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Message from the President IBANB

Table of Contents

Presidents' Messages.....	1-8
Facebook News Feed Changes...	10
IBANB CEO Report	12
IBANB Young Brokers Network...	14
IBANS Young Brokers Network...	16
IBANS/IBAN PD Report.....	18
IBANB PD Report.....	20
Building Better Auto Insurance....	22
When It Comes To Legal Action, Promptness Matters.....	24
Bitcoin, Ethereum & Blockchain – Implications for P&C Insurance.....	26

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*Brian Schryer CAIB, AIPC
President IBANB*

We all know by now the importance and need for innovation and digitization. Of course this is something we should all believe in, however it is also more important than ever to remember what has always been the root of our success, and that is our relationships with our clients. One could argue that as brokers we are in the relationship business even more so than the insurance business. There will always be a need for the human element.

In late January, I had the experience of attending my first IBAC meeting as an observer. As part of the January meeting, we held our Insurer Liaison meetings where we heard from CEOs and management from Wawanesa, Intact, RSA, Gore Mutual, Travelers, Economical and Pembridge. All insurers put emphasis on digitization and integration, but at the same time each stressed the importance of the need for human interaction. Their research and studies showed that although consumers are increasingly independent with research and shopping online, the fact remains that insurance is complicated and consumers want that expert advisor at the end of the transaction to confirm that what they are purchasing is right for them. When it comes to people's most important assets, they want that professional validation that they are protected properly.

As brokers, it might feel like we are being told to forge ahead in all different directions. Digitize, focus on the customer relationship, disrupt, go back to your roots,

etc. However, these paths do not have to diverge from each other. We can digitize our services and interactions with the consumer to better serve them how they want to be served, while at the same time providing that personal touch that everyone desires. We can be disruptive by not simply innovating but seeing how we can radically improve the way we do business and still stay true to our roots of being at our client's side through the thick and thin of the insurance journey. Focusing on constant improvement while staying true to our identity is how brokers will continue to stay the first choice for insurance consumers.

Few still believe the old business mantra that "the customer is always right". We know better than this now, so rather than believing the customer is always right we need to believe that the customer is always first. We don't have tangible products or the latest shiny eye catching device to offer. We don't make things, we create experiences. The customer experience is the most important part of what we do, and as simple as that sounds I believe that lately our focus isn't on this crucial aspect. We get concerned about what competition is doing, who's buying who, how to protect what we have, etc. These are all very important pieces, however we can never go wrong by putting the customer at the center of our conversations and everything that we do going forward.

It's easy to lose direction and focus with the rate of change that is happening. One insurer CEO at our meetings said it best: "The pace of change right now is the slowest it will ever be for the rest of your life". Surely, the pace of change will not stop increasing. With all of this, it might seem like we are forever chasing trends. I will be one of the loudest voices that say that we need to innovate and digitize, however while taking these necessary measures we cannot minimize the importance of personal relationships. It can be difficult to be absolutely certain about a direction or strategy moving forward, but one strategy that will never be wrong is having the customer experience at the front and center of every conversation and choice that we make. ■

You may contact Brian at (506) 548-8994 or via email at, bschryer@kentandwhite.com.

Il ne fait plus de doute maintenant qu'il est important et nécessaire de recourir à l'innovation et à la numérisation. Bien sûr, il faut y croire, mais il ne faudrait surtout pas perdre de vue ce qui a fait notre réussite, c'est-à-dire les relations que nous entretenons avec nos clients. À bien y penser, on pourrait même dire que les courtiers sont encore plus dans le domaine des relations que dans le domaine de l'assurance. Autrement dit, l'élément humain sera toujours nécessaire.

Vers la fin de janvier, j'ai vécu ma première réunion de l'Association des courtiers d'assurance du Canada (ACAC) à titre d'observateur. C'était aussi l'occasion de tenir nos réunions de liaison avec les assureurs; les dirigeants de Wawanesa, Intact, RSA, Gore Mutual, Travelers, Economical et Pembroige ont pris la parole. Ils ont tous insisté sur la numérisation et l'intégration, mais sans oublier de souligner l'importance et le besoin d'une interaction humaine. Leurs recherches et leurs études révèlent que même si les consommateurs sont de plus en plus indépendants dans leur recherche d'information et leur magasinage en ligne, il reste que l'assurance est un domaine compliqué et que, avant de conclure la transaction, les consommateurs veulent néanmoins l'intervention d'un conseiller expert pour faire confirmer que l'assurance qu'ils envisagent leur convient réellement. Quand il est question de leurs biens les plus importants, les gens veulent une validation professionnelle qu'ils ont une protection adéquate.

En tant que courtiers, nous pourrions avoir l'impression qu'on nous dit de foncer dans toutes les directions : numérisation, focalisation sur la relation client, perturbation, retour à nos racines, etc. Pourtant, ce ne sont pas là des voies qui divergent l'une de l'autre. Nous pouvons numériser nos services et nos interactions avec les consommateurs pour mieux les servir comment ils veulent être servis, en ajoutant une touche personnelle que tout le monde souhaite. Nous pouvons créer une certaine perturbation en ne nous contentant pas seulement d'innover mais en voyant comment nous pouvons améliorer radicalement notre façon de faire des affaires en demeurant néanmoins fidèles à nos racines par une présence sincère aux côtés de notre client aux bons comme aux mauvais moments du voyage dans l'assurance. Si nous misons sur l'amélioration constante sans déroger de notre identité, nous, les courtiers, resterons le premier choix des consommateurs d'assurance.

Peu de gens croient encore au vieil adage commercial « le client a toujours raison ». Nous savons ce qu'il en est maintenant, donc, au lieu de croire que le client a toujours raison, nous devons croire que le client passe toujours en premier. Nous n'avons pas de produit concret à offrir, ni gadget ou appareil spectaculaire qui retient l'attention. Nous ne fabriquons rien non plus, nous créons simplement des expériences. L'expérience client est le résultat le plus important de ce que nous faisons. Aussi simple que cela puisse sembler, je crois que, dernièrement, nous avons un peu perdu de vue cet aspect crucial. Nous nous préoccupons de ce que fait la concurrence, de qui se porte acquéreur de qui, de comment protéger ce que nous avons, etc. Ce sont tous des éléments très importants, mais on ne peut pas se tromper en mettant le client au coeur de nos conversations et de tout ce que nous envisageons de faire.

Devant la vitesse du changement, il est facile de perdre ses repères et sa concentration. À nos réunions, un des dirigeants des assureurs l'a bien formulé : « Le rythme auquel les choses évoluent en ce moment est le plus lent que vous connaîtrez dans le reste de votre vie ». La vitesse du changement ne cessera pas d'augmenter. Serons-nous toujours à la poursuite de tendances? Je serai toujours un des premiers à dire qu'il faut innover et numériser, cependant la prise de telles mesures nécessaires ne doit pas diminuer l'importance qu'on accorde aux relations personnelles. Il est peut-être difficile d'avoir la certitude au sujet d'une orientation ou d'une stratégie à suivre dorénavant, mais une stratégie ne sera jamais mauvaise si elle consiste à mettre l'expérience client à l'avant-plan et au coeur de toutes nos conversations et de tous nos choix. ■

On peut communiquer avec Brian au 506-548-8994 ou à bschryer@kentandwhite.com.

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Message from the President

IBANS



*Gina McFetridge, CAIB
President IBANS*

Historically, brokers worked to ensure our clients understood that flood coverage was not available on their personal property policies; this was a universal truth. Despite this fact, the waters were muddied. As advocates for our clients, we pushed to get claims paid under sewer back-up coverage when there was not a clear indication of what caused the water damage. Our motivations were true, but no doubt inadvertently led to further confusion on the part of our clients in terms of what types of water claims were and were not covered. We said there was no cover for overland water damage, and then we worked with the claims team at their insurance company to get cover for our clients' losses.

