



**Community Services
Professional Licensing and Regulatory Affairs**

June 12, 2024

BULLETIN: 320-2003-013

BULLETIN: Adoption of the Incentive Management Guideline

On October 5, 2020, the Office of the Superintendent of Insurance for the Yukon (the Superintendent) adopted the Fair Treatment of Customers Guidance (the FTC Guidance), bulletin No. 320-2003-007. The FTC Guidance was published jointly by the Canadian Council of Insurance Regulators (CCIR) and the Canadian Insurance Services Regulatory Organizations (CISRO). Yukon Government is an active member of both CCIR and CISRO and participated in the development of the FTC Guidance.


The FTC Guidance ensures a common understanding between the Superintendent and its licencees regarding what it means to treat customers fairly throughout the life cycle of a financial product. Licencees include insurers as well as insurance intermediaries (salespeople, agents, and adjusters). The Incentive Management Guideline (the IMG) is a principle-based guidance which complements the FTC Guidance, establishing the expectations of the CCIR and CISRO for the management of incentive arrangements in connection with the sale and servicing of insurance products. The IMG covers the areas of governance, design and management of incentive arrangements, risks of unfair outcomes to customers, and controls. The full IMG can be found here [Incentive Management Guidance](#)

Insurers and intermediaries are expected to put in place policies, procedures, and controls to meet their obligations, and to avoid or properly manage conflict of interest risks in their incentive arrangements. Incentive arrangements are not always monetary. Non-monetary incentives include, for example, non-cash benefits, rewards and privileges such as travel, goods, hospitality, entertainment, titles, and access to services that are related to performance targets.

The Superintendent requires all insurers and insurance intermediaries operating in the Yukon to immediately commence embedding principles from the IMG into their respective organizations. Part 1, section 3(1) of the *Insurance Act* (the Act) states that the superintendent of insurance shall have the general supervision of the business of insurance in the Yukon and shall see that the laws relating to the conduct thereof are enforced and obeyed. Section 249 of the Act outlines unfair or deceptive acts, and section 250 gives the Superintendent the authority to investigate claims.

For more details on the IMG please visit CCIR, Fair Treatment of Customers Working Group
<https://www.ccir-ccrra.org/FairTreatmentofCustomersWorkingGroup>

Any questions regarding the contents of this bulletin may be directed to Professional Licensing and Regulatory Affairs at insurance.plra@yukon.ca.


Stephanie Connolly
Superintendent of Insurance