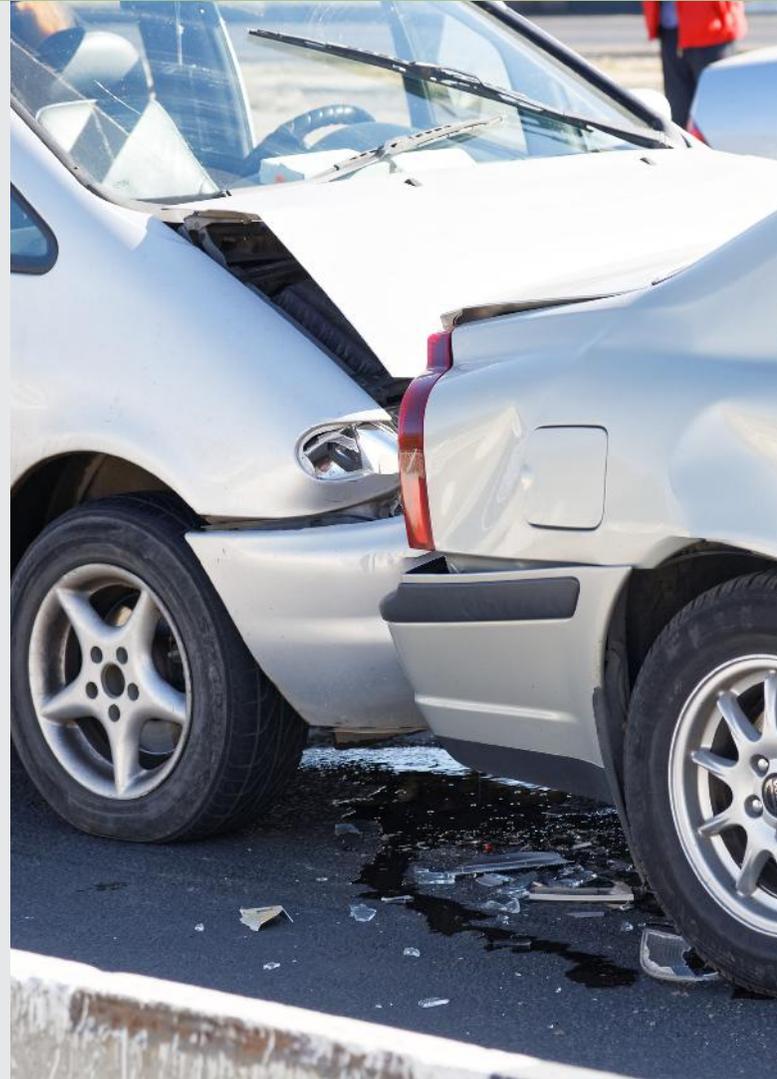
The caller contacted the General Insurance OmbudService (GIO) on behalf of his father because he felt his father should be held not at fault.

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.

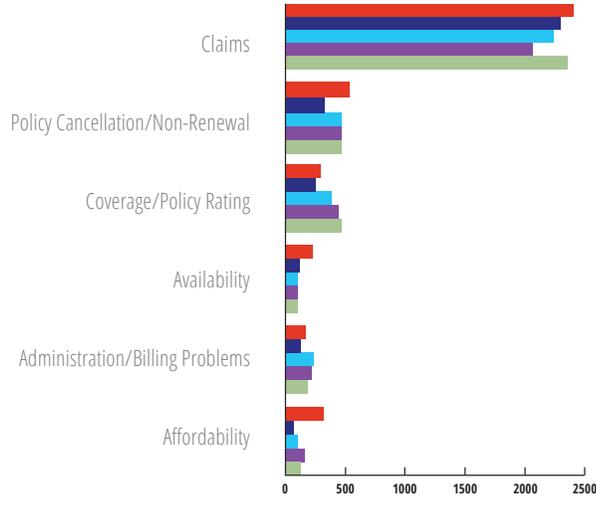


“THIS MEANT THAT THE CALLER’S FATHER WOULD NOT BE RATED FOR THE AT-FAULT ACCIDENT.”