Perhaps the most notable example of these murky waters were the water claims paid following the infamous floods in Alberta. There were huge payouts by many companies for what many would consider an uninsured peril. It was not long after this major event that we saw insurance companies begin to introduce overland water cover. Awareness of the need for more comprehensive water products reached and all time high, and the insurance markets realized they needed to address this major gap in coverage availability. Not to mention, if political and public pressure were going to force the payment of overland water claims, they might as well design a legitimate product and collect premium!

Fast forward to present day. A number of years have passed since personal lines in-

surers in Canada began to introduce overland water to their personal property policies. The coverage is now offered by some insurers, but varies widely from company to company. How have we as brokers handled the introduction of this coverage and worked to educate our clients? I would argue that we still have much work to do in this regard as individual brokers as well as an industry.

There can be no doubt the introduction of overland water coverage is of great value to many of our clients. Where once the only recourse was government aid, our clients now have access to better options through their insurance policies. In some instances, these policies have the ability to fully indemnify our clients in the event of an overland water loss. The advantage of accessing cover through their property policy versus the uncertainty of applying for government aid is undeniable.

On the flipside, this optional coverage has created a huge E&O exposure for brokers. Many insurance companies took a unique approach to broadening their water coverage, while a few have yet to introduce a product. The disparity of coverage in certain geographic areas, the types of losses covered, and the difference in limits from company to company is dramatic. Brokers have worked to ensure our clients are protected by sending letters, calling, emailing and in some instances automatically adding the coverage to their policies. We've done our best to document each file, note every conversation, and ultimately cross our fingers, hoping we didn't miss anything when the water starts pouring down from the sky and rising up in the lakes and rivers.

Despite these efforts, overland water is still a relatively new product. There is a lack of understanding on the part of the public. The need for education remains great and brokers must take the lead. There are still many people without adequate coverage that are comforted by a false belief that their policy will respond in the event of a water claim. We can help them understand that past experience is not always a good predictor of future risk. In other words, they may have gone 20 years without a water claim, but changing weather patterns means they could now be at risk. We are the experts. We are the ones with knowledge of the different op-

tions available. We are the ones that can explain water cover to our clients in layman's terms so they can make an informed choice on what coverage they need.

We also know that filing an insurance claim is a last resort. Loss mitigation, or better yet, prevention, is the best option for our clients. Working with industry partners, we must ensure our clients understand and take preventive measures to stop water loss; putting an insurance policy in place is not enough. Insurance companies are looking for and rewarding clients that help stop water losses. There are plenty of ways to reduce and prevent loss. It can be as simple as the installation of backwater valves and replacing aging hot water tanks, or larger lifestyle choices such as choosing not to extend living space into a basement and purchase a home in a flood plain.

Beyond the individual broker, IBANS is also working to bring attention to this number one cause of loss. We are actively sharing information on social media, and have prepared an information piece for CTV, designed to help educate the public on water related issues. Through our advocacy efforts with politicians and government officials, we're also keeping water on the agenda. We believe it's an important part of our role to ensure they understand how water is shaping the property policies of the future. We also need them to understand the growing risks of aging infrastructure and approving new developments in known flood plains.

The advent of richer water coverage through personal property insurance is a positive development for Canadians. But due to the piecemeal approach of our insuring companies, the waters are muddier than ever before. The last thing any broker wants to see is a client fall through the cracks and be left without compensation for loss by government or their insurance company. The continued education of our clients, as well as open communication with our insuring partners and government officials is critical. There has truly never been a better time to talk to your broker. ■

You may contact Gina at (902) 477-2511 or via email at, gina@archwayinsurance.ca.

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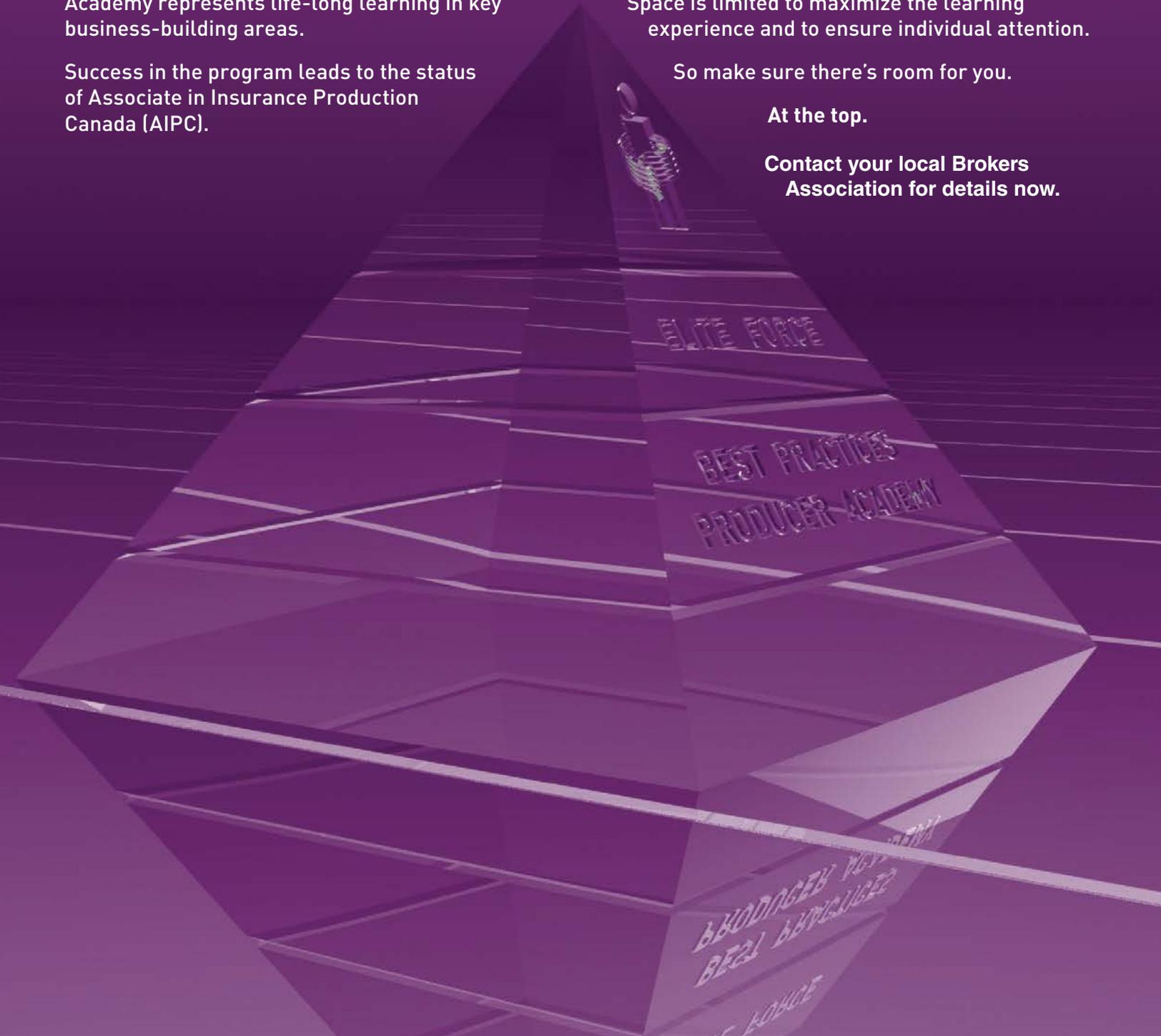
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Message from the President IBAN



*Jason Sharpe, CAIB, CIP
President IBAN*

After an amazing summer and a long and pleasant fall we now find ourselves paying the price - a winter on the extreme East Coast of Canada. Waking up to -15°C this morning with high winds, making it feel much colder, certainly brings me back reality. As anyone from here knows, weather patterns are hard to predict and I'm more certain than ever that our industry isn't that much different than the weather.

