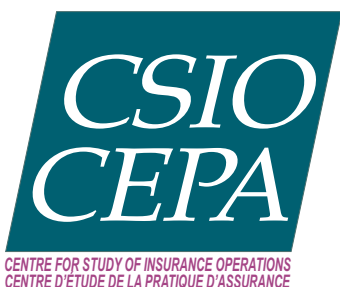


Centre for Study of Insurance Operations

DEDICATED SINCE 1981 TO ACHIEVING A COMPETITIVE ADVANTAGE FOR THE INDEPENDENT BROKER DISTRIBUTION CHANNEL

2010 ANNUAL REPORT



MAY 11, 2011

LOCATION:

The Suites at One King West
Hotel & Residence
1 King Street West
Toronto, Ontario
M5H 1A1

OUR MISSION



CSIO's mission is to seek ways to improve efficiencies and provide a competitive advantage for the Independent Broker Distribution Channel. The activities resulting from this mandate are diverse and are expanding as technological opportunities broaden.

CSIO oversees the development, implementation and maintenance of industry standards in the areas of XML, EDI, Forms and electronically fillable forms. CSIO also maintains and operates the industry owned EDI network service, CSIONet, on behalf and in support of our members.

CSIO provides services nationally in both English and French (CEPA) and maintains offices in both Toronto and Montreal.

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1155 University Street, Suite 1305
Montreal, Quebec H3B 3A7
(514) 393-8200

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OUR GRATITUDE



We gratefully take this opportunity to thank brokers, insurers and vendors who participated in our many CSIO projects, special workgroups, forms workgroups, XML workgroups, EDI workgroups and the many other meetings held throughout the year 2010.

Volunteers are the very heart of the success of CSIO. Your continued support and contributions throughout the past year do help make the Independent Broker Distribution Channel more efficient and competitive.

Thank You!



2010 YEAR IN REVIEW

MESSAGE FROM THE CHAIRMAN

CHAIRMAN'S COMMENTS AND FINANCIAL HIGHLIGHT

CSIO finished 2010 with a strong balance sheet and is well positioned for future activities. The strength of the financial statements allowed the CSIO Board of Directors to put in place a "fee holiday" for the first half of 2011. This should help draw the surplus down to a more manageable level. We are also exploring a new funding format which should better balance revenues with expenses in the future.

CSIONet continues to perform to specification, demonstrating very acceptable levels of performance and stability. This welcomed stability, plus successful negotiations with the new network provider, has resulted in a lower cost to run the network. This results in reduced costs for CSIO members as well.

CSIO continues to be well positioned to develop, manage, and promote the digital standards that assist the efficiency and thus competitiveness of the P&C broker channel.



David Osmars
Chairman



CSIO OPERATIONAL REPORT

XML STANDARDS

Currently there are many ongoing XML projects in the industry. In response to this demand, CSIO conducted 6 separate XML training sessions throughout the year. Some were done on-site in the CSIO office while others were done off-site or via web conferencing. Each of these sessions attempted to address specific XML implementation issues identified by CSIO members.

CSIO XML Standards are a subset of existing ACORD XML Standards. CSIO strengthened their relationship with ACORD in 2010. CSIO attended the ACORD Convention and Implementation Forum.

The ACORD-CSIO v.1.18.0 XML Standards release incorporated both ACORD's and CSIO's Business Message Specifications and code lists for the first time. As part of this, a Help File was introduced to allow users to navigate through the XML Standards faster and easier. This Help File is a type of browser for the XML Standards and features a Navigation Tree, a Search function, and Favourites. This Help File now contains the complete documentation for the XML Standards including XML Maintenance Requests, Mapping Table and Sample Messages.

During 2010 CSIO presented over 40 XML Maintenance Requests to the National Standards Workgroups and the corresponding CTAG Meetings.

CSIO also actively participated in IBAC's Data Exchange Project. CSIO provided expertise in XML message validation, best practices in XML transaction workflows and provided sample messages for the project. In 2011, CSIO will continue to participate in the second phase of this project.

EDI STANDARDS

2010 was an exciting year for EDI AL3 Standards. New functionality was introduced to include attachments in policy transaction files, as well as in CSIO memo transactions. The latter became possible when we migrated to the new Telus Network. In 2010, CSIO also introduced a new Online EDI Validation Tool for use by the industry. This tool was long overdue and has been well received by the members.

Although EDI Standards are in maintenance mode, CSIO continues to hold two separate EDI National Standards Workgroup every year to review members' maintenance requests. In 2010, a Toronto workgroup was held in March and a separate workgroup was held in Montreal in September.

