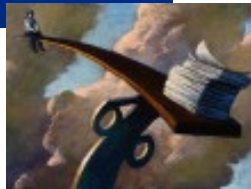


**CSIO
CEPA**

CENTRE FOR STUDY OF INSURANCE OPERATIONS
CENTRE D'ÉTUDE DE LA PRATIQUE D'ASSURANCE

2000 ANNUAL REPORT

COMMITTED
SINCE 1991
TO THE
ADVANCEMENT
FOR THE BROKER
DISTRIBUTION
NETWORK
FOR PROPERTY &
CASUALTY
PRODUCTS



THE CENTRE
FOR STUDY
OF INSURANCE
OPERATIONS

OUR MISSION

CSIO is a national association of insurers and independent insurance brokers dedicated to achieving a competitive advantage for the independent broker distribution channel and dedicated to achieving excellence in the delivery of value-added electronic business solutions.

We take this opportunity to thank everyone who participated in CSIO projects, work groups and meetings in 2000. Without your commitment and contribution, the successes of the past year would not have been possible.



Klaas Westera, President
Sandy Atkinson, Operations Manager
Howard Bender, Manager, EDI Standards
Laurence Delomosne, National Director, Standards & Technology
Daphne Horn, Standards Specialist
Francine Lauzon, Coordinator, Standards & Administration
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CSIO GOVERNANCE

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Howard Moran	Chairman	formerly with CGU Group Canada Ltd.
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Nolan Bonney		Thwaites Norris Insurance (British Columbia)
Alister Campbell		Zurich Canada
Danny Craig		Craig, McDonald, Reddon Insurance (Ontario)
Mike Daniels		Cambridge SIA Insurance (New Brunswick)
Keith Eva		Royal & SunAlliance
Bruce King		King Insurance (Manitoba)
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John McArel		ING Canada - Halifax
Ernst Notz		Citadel Assurance
Noel Walpole		The Economical Insurance Group
Klaas Westera		CSIO
Brendan Wycks	Ex-officio	IBAC (Insurance Brokers Association of Canada)

MANAGEMENT COMMITTEE

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Danny Craig		Craig, McDonald, Reddon Insurance
Werner Ginzler		AXA Canada
Michael Hagarty		ING Canada - Halifax
Doug Hewitt		CGU Group Canada Ltd.
Minaz Sarangi		Zurich Canada
Grace Webster		Royal & SunAlliance
Klaas Westera		CSIO
Steve Whitelaw		Dominion of Canada

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Patrica Allard		Jean-Marc Allard, Courtiers d'assurance inc.
Andrée Bolduc		Lloyd's Canada inc.
Guy Cheong		G. Cheong, Courtier d'assurance inc.
Pierre Fontaine		ING Groupe Commerce
Jean Fortin		J. Gérard Fortin & Associés Assurances inc.
Michel Gilbert		Zurich Canada
Gilles Girard		G. Proulx et Associés Assurances inc.
Nathalie Guertin		CGU, Compagnie d'assurance du Canada
Claude Pinsonneault		Assurance Concordia inc.
Roger Primeau		AXA Canada Tech inc.
Jacque Tardif		AssurExperts inc.
Jean Vincent		L'Union Canadienne, Compagnie d'assurances

A growing
partnership

CSIO COMPANY MEMBERS

Allianz Canada

AGF Nafta Ltd.(Canadian Surety/Canada West)

AXA Canada

AXA Insurance

AXA Assurances

C.A.M.I.C.

Bay of Quinte Mutual Ins. Co.

Dufferin Mutual Ins. Company

Formosa Mutual Ins. Company

Germania Farmers' Mutual Fire Ins. Co.

Hamilton Twp. Farmers' Mutual Fire Ins. Co.

Howick Mutual Ins. Co.

Peel Mutual Ins. Co.

West Wawanosh Mutual Ins. Co.

Portage La Prairie Mutual Ins. Company

Canadian Northern Shield

CGU Group Canada Ltd.

Canadian General

Commercial Union

L'Exclusive, Compagnie d'assurances générales

The Citadel Assurance

Citadel Assurance

L'Unique, Compagnie d'Assurances générales

Dominion of Canada

The Economical Insurance Group

Federation Insurance Group

Gore Mutual Insurance

ING Canada

ING Groupe Commerce

ING Halifax

ING Novex

Kemper Canada

Lloyd's

L'Union Canadienne, Compagnie d'Assurances

OPTIMUM GÉNÉRAL INC.