Again, we find ourselves guessing what the next "event" will be, when it will hit and what the impact will be on our industry. The event, to no one's surprise, is the current review of the automobile insurance product in the province. The impact, well, at this point, that's anyone's guess.

A few weeks ago we had a storm hit the west coast of our Province with significant rainfall and warming temperatures that, when combined with the frozen ground caused a fast snow melt that washed away roads and caused landslides and floods that damaged property including some of our major infrastructure such as roads, highways and even the Marble Mountain ski hill.

Although there is never a good time for such a weather event to happen, it really couldn't have been worse timing for Corner Brook. All of this happened the week before the Scotiabank "Hockey Day in Canada" event was to be hosted in the City. Ex-NHL players, all the crew from Sportsnet and sports

cast legends Don Cherry and Ron Maclean were all scheduled to attend.

Through the efforts of the staff and contractors at Marble Mountain, the Provincial road crews, emergency services, municipal workers from all the affected Cities and Towns and endless volunteers the City and the other venues were ready for the event. Those people did an outstanding job and the event was a huge success.

I was lucky enough to be in Corner Brook for a few days during the event and these guys did not stop. They brought the Stanley Cup to the local pulp and paper mill, schools, hospitals, and even took the time to stop and thank the workers in the excavators who were working around the clock to try and get the roads repaired for the event.

The analogy to our industry and the situation we currently find ourselves in is that irrespective of the circumstances we're presented with the show must go on; we will continue to do what we do best, serve the insurance needs of our clients and work to influence the circumstances presented to us, so the outcome achieved best suits the needs of audience; our clients, the insurance purchasing people of our province.

So, in terms of the pending review of automobile insurance, what is the best solution? To be perfectly truthful, I don't know. What I do know is that there are some fundamental issues with the system as it currently exists. These range from the high rates we pay for insurance, through the unprecedented levels of people driving around our province without insurance and the restrictive and expensive legislative and rate filing restrictions to the continuing contraction of the insurance marketplace in the province where national and international insurance companies are no longer interested in coming to Newfoundland and Labrador to participate in our market.

Far from being doom and gloom though, this is a very exciting time for our industry.

There are a number of easy wins the government could adopt to improve both the industry results and benefit the insurance consumers of the province. These include such actions as higher mandatory limits of liability, making accident benefits mandato-

ry, making snow tires mandatory and some simple actions to decrease the number of uninsured motorists driving on our roads.

These however, are secondary factors which should be considered as part of a complete reform package. The big ticket item in this discussion though, the topic that continues to attract the most "air time" is how the industry will treat soft tissue injuries. Do we keep the deductible system we currently have? Do we move to a cap on soft tissue injuries? Do we use a completely different approach all together?

The truth is that I certainly don't know which solution is best. Many in the insurance industry, particularly on the Insurance Company side, have been touting a cap on soft tissue injuries as the solution to all of our problems. I'm not saying that I disagree but as a broker we need to look it from the perspective of all stakeholders. As brokers we need to focus on the simple truth that we sell a product to the consumer and as such we need to sell the product the consumer wants to buy. The product that produces a system which attracts companies who want to write business in this province and as a direct result supports healthy competition that, by its nature, keeps the product price reasonable.

There is a lot of conflicting information available to the public and most of it is biased toward the positions of the source (insurance companies, lawyers, etc.). Therefore, it is complicated to know what's best for the consumer. Without the mindset of the "auto lotto" and the amount of fraud that takes place, I would say not having a cap is a good thing. A major problem here though is the existence of fraud; every time someone gets a minor bump in the drive thru it costs the industry, and ultimately the consumers of this province, and that's just not sustainable.

I'm certainly not suggesting all minor injuries are fraud but I know some are. I wish there was a better way to determine fraud but there isn't. A move to a cap system takes nothing away from an individual who is truly injured. That person retains all the rights to sue they currently have available to them. The only restrictions are on injuries the courts determine are "minor". Automobile insurance rates in NL are several hun-

dred dollars annually higher right now compared to the rest of Atlantic Canada and there is a cap on “minor” soft tissue injuries in each of those three provinces. If the government or the insurance consumer in this province decide they want to maintain the status quo then there has to be an understanding that such a system comes at a higher cost than the systems in operation in the rest of Atlantic Canada.

The most pressing issue in this province is that insurance companies are losing money with the system we have in place and many are saying we have a crisis in our province. I agree that our situation can be seen as a pending crisis. If we experience additional insurance companies ceasing to write business in our province it will leave us scrambling to find capacity and competitive pricing.

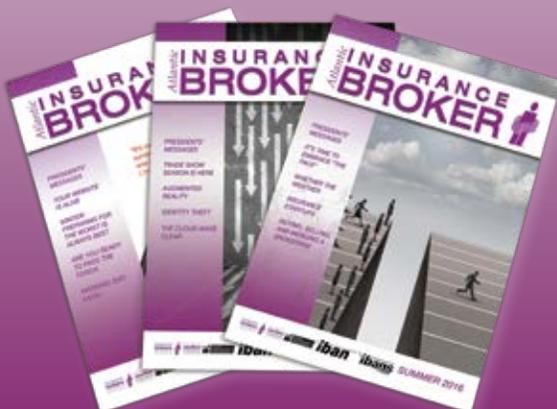
At the end of the day, as a broker, we will sell any product that the government determines is the best for both the consumers of the province and the health of the insurance market in the province. There’s probably no perfect solution so we, as an association, will make sure all stakeholders, including the government of Newfoundland and Labrador, know the facts as we see them and we hope they make the best decision for our customers, a decision which has to ensure the long term health and viability of the Insurance market in Newfoundland and Labrador. ■

Jason can be reached by phone at (709) 570-1471 or by email at jasons@steersinsurance.com.

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Message from the President IBAPEI



*Helen Hyndman, BSc, CIP, CAIB
President IBAPEI*

Hello from beautiful PEI. As I sit down to write this article we are trudging our way through winter and dreaming of warmer days ahead – although compared to our provincial counterparts we have, so far, eluded some of the nastier weather on offer this year.

While it is relatively quiet on the Island this time of year a few items of note would be:

- Following a cabinet shuffle early in 2018 we now have a new minister responsible for insurance oversight. Jordan Brown replaces Premier Wade MacLauchlan as Minister of Justice.
- It is anticipated that Prince Edward Island will approve the use of e-slips by Spring 2018
- We had hoped that by the Spring 2018 sitting of the PEI Legislature the government would be bringing in regulations for commercial oil tanks. Tanks over 2200 L are not presently covered by legislation which has resulted in preventable spills from larger tanks. Unfortunately, it appears the government may not be moving forward with any additional legislation at this time.
- We currently have five students enrolled in CAIB courses

When a broker decides to wrap it up af-

ter many decades in the business it would perhaps be prudent to check in with them to see what words of wisdom could be gleaned for those of us left behind. Fred Hyndman, Managing Director of Hyndman and Company Limited, retired on December 1st after beginning his career in 1961.

Herewith are some of his candid comments:

Q: What do you feel is the biggest risk to the broker channel?

“The biggest risk is government intervention or regulation.”

Q: What nugget of wisdom might you have for us?

“Don’t be timid – speak your mind, speak the truth.”

Q: Over the course of your career you have witnessed many changes. Any you might have considered a seismic shift?

“One would be the effects of massive consolidation in both the insurer and broker markets of which I could say we were one of the early participants, having merged or purchased thirty eight separate independent insurance agencies and selling six.”