CSIO also presented two in-house EDI Implementation Workshops this year. Both workshops were well attended. CSIO provides workshops to members in their own offices when large groups require training. In 2010, CSIO did two such workshops.

CSIO remains available to its members to provide assistance on Standards enquiries or implementations.



CSIO OPERATIONAL REPORT

STANDARD FORMS

In 2010, CSIO reviewed and released 10 new or revised forms which consisted of various provincial Automobile insurance applications, a revised Certificate of Liability Insurance (Commercial), a new Mobile Home Supplement, a new Vacation Trailer Supplement, a revised Solid Fuel Heating Questionnaire, a revised Personal Lines Umbrella Insurance Application and a revised Payment Authorization and Pre-Authorized Debit Agreement. All revised forms and new supplements were released in both French and English and are electronically fillable.

In late 2010, we developed a new Certificate of Property Insurance for Commercial Lines and started working on revisions to the Habitational Insurance Application to incorporate fields requested by the Insurance Bureau of Canada. These fields are being added to the form to help with the calculation of home values. These forms will be included in the Standards ballot, to be approved by the membership, in late April 2011.

CSIO would like to thank all the industry volunteers who gave so much of their time and knowledge again this year, and thank all its members for their continuing support.

CSIONet

The CSIONet continues to serve over 1800 independent brokers, insurers and vendors across Canada. The CSIONet allows insurance companies to download policies directly and securely into the Broker Management System (BMS) without requiring a double point of entry. It also allows for brokers to send uploads to the companies through their BMS or by using a Simple Mail Transfer Protocol (SMTP) client. The whole process is done through an encrypted network that has no outside exposure and requires a Virtual Private Network (VPN) connection and a unique mailbox account. By doing so, we can guarantee the security of the personal information of the end user during the communication between brokers and insurers.

Two years after the migration to the new P&C industry network, CSIO was able to add new functionality. In June 2010 CSIO released the EDI standard that makes it possible to include attachments along with the EDI download or upload. Not only does this allow for a more efficient process, it also encourages a more environmental friendly solution from the previous workflows. The robustness of the new network made this possible along with a better reporting system made available to CSIO.

CSIO is currently looking at upgrading the network encryption level in order to maintain the highest security standard available. This project is ongoing and is expected to be completed during the summer of 2011.



CSIO OPERATIONAL REPORT

NEW CSIO MEMBERS

CSIO continued to increase its member base with the addition of two new insurers:

Lombard Canada Ltd.

Westminster Mutual Ins. Co.

On the system vendor side, CSIO welcomes the following:

Great Ideaz on Demand

Mutual Concept Computer Group Inc.

Informatica

Powersoft Development Corp.

Mastercom

Triton Data

T & H Services

These new additions will undoubtedly add much value and strength to our community.

ANNUAL GENERAL MEETING

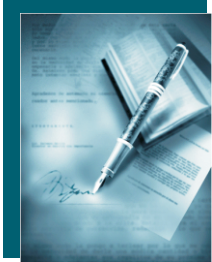
The CSIO Annual General meeting for 2010 will be held on May 11, 2011 at The Suites at One King West Hotel & Residence.

BACKGROUND

CSIO is Canada's national standards association of property and casualty insurance companies, broker management system vendors and independent insurance brokers dedicated since 1981 to improving the efficiency of the independent broker distribution channel. CSIO oversees the development, implementation and maintenance of industry standards in the areas of XML, EDI, electronic/paper forms and web screens. CSIO provides services nationally in both English and French and has offices located in Montreal and Toronto.



CSIO GOVERNANCE



BOARD OF DIRECTORS

David Osmars
 Ted Harman
 Elan Satov
 Jack Ott
 Steve Knoch
 Bill Stinson
 Sheldon Wasylenko
 Steve White
 Rick Orr
 Keith Jordan
 Steve Whitelaw
 Keith Eva

Chairman
 Vice Chairman

AXA Insurance (Canada)
 Accent Insurance Solutions
 Aviva Canada Inc.
 INTACT
 RSA Canada
 The Economical Insurance Group
 Rayner Agencies Ltd.
 Henry White Insurance Ltd.
 Orr Insurance Brokers Inc.
 Horizon Insurance
 Dominion of Canada
 President CSIO

CSIO MANAGEMENT

Keith Eva
 Sebastian Penalosa
 Anne-Marie Novek
 Francine Davis

President
 Manager, Network & Membership Services
 Director, Quebec Region
 Manager, EDI & Forms Standards



CSIO COMMITTEES



BUREAU DE DIRECTION

Ted Harman
Linda Gosselin
Bryan Harper
Eric Madelein
Claude Pinsonneault
Roger Primeau
Bruno Fortin

Accent Insurance Solutions
L'Union Canadienne, Compagnie d'assurances
Jevco Insurance
Madelein Assurances et Services financiers
Assurance Concordia inc.
AXA Assurances Inc.
J.-Gérard Fortin & associés inc.