British Columbia Insurance Company

National Frontier Insurance Company

Peace Hills General Insurance Company

Pembridge Insurance Company

Pilot Insurance Company

Royal & SunAlliance

SGI Canada

Sovereign General Insurance Company

Wawanesa Mutual Insurance Company

Zurich Canada

Insurance Brokers Association of Canada

AXA Pacific

AXA Assurances Agricoles, Inc.

Halwell Mutual Ins. Co.

Kent & Essex Mutual Ins. Co.

Lambton Mutual Ins. Co.

Oxford Mutual Ins. Co.

Farmers' Mutual Ins. Co. (Lindsay)

Grenville Mutual Ins. Co.

Saskatchewan Mutual Ins. Co.

Red River Valley Mutual Insurance Company

General Accident

Scottish & York Insurance Co. Ltd.

Traders General Insurance Co.

ING Wellington

ING Western Union

Optimum Assurance Agricole

Société Nationale d'Assurance

Voting Participants

Applied Systems Canada Inc.
Cebra Inc.
CGI Information Systems
CIM-data Ltd.
D.W.L. Inc.
ebix.com
Keal Computer Services
R.J. Slocki EDP Services Ltd.

Non-Voting Participants

Alliance for Productive Technologies	
Basis 100	New in 2000
CSC (formerly MYND)	
Concise Technologies	
Custom Software Solutions Inc.	
Huon Corporation	
IBM	New in 2001
Informco	New in 2000
MDI	New in 2000
Mutual Concept Computer Group Inc.	
SEH Computer Systems	
tec4 systems inc.	
Zycomp Systems Ltd.	

Brokers

Assurances Groulx
Groupe A&R Lussier
Groupe Ultima
Haas & Sutherland

CHAIRMAN'S REMARKS

The year 2000 was the first full year of operations for CSIO since we renewed its mandate in May of 1999. We are fortunate that this new direction is supported by the stability of CSIO's past successes. Those successes have laid a strong foundation for our new initiatives just as they have made CSIO a global leader in EDI transaction exchange.

CSIO's new initiatives are well under way now with a number of positive results already being realized. This progress is very timely in that it coincides nicely with the new challenges and opportunities brought on by rapid changes in the market and in technology.

The year has seen a continued growth in commercial lines EDI Standards while forms activities centred on form updates, the creation of three new forms and the development of computer versions of all forms. These computer forms have proven to be real cost savers for the industry and particularly popular with our members.

Over the year, CSIO continued its quest to standardize the look and feel of the company web screens that brokers use. Three Web Screen Standards were developed and released with the active support and involvement of our many members across Canada. This type of commitment to standards, particularly in an area as sensitive as company web screens, bodes well for the industry's future.

In September of last year, CSIO started an XML project that will result in the development of XML P&C Standards for Canada. Given the power and growing popularity of XML, it was important for us to fill the obvious void and take a leadership position for the industry. This initiative marks an important turning point for the industry in three ways. First, it moves us firmly towards internet based communications solutions. Second, it marks the start of a move towards real time transaction exchange within the industry. And third, it marks the first formal initiative between two separate global standards bodies to create a harmonized standard. This last point is a reference to the collaboration agreement between CSIO and Acord, CSIO's counterpart in the USA, that will result in a harmonized XML Standard between the two countries. This is an important statement and step forward in a world that is shrinking before our very eyes.

There were other important projects during the year but none more important and more promising than the CSIO Insurance Portal. During the year, CSIO, with your guidance, started to dream of a new and better way of doing things. A new way in which the strengths of the entire industry could be harnessed to improve communications, to better serve the consumer, to reduce costs and to move the industry towards newer and better technology. The Portal is that vision. It was designed very carefully to address the needs of all, to permit participation by all and to allow for an evolutionary move towards a revolutionary result. With your support, the promises that come with the CSIO insurance portal will be realized in the not too distant future.

These few words can't really do justice to the hard work and dedication that has taken place over the past year by so many people. Hundreds of them giving tirelessly of their time for the benefit of the industry and the consumer. Some of those people are here but there are many more that are not. I thank you all.

CSIO has just completed a productive year where much has been accomplished. We continue to look toward a future that holds many challenges and opportunities. As in the past, with the support of the industry, CSIO will be able to play an important and pivotal role.