Q: Proudest accomplishment?

“Being awarded the Order of Canada.”

Q: What do you anticipate you will miss the most after retirement?

“Debating with insurance companies the folly of their ways.”



Q: Any future plans?

1. Clear out the basement
2. Clear out the attic
3. Clear out the barn
4. Learn how to bake bread (on behalf of the family we are all waiting for this one)

“I also hope to spend some time working on an archive of various material that is in the back of closets in our office, realizing we have been in the same location since 1895.”

Upon his retirement from the IBAPEI Executive in 2012 then IBAPEI President Dan Mcinnis kindly noted, “We will miss Fred Hyndman’s wealth of knowledge, depth of experience and steady guidance as we navigate the coming years.”

We will indeed. ■

Helen may be contacted at (902)566-4244 or via email at, helen.hyndman@hyndman-insurance.ca.



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Facebook News Feed Changes – Don't Panic



Doug Daley
Kiers Marketing

As you may already be aware, Facebook announced a major change to its news feed algorithm in January that will profoundly impact the ability of businesses to reach people on Facebook through organic distribution. The change prioritizes interactions between friends and family over company-generated posts. This means that content consumed directly from business pages on Facebook will shrink and content that is shared and talked about between friends will grow.

In other words, the companies that have been relying on Facebook to get the good word out are going to have to change their mindset and work a lot harder at it. The good news is that if you are a Facebook user, you are going to see fewer posts from businesses and more from friends and family. The bad news is, your brokerage is not going to have the audience it did last year. This will be worse for smaller offices with not as much marketing dollars to spend on boosting posts.

This change will have no direct impact on how advertising works, as it is a separate system with its own algorithm. The reach and effectiveness of video ads and other ads will not be directly impacted by the news feed updates. Any campaigns that are currently underway or planned should not be impacted.

But fear not, the world is not coming to an end; you just have to be smarter and pay more attention to what you are doing. In light of the update to the algorithm, here

are some strategies to minimize the impact of the update, and possibly even grow your exposure.

Don't be afraid to spend a few dollars and boost your posts. A good mix of organic and paid posts is a good thing. Really, boosting posts is not that expensive, especially if you are targeting a smaller geographic area. If it is important, then boost it.

Create some content that generates some interactions. Wishing everybody a "Happy Monday" will be more useless than it is now. The quality of your content should take priority over the frequency of posting. To be successful, quality is the name of the game. We recommend companies carefully consider each post from the perspective of the recipient to ensure it is relevant to the audience you are targeting. In our experience, three to four Facebook posts per week is more than enough. Anything beyond this may result in people ignoring your posts, which will lead to a decrease in the number of interactions and therefore, reach.

Try using Facebook Live. Live streaming receives six times the engagement of regular videos. Plus, when you go live, Facebook automatically notifies your followers that this is happening. Great bonus.

One thing that Facebook can't control is the sharing of posts. This goes hand-in-hand with the quality of your content. If it is of value it will get shared. Motivate your followers to share your post and make sure all of your employees and family members share it as well. Is this cheating? Sort of, but it's all about working around the new changes to get your posts read. Facebook can't do anything to stop it.

Change the way you look at measuring your Facebook results. Instead of looking at likes, focus more on interactions like shares and comments. When creating content for your company page, less emphasis should be placed on "vanity" metrics such as page or post likes and more focus should be placed on post interactions (comments, shares) and reach. Posts achieving strong interactions and reach should be viewed as a success, even if they did not generate as many likes as other posts.

Don't look at this change like it is the end of the world. Look at it as an opportunity to become a more strategic marketer on Facebook. Shed the mass media approach to marketing and get right in there and target the market that will give you the best return. ■

Doug Daley is the Vice President of Sales and Marketing with Kiers Marketing in Fredericton. Doug can be reached at ddaley@kiers.com or by visiting www.kiers.com.

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IBANB CEO Report



Andrew McNair, CAIB, CAE
IBANB Chief Executive Officer

1. **eDocs, eSignatures, eHomes, telematics, 'the cloud', online quoting, Google, FaceTime, Skype.**
2. **Yellow Pages, fax, home security system, encyclopedia Britannica, touch tone phone, airbags.**
3. **Hilroy scribbler, letter mail, ask Grandma, party line phone, carrier pigeon, model T Ford.**

Three lines of text all with similarities but all are extremely different in their own ways. You have clients that have been with you since what may seem like the beginning of time and you have clients who you have just met yesterday. Most of your new clients, (who will hopefully become the ones 'since the beginning of time') will quite likely have a different way of thinking on how they wish to be communicated with and how they prefer to do business with you. Have you adapted to how they prefer to do business? I promise you that some of your competitors have and they would love to have that new client of yours! The following quote sums things up quite appropriately...

"It is not the strongest of the species that survive, nor the most intelligent, but the one most responsive to change"
- Charles Darwin

As we roll into spring after the winter of snow, cold, and yes...some rain, that we

have had, we are busy preparing and planning for the many upcoming meetings and events ahead. Early in April we will sit down with a number of our insurer partners for our annual Insurer Forum and Reception. This is always a great opportunity to discuss many of the current topics and changes that we are seeing between brokers and insurers. Auto rates; water products; and technology are just a few of the current and relevant topics that will be on the agenda for this year's discussion. Also part of this set of meetings is our annual liaison meeting with IBC. This is also an important meeting every year to ensure that we are communicating what is on industry's radar from both sides of the fence.

From April and as we roll into May, we will have our annual MLA reception and dinner. As always, this is one of the most important events of the year for us. It ensures that we maintain and grow our relationships with our elected officials. This helps us confirm that they know who we are, what brokers do for their local communities and consumers, and that regardless of what party is forming Government that we have the opportunity to talk to them. With a fall provincial election looming, the discussions at this year's MLA reception and dinner will be more important than ever.

One final event that I want to make sure everyone is aware of is our annual Convocation, also taking place in early May. This is also an extremely important event where we get to celebrate the success of the graduates of our education programs, who have worked hard to earn the right to hang that certificate on their wall and put the letters behind their name on their business card and email signature! With the addition of our industry awards to this annual Gala event, it has become one of the premiere events of the year...you won't want to miss it.

The first part of this article alluded to change happening with how brokers do business, how consumers want to be served, and the need to adapt...so what was the point of talking about all of these meetings and events you say?? Without communication on what is happening, we aren't able to create change effective-

ly and efficiently. Change is happening, change is essential, and change will continue to happen...with or without you! As we spring the clock ahead, take advantage of those extra hours of daylight to get out, get involved with your MLA, get involved in your community and get involved in making changes to how you do business with your new and future clients. We will continue to look for and find ways to help keep brokers abreast of what changes are happening, but we also look forward to feedback on how we at the IBANB can help our members. If you have ideas for courses, seminars, webinars or resources that will help brokers adapt to change, please let us know we're here to help you and to help ensure the longevity of the best distribution channel, the Broker Distribution Channel.

Thanks for reading, I look forward to hearing from you, be it via Facebook, Twitter, LinkedIn, email, phone, text or carrier pigeon!

Enjoy spring as the days get longer and the sun gets warmer! ■

Andrew may be reached at (506) 450-2898 or via email at amcnair@nbinsurancebrokers.ca.



As a reminder,
information on the two
IBANB Bursaries and
the Rus Rice bursary
will be shared with
members shortly!



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IBANB Young Broker Network

Water Damage



Jeff Daniels BCom, CAIB
Chair, New Brunswick YBN

As the snow melts away along with the large amount of massive ice jams from our unusual winter we have experienced this year, we are going to see a spike in the amount of water damage claims our customers are experiencing.