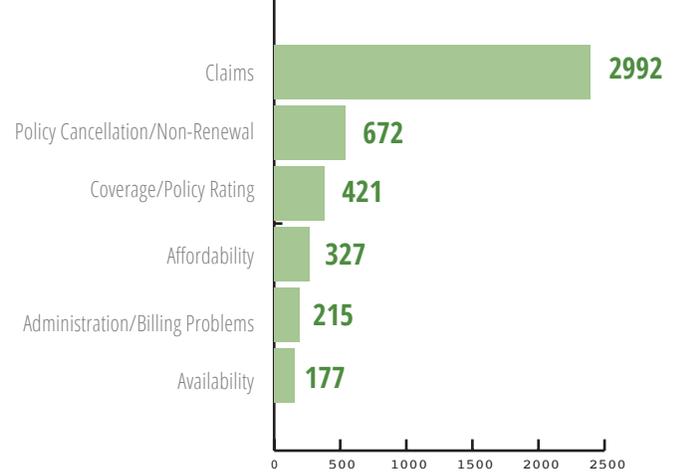
CALLS ANALYSIS

CALLS BY AREA OF CONCERN

5 YEAR TREND



2018-2019

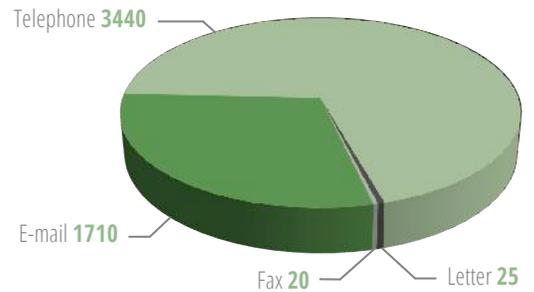


HOW DID CONSUMERS CONTACT GIO?

5 YEAR TREND

	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
TELEPHONE	3440	2733	2645	2634	2937
ONLINE COMPLAINT	1710	1203	1113	917	918
LETTER	25	16	18	14	24
FAX	20	20	12	8	15

2018-2019

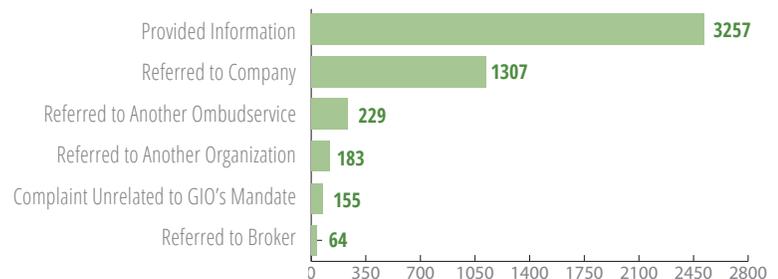


CALL RESOLUTION

5 YEAR TREND

	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015
PROVIDED INFORMATION	3257	2466	2501	2377	2642
REFERRED TO COMPANY	1307	865	747	720	731
REFERRED TO ANOTHER OMBUDSERVICE	229	243	217	209	218
REFERRED TO ANOTHER ORGANIZATION	183	161	116	115	121
COMPLAINT UNRELATED TO GIO'S MANDATE	155	110	93	54	83
REFERRED TO BROKER	64	37	24	25	34

2018-2019



CASE STUDY 2

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.



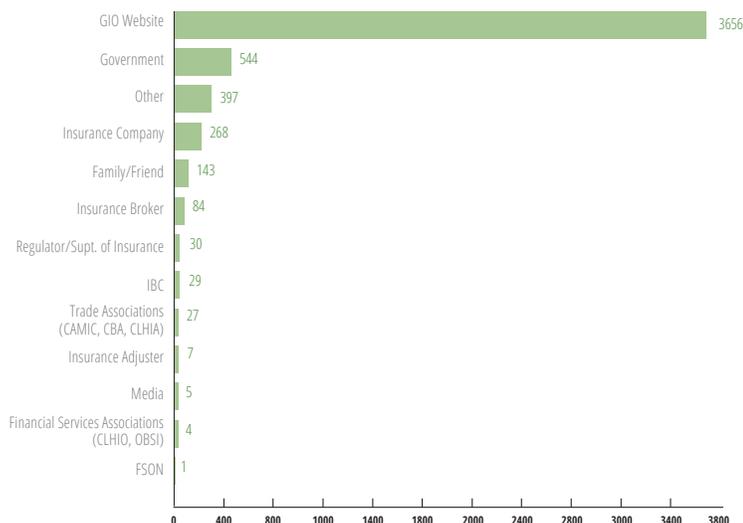
**"THE INSURER'S CLO
FURTHER ADVISED THAT
THE OUTSTANDING
MONIES OWED WOULD
BE WAIVED."**

CALLS ANALYSIS (CONT'D)

CALLS BY PROVINCE OF ORIGIN (2018-2019)

AB	1156
BC	302
MB	58
NB	57
NL	44
NS	80
NT	2
ON	3211
Outside Canada	16
PE	9
QC	218
SK	34
YT	7
NU	1

HOW DID CONSUMERS FIND GIO? (2018-2019)



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.

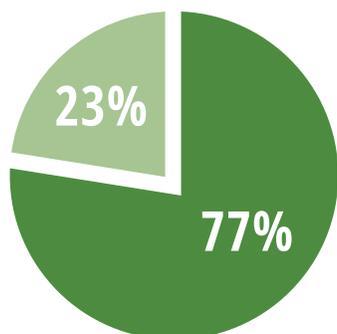
Mediation:

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.

