

Understanding RIBO
and the role
of a General
Insurance Broker



REGISTERED INSURANCE BROKERS OF ONTARIO

What is **RIBO**?

RIBO stands for the **Registered Insurance Brokers of Ontario**. It is a self-governing, self-supporting organization of general insurance brokers in Ontario. **RIBO** was established by the Ontario government in 1981 to protect the public in insurance transactions with brokers, through self-governance.

RIBO regulates the licensing, professional competence, ethical conduct and insurance related financial obligations of all independent general insurance brokers in the province of Ontario.

RIBO is governed by a council consisting of thirteen people, nine elected brokers and four public members appointed by the Lieutenant Governor in Council. The council acts as a board of directors, virtually like any company, supervising the management and affairs of the corporation and is responsible for setting policies and guidelines. Its main authority is exercised through the Qualification and Registration Committee, the Complaints Committee and the Discipline Committee.

- *The Qualification and Registration Committee sets and reviews RIBO's qualifications standards. At the same time, it is responsible for making sure that businesses and individuals comply with these standards.*
- *The Complaints Committee investigates allegations of professional misconduct brought against a broker to determine whether there is sufficient evidence of misconduct to warrant referring the complaint to the Discipline Committee.*
- *The Discipline Committee conducts a hearing, similar to a trial in civil court, to determine whether a broker is innocent or guilty of the allegations outlined in the complaint. Where a broker is found guilty, the Discipline Committee may impose an appropriate penalty, ranging from a reprimand to license revocation.*

RIBO is self-funded on the basis of registration fees paid by every brokerage firm and individual broker licensed to sell insurance in the province of Ontario.

What is a Registered Insurance Broker?

A registered insurance broker is an independent insurance professional in Ontario governed by the Registered Insurance Brokers Act. Brokers sell general insurance including coverage of your home, business, automobile, boat etc. They offer product choice from a variety of companies and offer independent advice. Brokers represent their client's best interest when negotiating a contract between the client and the insurer.

- *Every registered insurance broker must be properly licensed.*
- *Every registered insurance broker is subject to a code of conduct.*
- *Every registered insurance broker must meet certain qualification standards and continuing education requirements, established by the Qualification and Registration Committee.*
- *Every registered insurance broker must be bonded and covered under an Errors & Omissions policy.*

How is the Public Interest Represented?

At least one member of the public, appointed by the Lieutenant Governor in Council, sits on every **RIBO** Committee to represent the interest of insurance consumers and the public in general.

RIBO also has a Complaints and Investigation Department to assist consumers with any enquiry or complaint regarding a broker. When a complaint is received, it is **RIBO's** responsibility to ensure that both sides of the enquiry are investigated promptly and fairly.

RIBO's Consumer Complaints Officer resolves the majority of complaints from the public within 24 hours. Complaints indicating that professional misconduct has occurred are referred to the Complaints Committee.

To Whom is RIBO Accountable?

On a yearly basis, **RIBO** must provide the Minister of Finance, the Superintendent of Financial Institutions and every **RIBO** registrant with a copy of its Annual Report. Included in this report is a statistical summary of registration numbers, discipline proceedings, committee reports and the audited financial statements.

The Annual Report and a report of a yearly examination by the Financial Services Commission are subsequently tabled in the Ontario legislature for review by its members.

Brokers helping Brokers
to **Regulate** the
Profession

RIBO Office: (416) 365-1900 or 1-800-265-3097 Fax: (416) 365-7664
P.O. Box 45, 401 Bay Street, Suite 1200, Simpson Tower, Toronto, ON M5H 2Y4

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is the self-regulatory body for general insurance brokers in Ontario.