I have always jokingly said that I have wanted to experience a claim so I knew exactly how my clients felt and what they have to go through. Well... last January I received my very unwelcomed chance to go through this process. We received over 50mm of rain that night causing the main city waste water line to become overwhelmed, plug and back up into my home.

As I frantically moved as many belongings in my basement to higher ground and watched the “waste” water rise, I thought to myself now what? Call my insurance company as I have told so many people to do before. Phone call goes out, brief period on hold and a disaster restoration company will be there when they are able to get a crew over, great.

The water was continuing to rise and I knew I had a backwater valve in my home which clearly was not working. I decided to reach out to a friend of mine who is a plumber, and his first response was “Well did you call the city?” dumfounded I responded no and promptly hung up the phone to call the city. Within 20 minutes there was a city crew at my door to assess the situation, and five minutes later they found the blockage in the

main line and the “water” started to recede. Had I not taken this step, the water would have continued to rise for at least another two hours before the disaster restoration company arrived, which significantly reduced the severity of my claim.

Throughout this entire process, I have learned that we, as brokers, can do much more to try and prepare our clients for these unfortunate situations along with providing some helpful preventative tips. Do some research in your area to see what your client’s options are, and possibly create a helpful tips sheet to include with your client’s new home policy.

Contacting the city was something I would have never thought of in the moment, this is usually a free service the city will provide in a timely manner. Taking pictures or video of the damage along with all damaged items before removal greatly helps when completing your schedule of loss form for your claim and providing proof of the damaged items. Advise your clients not to be afraid to continuously contact their claims adjuster, or yourself if they have any questions about their claim or are looking for advice on how to approach the next phase, this is why we are here!

My specific issue was caused by a malfunctioning “Back Flow” or “Backwater Valve”. Most of you reading this article already know what a backwater valve is, as it is a great safeguard for individuals on city water systems and counts as a preventative measure when it comes to rating on some Homeowners policies.

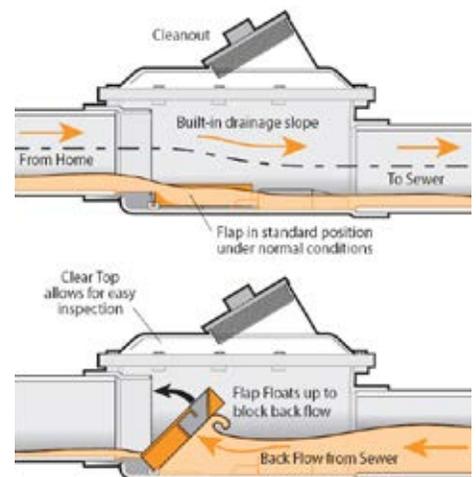
I can also bet that few of you like myself, know that these valves should be inspected and cleaned at least once a year (twice for homes with heavy usage), to ensure proper function. This may seem like a very daunting task but the steps are quite simple and the job is not as dirty as you would think depending on the age of your home, when in doubt contact a qualified plumber to perform the inspection and cleaning.

Below are the 6 easy steps for cleaning.

1. With gloves on, remove the cap of your backwater valve. Carefully check the cap’s O-ring for signs of damage, and replace if necessary.

2. Inspect the valve’s interior with the help of your flashlight. You can remove any blockages by gloved hand, or with a toilet brush and a bucket of water for flushing
3. Your backwater valve flapper must be able to open and shut with ease, and be free of all impairments. Remove the flapper and carefully check the edges, top and bottom of your gate and remove any and all build-up. Replace the flapper carefully, ensuring that it swings freely once it is seated back into the hinge.
4. Check the gate’s O-ring for signs of damage and replace if necessary.
5. Use your toilet brush to scrub the interior of the valve. For bad build ups, apply bleach sparingly to your brush. Alternatively, flushing your valve with a ½ cup of baking soda, followed by a ½ cup of white vinegar and a kettle full of warm (not hot) water can free up tough debris and is more environmentally friendly (just be mindful of the chemical reaction in such an enclosed space).
6. With the interior squeaky clean and your flapper opening and closing with ease, re-apply the cap tightly but be careful not to cross thread. ■

Jeff can be reached by phone at (506) 450-7719 or by email at jeff.daniels@gotoinsure.ca.



Credit: A-to-Zplumbing.com



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IBANS Young Broker Network

Time for Exciting Changes!



Christy Silvestri, CAIB
Chair, Nova Scotia YBN

In my previous article I mentioned that the YBN was up to some exciting changes this year and I'm happy to announce we are finally in the midst of those changes!

The first change is that we have a new look! We are all excited about our new logo and we are proud to say the design spawned from our very own committee. It's time for a fun and fresh look to the YBN and we hope you all like it! Along with our new logo we have launched our new Facebook Page. Our goal is to make sure that everyone can stay up to date with events and changes in the industry, and of course some fun things too! Please make sure to like us on Facebook at YBN – Nova Scotia Young Broker Network.

The YBN hosted our newest event this past November: The YBN Olympics! Due to overwhelming response to the event we are planning to make this an annual event every fall! We are also opening this up in 2018 to everyone in the industry with no age restriction. The Olympic event is a great way to have some fun while meeting others in the industry. This is perfect for those that may be a bit shy, since you get to be on a team with people you already know and feel comfortable with, but also get to meet new people from other teams. Networking is such a big part of growing your career in the insurance industry and these types of events are perfect for doing just that. If you have never been to an event I urge you to come out. I would be surprised if you don't leave saying you had a great time!

I remember reading through the articles in the last quarter, and almost everyone was talking about the need to bring more talent into our industry. I'm happy to say that the YBN is taking this need seriously and we have awarded our YBN bursary to Casey & Angelina. The bursary is applied towards the Fundamentals of Insurance course which includes registration, textbooks and exam fee! We have an amazing industry to be a part of and we should share that with everyone we know! If you have any friends or family that are looking for a career change, please tell them to apply for our bursary so they can get a head start! You can find out more information at https://www.ibans.com/ybn_bursary.html

We are looking forward to our upcoming event -The IBANS Golf Tournament hosted by the YBN on June 21, 2018. I hope to see more new faces at golf. Remember these events are just to have a great time and enjoy yourself, you don't need to be a pro. If I can do it, so can you! ■

If you have any questions about what we do, ideas you would like to share, want to help the YBN by volunteering at events, or want to join the YBN, please reach out to me at christy@cheepinsurance.ca.





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IBANS/IBAN Professional Development Report

The Power of Effective Teamwork



*Keri Foley, BTHM, CAIB
IBANS/IBAN Professional
Development/Marketing Coordinator*

Teamwork

“The process of working collaboratively with a group of people to achieve a goal” -Business Dictionary

We all hear and use the term teamwork in day to day businesses activities, but do we know exactly how to work as an effective, collaborative team? Teamwork is often a crucial part of any business (especially the insurance business) as it is far too often necessary to work well together in different dynamics, such as working directly with co-workers to serve a client, or working with an insurer partner to secure the best insurance coverage for insureds. These relationships are built on a need to make sure the client is properly insured and is receiving high end customer service; putting the client first is the common goal. For teamwork to be truly effective, the key is that both parties are striving for the same end result.

A dedicated, hard working team doesn't commonly just happen by accident. Generally, teams flourish when there is hard work, real commitment, and at some point, a sense of struggle on all sides. Successful teams that go through the precision of creating a unified group are rewarded in the long run. These teams generally have high productivity, few struggles, and a more pleasant work experience.

So, with that said, what characteristics make for the ideal team?

Communication

For communication to be effective, it must happen on a regular basis. Interactions between not only the team members and the team leader, but interactions without a team leader are necessary. Holding set meetings either in person or via webinar are a great way to connect for discussion. If an issue arises that requires immediate attention, team members should not wait until the next scheduled meeting to dialog. An easy, effective way to communicate when an issue occurs is to e-mail the team for feedback, or set up an impromptu conference call.