CTAG (CSIO Technical Advisory Group)

Sushil Kumra
Randy Hall
Dave McDonald
Chris Williams
Paula Asiamah
Marie Lalonde-Parsi
Doug Stevens
Mark Benton
Jill Parratt

Aviva Canada Inc.
Aviva Canada Inc.
Axa Insurance (Canada) Inc.
The Economical Insurance Group
The Economical Insurance Group
INTACT
INTACT
RSA Canada
RSA Canada



BROKER AND VENDOR MEMBERS 2010

A GROWING PARTNERSHIP

Voting Vendor Participants

Applied Systems Canada
CGI ISMC INC.
Ontario Mutual Insurance Association
Policy Works

Brokers and Associates

IBAC
*All Canadian Insurance Services Ltd.
Aon Reed Stenhouse
*Canada WorldWide Underwriting Agencies Inc.
Insurance Bureau of Canada
Lussier, cabinet d'assurances et services financiers inc.

Non-Voting Vendor Participants

Belyer Insurance Ltd.
Brovada Technologies
CIM-Data Ltd.
Compu-Quote Inc.
Custom Software Solutions Inc.
Family Insurance Solutions
*Great Ideaz On Demand
Group Ultima
HarCase Software Ltd.
*Informatica
Informco
Insurance Systems Inc. (ISI)
iter8 Inc.
Keal Technology
Leclerc Assurances
Logiciels Deltek Inc.
*Mastercom
*Mutual Concept Computer Group Inc.
*Powersoft Development Corp.
Promutuel Innovation Inc.
SEH Computer Systems Inc.
*T & L Insurance Services Inc
Terrace Software Inc.
*Triton Data (2004) Inc.
Zycomp Systems Ltd.

*NEW MEMBER IN 2010



CSIO COMPANY MEMBERS 2010

Aviva Canada Inc.
 AXA Canada Inc.
 C.A.M.I.C.
 Bay of Quinte Mutual Ins. Co.
 Dufferin Mutual Ins. Co.
 Farmers' Mutual Ins. Co. (Lindsay)
 Germania Farmers' Mutual Fire Ins. Co.
 Gore Mutual Insurance
 Grenville Mutual Ins. Co.
 Groupe Ledor
 HTM Insurance
 Halwell Mutual Ins. Co.
 Kent & Essex Mutual Ins. Co.
 Lambton Mutual Ins. Co.
 The North Waterloo Farmer's Mutual
 Peel Maryborough Mutual Insurance Co
 Peel Mutual Ins. Co.
 Portage La Prairie Mutual Ins. Co.
 Promutuel Appalaches – St-François
 Promutuel Beauce - Etchemins
 Promutuel Bellechasse - Lèvis
 Promutuel Bois-Francs
 Promutuel Coaticook-Sherbrooke
 Promutuel des Riverains
 Promutuel Deux-Montagnes
 Promutuel Drummond
 Promutuel Gaspésie – Les Îles
 Promutuel Haut St-Laurent
 Promutuel Lac St-Pierre – Les Forges
 Promutuel Lanaudière
 Promutuel Prairies/Valmont
 Promutuel Monts et Rives
 Promutuel Portneuf-Champlain
 Promutuel Réassurance
 Promutuel Verchères
 Red River Valley Mutual Ins. Co.
 Saskatchewan Mutual Ins. Co.
 South Easthope Mutual Insurance Company
 Trillium Mutual Insurance Company
 *Westminster Mutual Ins. Co.

Chubb Insurance Company of Canada
 The Dominion of Canada
 The Economical Insurance Group
 The Guarantee Company of North America
 Intact Insurance
 Insurance Brokers Association of Canada
 Jevco Insurance Company
 L'Unique, Compagnie d'Assurances générales
 L'Union Canadienne, Compagnie d'Assurances
 *Lombard Canada Ltd.
 OPTIMUM GÉNÉRAL INC.
 Peace Hills General Insurance Company
 Pembridge Insurance Company
 RSA Group
 SGI CANADA
 Sovereign General Insurance Company
 Wawanesa Mutual Insurance Company
 York Fire and Casualty Company
 Zurich Insurance Company Ltd.

