



# Mark Guilbeault & Associates Ltd

## *Disclosure Statement – Your privacy is protected:*

Canada's national privacy legislation, the *Personal Information Protection and Electronic Documents Act*, applies to all insurance brokerages collecting, using or disclosing personal information. We pledge to protect your privacy and safeguard your personal information.

**Mark Guilbeault & Associates** is an independent insurance brokerage principally owned by active employees of the company.

Insurance is a contract of **UTMOST GOOD FAITH** between all parties of the contract: YOU (the client) and YOUR INSURANCE COMPANY.

Mark Guilbeault & Associates Ltd recognizes the value of capital growth and business expansion in a very competitive industry. In order to finance new initiatives and start new programs, our company and its shareholders may borrow from Canadian banks, Trust and/or Insurance Companies which support these operations. The financial requirements of repayment of such loans **do not require, and will not influence** the placement of business with any insurer.

### *Broker Compensation by Insurance Companies*

Insurers are extremely selective as to whom they choose to establish a broker contract. They seek relationships with professional brokers capable of understanding the complex areas of risk management, policy wordings and limitations. Both insurers and clients place a tremendous amount of responsibility on brokers to arrange appropriate protection.

Accordingly, insurers compensate brokers for their role in:

- A. Attracting the class of risk which the insurer is interested in writing.
- B. Providing complete detail as determined by the insurer.
- C. Prescribing the type of protection which meets both the needs of the client and the interest of the insurer.
- D. Addressing all service issues and maintaining communication.
- E. Remitting the required premium after deducting a fixed tariff, commission, or fee, as prescribed by the contract from the insurer.

The basic compensation for providing these services range as follows:

- A. Personal Automobile insurance contract compensation ranges from 5% to 15% of premium, or a flat fee of \$250 regardless of the amount of premium.
- B. Liability and Property insurance contract compensation ranges from 7% to 25%.
- C. Occasionally a flat fee is charged as identified in an invoice.
- D. Risk Management and Consulting Services: \$150 to \$250 per hour.

Contingent profit commissions are additional compensatory income available to the broker if the portfolio of business written with any individual insurer is profitable to the insurer. This is a standard tool used by some insurers to help encourage brokers to select above average clients.

Insurers occasionally offer small gifts and gratuities to insurance brokers as an incentive for placing business with them. In spite of this practice, we wish to maintain good relationships with all of our insurers. Therefore, these gratuities in no way influence the volume of business we place with an insurer. Unequivocally, **the needs of our clients govern our risk placement decisions.**

Program Business is often written with unique coverage and at rates which are typically well below retail rates. The commissions we receive as brokers are generally industry standard, although in group insurance we typically receive 20% less than the standard commission. Notwithstanding, we have some group program arrangements whereby we may reallocate a portion of our commissions which we receive to a group sponsor in lieu of promotion and administration costs which the sponsor may incur on our behalf. Such allocations can range between 2.5% and 5% of the premium

At Mark Guilbeault & Associates Ltd, we may receive approximately 1% of the premium as a "contingent profit" from the following insurers:

- AVIVA Canada
- INTACT
- Economical Mutual
- Nova Mutual

*If you have any questions regarding this or any other matter pertaining to our business, please contact our Privacy Officer, Mark Guilbeault at 289-836-7999 or email him at [mark@insuredifferent.ca](mailto:mark@insuredifferent.ca).*