Variety

Each team member is unique and will bring a diversity of thoughts, ideas, skills and experience with them to a team. Team leaders who identify and encourage each member to produce ideas and solutions to problems will be rewarded with creative results. An effective team is always willing to try a new solution, and will respect each team member's suggestion.

Flexibility

This point is key. Although it is imperative that roles and responsibilities of each team member be clearly defined, it is also just as imperative that team members are willing and encouraged to cross lines of their duties. The end result that everyone is working towards is to get a task completed, or to make sure a client is serviced effectively and efficiently. Even if it means crossing over duties, team members need to do what's needed to get the job done. When an individual is truly focussed on building a strong team, they will not step back and claim the task at hand is not their responsibility. They will instead take on the task head on, and not expect to be rewarded for stepping up.

Respect

Everyone makes mistakes. It is important for the team not to focus on blame when something doesn't go as planned. Instead, they need to devise an action plan to fix the error and move on, while learning from the mistake. Mutual respect for all team members rather than blame will help a team achieve their results much faster.

A Positive Leader

Every team needs someone who will provide encouragement, give direction, and LISTEN. A leader should follow through on commitments and be willing to provide as much or as little leadership as the team requires. A complete hands-off approach does not work, and neither does a leader who constantly micromanages the team. As a team member, I look for a leader who is approachable, values input and assists our team when necessary. I also value a leader who is aware of unspoken words or feelings, a leader who is sensitive and understands that everyone has bad days, and realizes that perhaps a member of the team is struggling in another aspect of their life. Kindness goes a long way.

It is important to note, sizes of teams will vary. At IBANS & IBAN we are part of a small office team of two, but also are part of a larger team that includes the Board of Directors for each association and the member brokers of our associations as well. Being an effective team member is valuable regardless of the team size, and each person plays a role to ensure the teams moves forward in a positive manner. ■

You may contact Keri at (902) 876-0526 or via email at, keri@ibans.com.



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IBAN President's Breakfast & Annual General Meeting

On October 7, 2017, IBAN hosted their Annual General Meeting at the Ramada Hotel in St. John's. A President's Breakfast to welcome incoming President Jason Sharpe was held prior to the meeting. In attendance was Scott Treasure, President, Insurance Brokers Association of Canada, Bernard Davis, MHA for Virginia Waters-Pleasantville, and John O'Brien, Superintendent of Insurance for Newfoundland & Labrador. Thank you to all members & insurer partners who attended.



IBANB Professional Development Report

Why is training and team building important?



Becci Taylor, BBA
IBANB Marketing and
Program Coordinator

Despite the possibility of communication misfortunes, you may be wondering why exactly you would need to send your team on a communication skills course. They can speak to each other already, surely?

When you think about it, though, even the most confident or articulate people can experience problems in terms of communicating with each other effectively. Stress, emotions, and various external factors all play a part in how we communicate with each other in the workplace. What is communication skill training and how will it benefit a company?

The Insurance Brokers Association of New Brunswick along with the Young Brokers Network asked the same questions and explored a training seminar along with fun team building activities, more commonly known as Winterfest!

The training session was able to teach you how to be a better listener, whether its colleagues or customers; gave you a greater sense of empathy and the ability to speak more precisely; beneficial when dealing with customers and colleagues.

Communication skills training will help your business be more efficient and productive; by teaching your staff how to communicate better. They will interact in a more constructive and productive manner, making the workplace a positive and

thriving environment. In the long run, the company will see an increase in its profits and its customer and staff retention rate.

So, we can now communicate, here are six reasons why teambuilding is important and one of the most powerful ways to get results. Did you know that through fun and motivational team bonding events, teams are able to build skills like communication, planning, problem-solving and conflict resolution? Six reasons to be involved are:

- 1. Networking, socializing, and getting to know each other better.** Socializing and making friends in the workplace is one of the best ways to increase productivity in the office.
- 2. Teamwork and boosting team performance.** Team bonding activities also improve workplace projects that involve teamwork. After completing team building activities together, employees better understand each other's strengths, weaknesses, and interests.
- 3. Competition and bragging rights.** Competition has been shown to increase production. So, by channeling that increased production into a fun, inclusive team building activity, employees can bond in a way impossible by other means.
- 4. Celebration, team spirit, fun, and motivation.** After any sports team wins a major championship, they celebrate and have fun. This motivates them to want to win even more.

5. Collaboration and the fostering of innovation and creativity. People tend to have a larger imagination when they are around people they are comfortable with.

6. Communication and working better together. To no surprise, communication and working better together is the top reason why people choose team building. Everyone wants a friendly work environment, where people are comfortable and happy to talk to and work with anyone.

So you can see why the Insurance Brokers Association along with YBN, love Winterfest and are already making plans for 2019! ■

You may contact Becci at (506) 450-2898 or via email at, pd@ibanb.ca

An advertisement for CanSure insurance. At the top, the CanSure logo features a red maple leaf and the text 'canSURE'. Below the logo is a photograph of a construction worker in a blue shirt, orange safety vest, and hard hat, standing with arms crossed next to a yellow bulldozer on a construction site. The background of the photo is a gradient of red and orange. At the bottom of the advertisement, the text reads: 'Contractor's Coverage', 'Commercial & Personal insurance', 'thoughtfully underwritten', and a red button with the website 'www.can-sure.com'.

2nd Annual IBANB Winterfest ~ hosted by the YBN



Building Better Auto Insurance for Atlantic Canadian consumers



By Erin Norwood, Manager,
Government Relations, IBC

History has taught us that the auto insurance product works best for everyone in Atlantic Canada when both governments and the insurance industry maintain a focus on the needs of consumers. Reliance on facts, attention to trends and a commitment to prioritizing the needs of consumers are the key contributors to a well-functioning auto insurance system.

This requires a balancing act. And it's not an easy one. That is because policyholders want and deserve an affordable auto insurance product that also provides them with an adequate benefits should injuries or property damage result from a motor vehicle collision. A benefit package at an affordable price is almost unattainable when bodily injury costs increase as a litigious environment becomes the norm.

A focus on the needs of consumers is fundamental to a well-functioning auto insurance system.

There are many examples in Atlantic Canada that reinforce this message. Consistently, governments have delivered affordable auto insurance to their constituents when they have relied on facts, paid attention to trends in cost pressures and focused on the needs of consumers.

Against this backdrop, let's examine the current Atlantic auto insurance products with a province-by-province breakdown.

New Brunswick

Who can forget the wheel barrow lady of 2003? She sent a strong message to New Brunswick's property and casualty (P&C) insurance industry and government leaders, saying: "If I can't afford to drive my car, I'll put a licence plate on my wheel barrow and take it to the store!" It was an effective message that resonated with her fellow New Brunswickers.

The government and the industry paid attention to the wheel barrow lady. Reforms that placed a cap on awards for pain and suffering resulting from minor injuries translated into reductions in average annual premiums from \$1,117 in 2003 to \$789 in 2016. Today average written premiums in New Brunswick are almost 30% lower than they were in the early 2000s.

The stability of the New Brunswick marketplace attracted competing insurance companies. There are currently 55 companies selling auto insurance in New Brunswick and the auto insurance market in that province is a competitive one.

To maintain a competitive marketplace, however, decision-makers cannot ignore emerging trends.

In 2013, the New Brunswick government raised the cap on pain and suffering awards, indexed that cap to inflation and narrowed its application. The result? Bodily injury claims costs on a per vehicle basis increased by nearly 20% in one year. These claims have continued to rise, increasing by an average of nearly 8% per year in the years since.

