



# MEMBERSHIP NOTICE

Oct. 09, 2025

## Bulk portfolio additions in B.C.

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Dear IBABC members,

IBABC has been reviewing an unprecedented fine against a broker in Alberta by the Alberta Insurance Council (AIC) based on a bulk portfolio add. This particular situation involved an automatic addition of coverage applied to renewals year after year, even when the client had requested their removal after the first auto add. This fine was issued by the AIC and reported in *Thompsons World News*, March 3, 2025.

The following is the excerpt from the *Thompsons* article:

*THE ALBERTA Insurance Council recently fined Alpine Insurance & Financial almost \$200,000 for adding endorsements to all client policies in its book of business with an insurer without the clients' informed consent. "The council orders that a civil penalty of \$3, per demonstrated offence, resulting in 64,704 offences, equalling a total civil penalty of \$194,112 be levied against the agency," the council noted in a decision in late January. In addition, the AIC levied a civil penalty of \$15,000 — \$5,000 per offence — on Alpine for altering a specific, unnamed complainant's auto and home policies without his consent. The brokerage, the AIC noted, "continued to add endorsements on two more policy renewals without the complainant's informed consent and after the complainant had requested the removal of these endorsements during the prior renewal process." Calgary-based Alpine Insurance is owned by BrokerLink, which is in turn owned by Intact Financial Corp. The insurance council found no fault with either of the latter two companies in its decision. The council stressed that Alpine repeated the offence on two subsequent renewals. "As such, the council finds, on three counts, the agency's conduct was intentional, and it is fraud, deceit, dishonesty, untrustworthiness and/or misrepresentation" under the Insurance Act. In a separate decision on the same date, the council fined BrokerLink a total of \$8,000 for actions related to switching a client's policy from one insurer to another without the client's consent.*

The situation was brought to IBABC by one of our members who also operates in Alberta.

To support our membership, IBABC has reviewed the practice of bulk portfolio additions by dislocation report as well as the practice of bulk portfolio additions at renewal by way of a minimum standard set with an insurance carrier partner. This situation applies to both personal lines and commercial lines policies.



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Our goal is to raise awareness among our members about the potential exposure faced by brokers who may be engaging in this common practice with insurance carriers in B.C., in order to prevent similar investigations and penalties for our members.

The key component for the fine by AIC was quoted as, “*the agency’s conduct was intentional, and it is fraud, deceit, dishonesty, untrustworthiness and/or misrepresentation under the Insurance Act.*” As each provincial regulator interprets their insurance act and individual code of conduct or council rules differently, we recommend that you review this practice with those provinces you do business in.

The Insurance Council of BC has confirmed that all regulators share the cases of misconduct and resultant fines with their counterparts in other provinces, and they are aware of the Alberta fine. The Insurance Council also confirmed that should they receive a complaint from a consumer, as was the case in Alberta, they would investigate that complaint and focus on the *Code of Conduct* which governs the fair treatment of customers by brokers in B.C.

The *Code of Conduct* ([www.insurancecouncilofbc.com/licensee-resources/council-rules-and-code-of-conduct/](http://www.insurancecouncilofbc.com/licensee-resources/council-rules-and-code-of-conduct/)) references the expectation that a client is made aware of the coverage available and offered to them and that the client is given the option to purchase the coverage by providing their consent whether at the point of sale on new business or at renewal.

Our discussion with the Insurance Council focused on the intent for bulk portfolio additions, which is to protect the client who may or may not pay attention to the communications from their broker around the coverage offering or availability at renewal. We reiterated that the brokers intent is to prevent the exposure to loss for the client. Regardless of the intent, the Insurance Council confirmed that ***without consent, the broker could be deemed to have been in breach of their code of conduct*** when they proceeded with an automatic bulk add to a portfolio or book of business and would be investigated as such.

Regardless of whether the client was provided with the notification of the availability of the additional coverage by way of renewal communication, with the amended policy which included the bulk addition, or in advance of renewal and the premium due, it could still be deemed to be a breach of the *Code of Conduct* and worthy of investigation.

The Insurance Council recommends that clients be made aware of the coverage offering available and be given an opportunity to provide consent for the coverage to be added to meet the expectations of the *Code of Conduct*.

IBABC met with the BC Financial Services Authority (BCFSA), the regulator for the insurance carriers, to determine whether this practice of bulk portfolio additions was prohibited in B.C., as it is in some provinces in Canada. BCFSA confirmed that there is no



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prohibited regulatory rule, but the insurance carriers must abide by the *Fair Treatment of Customers (FTC)*, and if a client complaint was levied against an insurance carrier, they could also be deemed to have breached their regulatory requirement for the *FTC*.

Considering the fine in Alberta, some insurance markets are reviewing their practice and some are reaching out to their broker partners to cease the practice of bulk portfolio additions. ***We recommend that you work directly with your carrier partners to confirm the future of this practice in B.C.***

We recognize the challenge brokers encounter in reviewing missing coverage at renewal and conducting year-over-year declaration comparisons, particularly given the time required to perform these tasks across a book of business or brokerage portfolio. IBABC, with the help of the IBAC Tech team (<https://ibac.ca/brokers/ibac-tech/>), has sourced the following tech vendors who may offer a technology solution:

- Koios - Thomas Berry  
[thomas.berry@koiosintelligence.ca](mailto:thomas.berry@koiosintelligence.ca)  
403.429.0580
- Trufla - Sherif Gemayel  
[Sherif.g@trufla.com](mailto:Sherif.g@trufla.com)  
403.479.1913
- Pathways - Nick Cinger  
[nick@pathwayport.com](mailto:nick@pathwayport.com)

IBABC will continue to monitor this practice and provide updates of any regulatory changes that may apply to either the Insurance Council *Code of Conduct* or the BCFSa insurance carrier regulatory changes.

As always, if you have any questions or comments, please don't hesitate to reach out to IBABC.

Yours truly,

A handwritten signature in black ink, appearing to read "Julie Skelton", written in a cursive style.

Julie Skelton  
Executive Director & COO