NEW VISITORS

RETURN VISITORS

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 (CSO) 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 EMPHATIC 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.

Independent Directors:

The Honourable Anne-Marie Trahan, Q.C.

*Chair of the board, ex-officio member of all committees
Independent Director, Québec Region
Retired Justice of the Superior Court of Québec*

Marguerite Vogel, B.A., M.A. (CMNS), LL.B.

*Vice Chair of the Board
Chair, Governance & Standards Committee
Member, Human Resources Committee
Independent Director, British Columbia & Yukon
Past Regional Director, Canadian Radio-television and Telecommunications Commission (CRTC)
Duncan, British Columbia*

Christine E. Hart

*Chair, Budget & Audit Committee
Independent Director, Ontario Region
Former MPP and Cabinet Minister
President of Accord/Hart & Associates Inc.*

Graydon Nicholas, C.M., O.N.B.

*Chair, Human Resources Committee
Member, Budget & Audit Committee
Governance & Standards Committee
Independent Director for Atlantic Canada
Former Lieutenant Governor of New Brunswick*

Wayne Chiu, C.M., A.O.E., ICD.D

*Member, Budget & Audit Committee
Human Resources Committee
Independent Director, Prairies, Northwest Territories & Nunavut
Founder and CEO, Trico Homes and The Trico Group*

Industry Directors:

J.R. (Bob) Tisdale, MBA, FCIP, CRM, ICD.D

*Member, Human Resources Committee
President and Chief Operating Officer of Pembridge Insurance Company, Pafco Insurance Company, Ivantage Insurance Brokers Inc. and Vice President of Allstate Canada Group
Toronto, Canada*

Don W. J. Forgeron, ICD.D

*Member, Governance & Standards Committee
President & CEO, Insurance Bureau of Canada*

Executive Director:

April Schulze, B.A. (Honours), LL.B.

General Insurance OmbudService

Interim Executive Director:

Stanley I. Griffin, M.A., CIP

General Insurance OmbudService

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
- Effectiveness
- Clarity of scope and powers
- Fairness
- Accessibility
- 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/>.



LIST OF MEMBERS

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:

Additional Municipal Hail Ltd. (AB Only)	First American Title Insurance Company	SGL Canada Insurance Services Ltd. (AB & BC & ON Only)
Affiliated FM Insurance Company	First North American Insurance Co.	Shipowners Mutual Protection & Indemnity Association (Luxembourg) (Canada Branch)
ALG Insurance Company of Canada	Fortress Insurance Company (AB+ BC only)	Sompo Japan Nipponkoa Insurance Inc.
Alberta Motor Association Insurance Company (AB & BC Only)	General Reinsurance Corporation	Sonnet Insurance Company
Allianz Global Risks US Insurance Company	Genworth Financial Mortgage Insurance Company of Canada	Sovereign General Insurance Company
Allied World Specialty Insurance Company	Gore Mutual Insurance Company (AB & BC only)	Stewart Title Guaranty Company
Allstate Insurance Company of Canada	Great American Insurance Company	St. Paul Fire & Marine Insurance Company
American Bankers Insurance Company of Florida	Guarantee Company of North America (The)	Sunderland Marine Insurance Company Ltd. (Canada Branch) - (AB Only)
American Road Insurance Company- Canadian Branch	Hartford Fire Insurance Company	S&Y Insurance Company
Arch Insurance Company	HDI Global SE Canada Branch	TD Direct Insurance Inc.
Ascentus Insurance Ltd.	HDI Global Specialty SE	TD General Insurance Company
Aspen Insurance UK Limited	Heartland Farm Mutual Inc. (AB+ ON Only)	TD Home and Auto Insurance Company
Associated Electric & Gas Insurance Services Limited (AEGIS)	Industrial Alliance Pacific General Insurance Corporation (AB & BC Only)	Technology Insurance Company, Inc.
Atradius Credito y Caucion, S.A. de Seguros y Reaseguros (AB & BC Only)	Intact Insurance Company	Temple Insurance Company
Aviva General Insurance Company	Ironshore Insurance Ltd. Canada Branch (AB & BC only)	Tokio Marine & Nichido Fire Insurance Co. Ltd
Aviva Insurance Company of Canada	Jevco Insurance Company (Intact Financial Corporation)	Traders General Insurance Company
AXA Insurance Company-Cdn Branch	Jewelers Mutual Insurance Company	Trafalgar Insurance Company of Canada
AXIS Reinsurance Company- Canadian Branch	Lawyers Professional Indemnity Company (AB & BC Only)	Trans Global Insurance Company (AB & BC Only)
BCAA Insurance Corporation (BC only)	Liberty Mutual Insurance Company	Travelers Insurance Company of Canada
Belair Insurance Company Inc.	Lloyd's	Trisura Guarantee Insurance Company
Berkley Insurance Company	Max Insurance (AB & BC Only)	Triton Insurance Company - Canadian Branch
Boiler Inspection & Insurance Company of Canada (The)	Mennonite Mutual Insurance Co. (Alberta) Ltd. (AB Only)	T.H.E. Insurance Company
CAA Insurance Company	Millennium Insurance Corporation	Unica Insurance
Canada Guaranty Mortgage Insurance Company	Missisquoi Insurance Company	Unifund Assurance Company
Canadian Direct Insurance Incorporated	Mitsui Sumitomo Insurance Company	Unique General Insurance Inc. (L) (AB & BC Only)
Canadian Farm Insurance Corp.	Motors Insurance Corporation	United States Liability Insurance Company, Canada Branch
Canadian Northern Shield Insurance	Mutual Fire Insurance of B.C. (The) (AB & BC Only)	Verassure Insurance Company
Canadian Premier General Insurance Company	National Liability and Fire Insurance Company	Virginia Surety Company Inc
Capitale General Insurance Inc. (La) - (BC Only)	New Home Warranty Insurance (Canada) Corporation (The)	Waterloo Insurance Company
Certas Direct Insurance Company	Nordic Insurance Company of Canada (The)	Wawanesa Mutual Insurance Company
Certas Home and Auto Insurance Company	Northridge General Insurance Corporation	Western Assurance Company
Cherokee Insurance Company	Novex Insurance Company	Western Surety Company
Chicago Title Insurance Company	Old Republic Insurance Company of Canada	Westland Insurance Company Limited (BC Only)
Chubb Insurance Company of Canada	Omega General Insurance Company	Westport Insurance Corporation (fka ERC)
Co-Operators General Insurance Company	Optimum West Insurance Company Inc. (AB & BC Only)	Wynward Insurance Group
Coachman Insurance Company (AB, BC, ON, SK only)	Orion Travel Insurance Company	XL Reinsurance America Inc. (Canadian Branch)
Compagnie Francaise d Assurance pour le Commerce Exterieur-Canada Branch	Pafco Insurance Company	XL Specialty Insurance Company
Continental Casualty Company	Palliser Insurance Company Limited (AB Only)	Zenith Insurance Company
CorePointe Insurance Company	Peace Hills General Insurance Company	Zurich Canadian Holdings Limited
Coseco Insurance Company	Pembridge Insurance Company	
Cumis General Insurance	Personal Insurance Company of Canada (The)	
Dominion of Canada General Insurance Company (The)	Perth Insurance Company	
Ecclesiastical Insurance Office plc	Petline Insurance Company	
Echelon Insurance	Pilot Insurance Company	
Economical Mutual Insurance Company	Portage la Prairie Mutual Insurance Company (AB & BC Only)	
Electric Insurance Company	Primum Insurance Company	
Elite Insurance Company	Protective Insurance Company	
Employers Insurance Company of Wausau	Quebec Assurance Company	
Esurance Insurance Company of Canada (AB Only)	Red River Mutual Insurance Company	
Euler Hermes North America Insurance Company	Royal & Sun Alliance Canada	
Everest Insurance Company of Canada	Safety National Casualty Corporation	
Factory Mutual Insurance Company	Saskatchewan Mutual Insurance Company (AB Only)	
FCT Insurance Company Ltd.	Scor Insurance - Canadian Branch	
Federal Insurance Company	Scotia General Insurance Company	
Federated Insurance Company of Canada	Scottish & York Insurance Co. Limited	
Fenchurch General Insurance Company	Security National Insurance Company	
	Sentry Insurance a Mutual Company	



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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, 2018
- 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

Chartered Professional Accountants, Licensed Public Accountants
Toronto, Canada
May 28, 2019

FINANCIAL STATEMENTS

Statement of Financial Position

April 30, 2019, with comparative information for 2018

	2019	2018
Assets		
Current assets:		
Cash	\$ 1,877,609	\$ 2,028,472
Account receivable	500	–
Prepaid expenses	66,336	65,416
	\$ 1,944,445	\$2,093,888

Liabilities and General Fund Balance

Current liabilities:		
Accrued expenses and other payables	\$ 118,287	\$ 106,115
General fund balance	1,826,158	1,987,773
	\$ 1,944,445	\$ 2,093,888

See accompanying notes to financial statements.

Statement of Cash Flows

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

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

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

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

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.

FINANCIAL STATEMENTS

(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:

Year ending April 30:	
2020	\$ 31,565
2021	27,294
2022	4,485

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.