If we are to stay focused on the needs of New Brunswickers, we must acknowledge the facts and pay attention to

trends telling us that the cost of providing the product is increasing. The government must take a good look at the New Brunswick marketplace. No one wants a return of the wheel barrow lady.

Nova Scotia

Like their neighbours in New Brunswick, drivers in Nova Scotia have been enjoying auto insurance premiums that are among the lowest in the country. Auto product reforms introduced by the provincial government in 2003 laid the groundwork for a stable auto insurance system that resembles New Brunswick's in terms of average premiums and a competitive marketplace. Notably, average annual premiums have dropped from \$923 in 2003 to \$813 in 2016.

However, since the 2010 tort reforms and the 2012-13 accident benefits reforms, injury-related claims costs have increased significantly in the province. These higher claims costs may be evidence of a problem in the market



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that is already putting cost pressures on the auto insurance system that all Nova Scotia auto insurance consumers have to pay. The government has committed to doing a review of the auto insurance product in 2018, which will hopefully address the rising cost pressures insurers have been seeing.

Prince Edward Island

In 2003, when New Brunswick and Nova Scotia were grappling with auto insurance reform packages, Prince Edward Island paid close attention. The plan was to reap the benefit of a reformed system that provided all Islanders with reduced insurance premiums and science-based rehabilitation benefits. The Prince Edward Island government achieved that. In fact, this province's policyholders, on average, pay close to half of what their Ontario counterparts pay for auto insurance. In 2016, Islanders' average annual premium was \$775, down 11% from before the product reforms of 2003.

Newfoundland and Labrador

In Newfoundland and Labrador, policyholders are paying the price for a system in dire need of change. We can quantify that price. On average they pay 40% more for their auto insurance than drivers in neighbouring Maritime provinces.

Additional data supports the need for reform to the province's auto insurance system. In 2011, the average bodily injury claim in Newfoundland and Labrador was \$55,000. Last year it was almost \$79,000. This consistent increase is a problem that has the attention of the government and the industry alike - and consumers as they ultimately have to pay for these cost increases to the pool of claims.

The government's formal review of the system includes a closed claims study and an effort by the Newfoundland and Labrador Board of Commissioners of Public Utilities

to determine how the province can attract more insurers back into the NL marketplace. IBC research shows that just as restrictive regulation inhibits competition, relaxing regulatory processes allows insurers to be more innovative. Where regulation is less prohibitive, it has been found that insurers are more likely to do business and more competition benefits consumers. This review will be time well-spent and insurers are committed to providing support at every opportunity.

There is one simple solution to sustainable auto insurance in Atlantic Canada: Keep the focus on the needs of consumers. ■

Erin may be reached at (902) 429-2730 ext. 226 or via email at, enorwood@ibc.ca.



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When It Comes To Legal Action, Promptness Matters

By Gregory Hardy and Kyla Russell

When Benjamin Franklin said, “Don’t put off until tomorrow what you can do today”, he most likely wasn’t talking about insurance litigation, but there is truth to his words, especially when your client has been sued.

As the broker or agent for your clients, you are your clients’ point of contact for the insurance world. You cannot control your clients’ actions. But if you become aware that there may be a claim against a client then you should advise them that if they are served with legal documents, those documents have to be looked after immediately.

Once your clients are served with a Notice of Action, they will most likely turn to you for assistance on what to do. Whether you direct them to send the Notice of Action directly to their insurer or whether you offer to forward it for them, the Notice of Action should be sent to the insurer promptly, so that it can be referred to defence counsel if necessary. If legal actions are not handled immediately, there is a risk to your client that the matter cannot be properly defended to its full extent.

In this article, we look at some of the consequences that can result if a legal action is not addressed promptly.

Limitation periods may be missed

A limitation period is the timeline in which Plaintiffs must start their legal action by filing and having the appropriate court issue the Notice of Action. Limitation periods are found in legislation that specifically sets out the limitation periods for a particular province or territory. Limitation periods may also be included in other legislation. Failure to file an action within the required limitation period can result in the action being dismissed.

Limitation periods, however, are important not only to the Plaintiffs who are bringing the action, but can impact upon a Defendant’s ability to bring another party into the action, by way of third party action. A third party action occurs when a Defendant sues another party who has not been sued by the Plaintiff, but whom the Defendant thinks may be responsible for all or part of the Plaintiff’s claim. If the limitation period is missed because the Notice of Action was not handled promptly, the Defendant may have lost the opportunity to bring in the other party and may have lost the opportunity to transfer or spread the risk if judgment is granted against the Defendant. A missed limitation period may be an issue especially if the claim may possi-

bly exceed the insured’s policy limits.

Default judgment may be granted

Default judgment is another danger of not dealing with a legal action immediately. Civil litigation throughout Canada is governed by rules of court that all parties to an action must follow. The rules of court are separate and distinct to each province and territory, and may have different names; for example, in Nova Scotia, the rules are called the Civil Procedure Rules. No matter which rules of court apply, each set of rules contains deadlines, including a deadline for filing a defence or responding to

an action. Failure to meet the deadlines can have significant consequences, including the granting of default judgment.

Default judgment is a judgment that is granted in favour of the Plaintiff when the Defendant has failed to file a defence within the deadline imposed by the rules of court, or when the Defendant has not informed the Plaintiff that a defence will be forthcoming. If no defence is filed, Plaintiffs who request and get default judgment will be given the amount of damages they requested in their original action. If proof of those damages is required, the Court may schedule a hearing to determine the

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appropriate damages, but because of the default judgment, the Defendant will be required to pay the amount of damages awarded by the Court.

A Defendant can file a motion to set aside default judgment; however, there is no guarantee that the motion will be successful. If such a motion is successful, there is the cost of time and money in bringing the motion, and it adds unnecessary stress to your client, who undoubtedly is already finding the litigation process stressful. The duration of delay and reason for the failure to file a defence are two of the issues that the court will consider on motion when it decides if a default judgement should stand.

The entire issue of default judgment can be avoided if an action is dealt with immediately to ensure that the deadlines are met.

Evidence can be lost or forgotten

Failure to respond to an action can also result in evidence being lost or forgotten. The more time that elapses between the date of loss and the actual gathering of the evidence, the greater the likelihood

that witnesses will disappear and cannot be located, peoples' memories will fade, accident scenes will change, and documents, photographs, and videos will be lost or damaged. Even if an investigation was already completed when the insurer was advised of a possible claim, additional evidence may be required, but that evidence may no longer be available. Without being able to preserve the best evidence possible, your client's defence may not be the best one put forward.

A Final Word

The sooner a legal action reaches defence counsel, the sooner the defence strategy can be developed, which means there is less likelihood that a deadline will be missed. A missed deadline can compromise your client's defence. To ensure that a legal action is handled promptly, as an insurance broker or agent, you should:

- a) Instruct your clients, once it is known that a claim is pending, that they should look after anything related to the claim, including legal documents, in a timely fashion as there may be consequences if they do not; and

- b) Provide your client's insurer with the legal action promptly or direct your client to send the documents to the insurer immediately.

As defence counsel, we are here to develop a legal strategy and to navigate a defence through the legal system; however, we cannot do that if we are unaware of the action. ■

Gregory Hardy is a lawyer at C3 Legal Inc. Kyla Russell is a legal analyst who provides legal writing and research services to C3 Legal Inc. C3 Legal Inc. is a modern insurance defence law firm that takes a fresh look at services for the industry.

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Bitcoin, Ethereum & Blockchain

– Implications for P&C Insurance



Grant Patten
Digital Media & UX Specialist, CSIO

2017 was the year that blockchain finally seemed to break into the mainstream, with crypto currencies (increasingly referred to as crypto assets) such as Bitcoin making near-daily headlines. Ethereum – a somewhat less publicized competitor – also had a solid year, with major organizations including J.P. Morgan Chase, Microsoft and Intel forming the Enterprise Ethereum Alliance to build software on the platform. The blockchain technology upon which both of these and other crypto assets rest is already having an impact on the P&C insurance industry, regardless of which asset ultimately survives in the coming decades.

