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**Insurance Regulators call for Plain-Language Policies and Better Product Information for Consumers**

**Montreal** - The Canadian Council of Insurance Regulators (CCIR) today endorsed an important project to give consumers better information when they buy life and health insurance products. Regulators agreed that insurance companies should disclose the risks and benefits of all insurance products to consumers before their purchase is finalized, and that insurance policy contracts should use plain language and clearly define any special terms. These recommendations are based on a report prepared by a CCIR committee in conjunction with a working group with broad representation from the insurance industry.

“Regulators have to ensure that people get the facts they need to comparison shop, and buy the insurance product that’s right for them,” said Winston Morris, the Chair of CCIR and Superintendent of Insurance for Newfoundland and Labrador.

A CCIR working committee will develop a plan to implement new consumer protection strategies which will assist consumers buying insurance from the point that the initial purchase agreement is made. The key points proposed are:

- Consumers should receive a point-of-sale product summary within three business days of making an application to buy insurance. This would apply equally to applications made in person, by mail, over the phone or via the Internet.
- The summary should fully disclose information about the product’s risks and benefits.
- The consumer would also have the right to cancel the purchase within a minimum of ten days after receipt of the policy contract.
- Policy contracts should provide full, true and fair disclosure, highlighting and clearly defining all special terms, and fully explain the product’s benefits and obligations.

CCIR members also endorsed a market conduct review program that will determine how well life and health insurance companies operating in Canada are complying with regulatory requirements and guidelines.

The program will focus on insurers' business practices, ranging from claims and complaint handling to operations management and underwriting. The program is a two step process involving the completion of a self-assessment questionnaire by insurers followed by an on site review by regulators.

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