*NEW MEMBER IN 2010



CSIO DEPENDS ON YOUR PARTICIPATION

CSIO would like to personally offer a note of thanks to all of our participants for making 2010 another successful year for Standards. Our apologies if we have overlooked your name but you can be sure that without your efforts the Standards would not be as robust as they are today! Standards continue to be maintained by each and every one of our members and will continue to be the resource that drives implementations forward in the future. Participation is the key to CSIO's success. Thank you!

Accent Insurance Solutions

Ted Harman

Aon

Dane Clark

Applied Systems

Andy Chow

Bob Magnuson

Carol Ambrose

Kim Opheim

Mike Corum

Murray Hicks

Aviva Canada

Cheryl MacKenzie

Cindy Zhang

Grant DePouignac

Lorna Sudu

Randy Hall

Roula Page

Steve Johnston

Sushil Kumra

William Grinton

AXA

Anna Grigoryeva

Balaji Komera

Bruce Moore

Dave McDonald

David Osmars

Dennis Dumont

Francine Sherman

Goran Kulenovic

Joyce Sparrow

Kathy Betts

Lorna Sudu

Paul Schmidt

Richard Verhoeve

AXA Assurances Inc.

Christelle Chambon

Line Maurais

Belyer Insurance Ltd. o/a EasyInsure

Grant Belanger

Jack Zhu

Xin Wu

Brovada

Charles Salmolczyk

Karl Greenlaw

Mike Wright

CG&B Group

Carolyn Quibell

Diane Berdini-Palmer

Kin Wong

Pam Homer

CIM-Data

Bob Hornick

CGI

Andy Tryphonas

Chris McCaffrey

Clinton D'Souza

Hitesh Bhujwala

Phat So Do

Susan Warren

Custom Software Solutions

Scott Andrew

Darling Insurance Brokers

Anne Carswell

Aaron Sargeant

Judy Locke

Dominion of Canada

Adisa Lazetic

Amy Graham

Christine Forrester

Gail Nye

Leila Joshua

Mitra Mohagheghi

Paula Clarke

Rhonda Benscome

Susan Haynes

Steve Whitelaw

Economical

Betina Urban

Bill Stinson

Chris Williams

Christina Beckner

Danielle Pennock

Kelly Pfeifer

Maureen Tomlinson

Nick Davis

Patrick Adams



CSIO DEPENDS ON YOUR PARTICIPATION

Farmers' Mutual

Jackie Murison
Joy Spier
Justin Davidson

Guarantee Company

Nikola Bjelica
Ralph Flood

Firstbrook Cassie

Brenda Rose

Hub Sinclair-Cockburn

Maria Philips

Insurance Bureau of Canada

Rene Hepburn Rickett

Intact

David Siegel
Marie Lalonde-Parsi
Nancy Holland
Tracy Kronic

iter8

Mathew Seguin
Philip Hanville

Jevco

Ana-Maria Mille

Keal Technology

Bill Redford
Celine Imbeault
George Whiteside
Jefferson Wei
Marilyn Sorvari
Patrick Durapos
Valery Paderin

Lambton Mutual Insurance

Peter Howe

Marsh

Dean Bottschen
Laura Hill

Mastercom

Roger Dawson

North Waterloo Farmers Mutual

Maria Rebelo
Pauline Horn
Susan Carr

Orr Insurance brokers

Rick Orr

Peel Maryborough Mutual

Teresa Hilpert

Pembridge

Helen Temelkovski
Judy Anderson
Kelly Dreddy
Suzanne McLean

Pictech

Ken Clarke

Policy Works

Greg Ellis
John Eastly
Kevin Campbell
Lorin McCaffrey

Portage Mutual

John Penner

Rayner Agencies

Sheldon Wasylenko

RSA

Alex Farkas
Bryan Mo
Dave Nicol
Jill Parratt
Ludmila Aranda
Mark Benton
Paul Zammit
Sergey Maslov
Shelley-Ann McAnuff
Victor Huang
Qing Wang
Xun Li

Saskatchewan Mutual Insurance

Evan Seabrook

SGI Canada

Archie Gee
Dawn Bloom
Diane L. DuMont
Dorothy Josephson
Robert Mack

Sinclair & Cockburn

Ingrid Marroquin

Triton data Inc.

Bob Goss
Neil Boland
Scott Molloy
Michael Bricout
Shannon Power
Lee Wells

York Fire

Bryan Bedford
Rob Tamburro

Wawanesa

Anne Bonds
Grant Zacharias
Venessa Heichert

Zycomp

Steve Zylak
Stuart MacKay

Zurich

Vez Zarins
Randy Massek