What exactly is blockchain technology, then? Essentially, blockchain is a decentralized and distributed digital ledger that is used to record transactions across many computers so the record cannot be altered or forged by targeting a single computer system. A blockchain allows for secure, direct (i.e., no need for an intermediary) digital transfers of value and assets (e.g., money, insurance contracts). The data are guaranteed to remain intact and authoritative, and infrastructure concerns such as timestamping, confirmation of receipt, secure delivery, etc. are incorporated into the base technology.

Applications in P&C insurance

How, then, can blockchain technology be used in the P&C industry? Having a portable, secure, globally available store of personal data in a blockchain immediately presents insurance possibilities. For example, consumers could have all of their driving history available

to share with trusted third parties at any time. They might share their driving history at an airport counter for a car rental insurance discount. The primary challenge lies in finding the right insurance market segment for blockchain tech; experimentation here is more likely to start with common and well-known risks (e.g., car accidents) and related insurance products (e.g., car insurance) or extensions to such risks.

Perhaps the most obvious P&C industry implication of blockchain tech is that the industry will need new insurance products to handle risks arising from the usage of this technology – as illustrated by the now-defunct Bitcoin exchange Mt. Gox, which was based in Japan. By 2014, Mt. Gox had grown to handle over 70% of all Bitcoin transactions worldwide as the world's leading Bitcoin exchange. That February, the exchange filed for bankruptcy after disclosing that approximately 800,000 Bitcoins belonging to its customers and the company were missing and likely stolen, an amount valued at more than \$450 million at the time. The users of Mt. Gox were not protected by any kind of insurance policy. Disasters like this leave plenty of room for innovative companies to develop insurance products catering specifically to crypto exchanges and their users.

Ethereum is an open platform which can host distributed applications, called “dapps” or “smart contracts”. These dapps are software programs running on top of the decentralized Ethereum blockchain. Some of these dapps could support the automation of insurance products, such as one currently available for crop insurance (Etherisc.com). With the Crop Insurance dapp, the consumer (likely a farmer) can select their crop product and the location of their field and apply for a policy by sending ether (the currency of Ethereum) to this dapp. Should an insured risk occur, the consumer gets an automated, instant payout.

Blockchain technology has multiple technical advantages over traditional database technology. As UK think tank Z/Yen describes in a 2014 white paper, “every personal insurer’s core computer system is, at heart, a big, centralised transaction ledger.” Insurance companies could benefit from efficiency gains by transitioning to blockchains for at least some aspects of their business. Using a shared ledger eliminates the need for multiple databases and the errors that inevitably arise from maintaining and transferring data between them.

New models of insurance?

Blockchain adoption has the power to move new and existing models of insurance, including microinsurance, into the digital age. Microinsurance is tailored specifically to lower-valued assets, providing protection to consumers who live in remote parts of the world and have little in the way of savings. Blockchains could contribute positively to financial inclusion, with some products becoming available where they were previously not; e.g., in places where there is not sufficiently strong market demand for insurers to do business. Using blockchain, stakeholders can contract with each other around the globe.

The adoption of blockchain technology could eventually lead to the emergence of alternative risk management models, shifting away from insurer-governed risk pooling, the predominant model in insurance. Smart contracts, for example, could be enabled to manage risk pools, underwriting and claims payments automatically. IT firm Cognizant speculates in a 2017 white paper that such an automated blockchain solution “could slash the complexity and cost of claims processing, and reduce turnaround time to three or four days (or less), from the current 45 days to six months.” A blockchain platform could potentially aggregate a pool of insured individuals using a common digital wallet to store their pooled money as a crypto asset. The funds in the wallet would only be spent if the insured and a majority of members in the risk pool vote for it.

Blockchain technology could eventually contribute to changing the role and function of insurers in society. As people become more and more educated about blockchains, this could empower them to manage certain risks directly, without intermediaries. Should this materialize at scale, there will likely be a gradual shift in the primary role of the insurer from “risk handler” to “expert advice and knowledge provider.” When a technology reduces operating costs rapidly, as blockchain promises to do (e.g., the printing press in book manufacturing), production generally flourishes. Similarly, there will likely be a proliferation of blockchain applications in the P&C industry over the coming years, and these applications have the potential to make insurance work better for consumers and society. ■

Grant may be contacted at (416) 360-1773 ext. 2324 or via email at, gpatten@csio.com.

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7	IBANS Managing Change Part 1 <i>Sponsored by Economical Insurance</i>	Webinar
21	IBANS Managing Change Part 2 <i>Sponsored by Economical Insurance</i>	Webinar
28	IBANB Fundamentals of Insurance exam	Fredericton, NB
TBC	IBANB Powertalk: "Short term rentals/Airbnb"	Webinar

APRIL

4	IBANS Influence & Persuasion Part 1 <i>Sponsored by Economical Insurance</i>	Webinar
9	Insurer Forum	Fredericton, NB
10	IBANB Board Meeting	Fredericton, NB
17	IBANS Aspire Awards Dinner and Graduation	Halifax, NS
18	IBANS MLA Dinner	Halifax, NS
25	IBANS Influence & Persuasion Part 2 <i>Sponsored by Economical Insurance</i>	Webinar
25	IBANB Fundamentals of Insurance exam	Fredericton, NB
25	CAIB 1 Immersion	Fredericton, NB
30	CAIB 2 Immersion	Fredericton, NB

MAY

2	National CAIB/CPIB exams	various locations
4	IBANS Strategic Thinking & Acting Part 1 <i>Sponsored by Economical Insurance</i>	Webinar
5	CAIB 3 Immersion	Fredericton, NB
10	CAIB 4 Immersion	Fredericton, NB
23	IBANS Strategic Thinking & Acting Part 2 <i>Sponsored by Economical Insurance</i>	Webinar
24	IBANB Convocation	Fredericton, NB
27-28	IBAC Board of Directors Meeting	Ottawa, ON
29	Hill Day	Ottawa, ON
30	IBANB Fundamentals of Insurance exam	Fredericton, NB
TBC	IBANB Powertalk: "RV/Cottage Insurance"	Webinar

JUNE

6	IBANS Role of a Leader Part 1 <i>Sponsored by Economical Insurance</i>	Webinar
12	IBANS Anatomy of a Commercial Package <i>Sponsored by Wawanesa Insurance</i>	Halifax, NS
13	IBANS Anatomy of a Commercial Package <i>Sponsored by Wawanesa Insurance</i>	Stellarton, NS
20	IBANS Role of a Leader Part 2 <i>Sponsored by Economical Insurance</i>	Webinar
21	IBANS Golf Tournament hosted by the YBN	Oakville, NS



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This year, Anderson McTague was lucky enough to be recognized as the MGA of the Year at the Insurance Business Canada Awards.

Some might say that it's just another award, or just a silly trophy. Other firms might take the recognition for granted. Still others might be bashful in the face of their success.

But not us. We know how hard our team works. We see the time our underwriters spend helping our brokers grow their businesses. We see the national firms that try to swoop into our territory every year,

and we're satisfied those challenges have only made it more obvious that we can compete with anyone.

We're thrilled to be honored by our peers, but we're even prouder to be supported by our brokers. They trust us to provide great products, attentive service and a local touch, and clearly we delivered in 2017.

So now it's back to work, feeling thankful and invigorated for the year to come. After all, you don't succeed in Atlantic Canada for 80 years through sheer luck. And you certainly don't become the best by accident.