CSIO OPERATIONAL REPORT

BACKGROUND

In 1981, CSIO was created by the broker driven P&C insurance industry to deal with the many inefficiencies within the industry. Some of these inefficiencies like the use of non-standard forms had been inherent for as long as anyone could remember. But the new inefficiency of computer based double entry of data was just starting to take a growing toll. Since that time, CSIO has gained global admiration as it attained the most successful implementation of industry wide Personal Lines EDI in the world. CSIO's development of forms and networks, such as ICEnet and CSIONet, further enhanced the industry's efficiency.

In the winter of 1998-1999, CSIO's Board of Directors embarked on a mission to formulate a new vision for CSIO within the industry. It was clear at the time that CSIO played an important role as the industry's only forum where brokers and their company partners could formulate action plans for the benefit of the industry and the consumer. But it was also evident that CSIO needed to adopt a new vision and approach aimed at delivering new products and services that would improve the competitive advantage of the independent broker distribution channel.

This new vision has been taken on eagerly by the staff at CSIO and by our many dedicated industry volunteers. A vision that started with CSIO's many successes of the past and moved forward along promising new paths.

FORMS STANDARDS

Historically, forms were the first standard ever developed by CSIO. During the last year we updated 10 existing forms and released three new forms including the Farm form and the Vehicle Inspection Authorization form in both languages. In 2000 CSIO also started a whole new forms project to meet a growing need for computer based forms. All 24 CSIO forms are now available in PDF and PCL format on either CD or through our recently enhanced web site. The demand for these forms has been strong from all of our members and they have already been implemented widely across Canada.

EDI STANDARDS

EDI makes up our 2nd set of standards. We have expanded our EDI library with a comprehensive set of Commercial Standards based upon the international UN/Edifact Standard. During the year we added Commercial Standards for crime, E&O, O&D, B&M, Inland Marine and EDP. This compliments the work done in 1999 on Property, General Liability and Tenant's Legal Liability. Canada continues to be the world leader in EDI use with the majority of brokerages actively using download and/or upload in Personal Lines. Now that the Commercial EDI Standards are well established we must move forward by assisting the industry in their use.

WEB SCREEN STANDARDS AND GUIDELINES

In the second half of 1999, CSIO and its Membership embarked upon the development of a 3rd set of standards involving Web Screens. With the ease of web enablement, there was a real threat of growing inefficiency creeping into the channel through the use of dissimilar web screens by different companies. The industry took on this challenge and has now created a number of Web Screen Standards and Guidelines for our members to use. The completed transactions include Billing Inquiry, Claims Status Inquiry and First Notice of Loss for Habitational and Automobile. Work is continuing on Policy Change and New Business.

XML STANDARDS

In September of 2000, CSIO initiated work on a 4th set of standards. XML is a new method of achieving computer data exchange between industry partners. XML offers tremendous advantages to our industry and is ideally suited to real time data exchange over internet based communication links. XML transactions inherently contain the rules of the transaction and the definition of the actual data, making difficult EDI translations all but a thing of the past. We will complete our Personal Lines XML Standards work in the first half of this year.

CSIO OPERATIONAL REPORT

STANDARD TERMINOLOGY

During 2000, CSIO started the beginnings of a 5th Standard in the form of a Terminology library which will help to reduce inconsistencies and misunderstandings within the industry. This 5000 item library includes Insurance and Technology terms that are used commonly throughout the industry. It also includes an English to French glossary. This library and glossary will be used for the development of forms, Web Screens and documentation.

A NEW LOOK FOR CSIO'S WEBSITE

2001 brings a new look to www.csio.com. Members will find our website to be more user friendly, more interactive and loaded with much more information. CSIO's website now includes:

- Industry links
- Feedback survey for members and non-members,
- CSIO brochures with an order option
- CSIO press releases
- Downloadable versions of Web Screen samples, softcopy forms, implementation guides and CSIO's annual report
- The Standard Terminology library & glossary including an online maintenance request option

During 2001 we will add downloadable Workgroup minutes and Commercial Lines EDI Standards to the web site We would also consider services suggested by our members.

CSIO INSURANCE PORTAL

We have purposely left any reference to the CSIO Insurance Portal to the end and have done so because it is an idea that embodies everything that has gone before it. The CSIO Insurance Portal is a new vision of broker-company communications. It is not just communications in a technical sense but rather communications between partners in its truest and best sense. The Portal represents industry progress through cooperation, trust and mutual success using state-of-the-art technology. From a standards perspective, the CSIO Insurance Portal employs all of the 5 new Standards that CSIO and its members have been working on so diligently over the last few years. And it also includes the goodwill and vision of the industry. The first of its kind, not only in Canada, but the first of its kind in the world.