

Banks confident insurance powers will come

THE BANKS' day for insurance retailing will come, the chief operating officer of the Royal Bank of Canada says.

Deregulation of the securities industry didn't destroy it and the same goes for the insurance industry, Barbara Stymiest said in a speech to the Economic Club of Canada in Toronto late last month.

She said if banks are to grow in the financial services industry they will have to start retailing insurance.

"Canadians tend not to look at banks this way but really we are in the retail business."

Customers have an "obvious desire to simplify a congested lifestyle with the help of a single

financial services provider."

"This entails a consolidation of accounts, investment portfolios and debt."

Ms. Stymiest said the fact that the White Paper release last month (*Thompson's*, last week) was mute on the banks' stated desire to offer a full range of insurance products won't discourage the banks from moving forward on this front.

"We are confident this time will come and until it does we will stay the course."

"Nothing was said about our selling of insurance in other ways, however."

RBC Insurance provides a wide variety of protection products to millions of

Canadians and many more millions of North Americans. We are pleased with our progress in an area of expansion that remains comparatively new.

The response from the public is encouraging."

According to RBC, five million Canadians buy a wide range of insurance products from banks.

"They do it over the telephone, over the internet or in any one of the increasing number of retail outlets that have been built for the purpose."

Ms. Stymiest likened the fear surrounding banks and insurance to the fears that the investment dealer industry would disappear when that market was deregulated by a white paper in the late 1970s.

"The securities industry in Canada has not collapsed. In fact it has never been more robust," she said.

There are 206 investment dealers in Canada and nearly 52% of Canadians are investing in our equities markets."

Hearing over extradition set

IAN STUART, arrested earlier this Spring in Ontario for an alleged insurance fraud scheme south of the border, is to appear at an extradition hearing July 10 at Newmarket District Court.

He was charged by the Southern District of New York court with 10 counts of mail fraud and 10 of wire fraud in connection with a scheme that allegedly netted US\$7m in improperly obtained premiums for fraudulent commercial liability policies.

Mr. Stuart, 46, faces up to 20 years in prison if convicted. And each count carries a maximum fine of \$250,000 or twice the gross gain or loss resulting from the crime.

Prosecutors in New York said he wasn't properly registered as a wholesale insurance broker, as required under New York state law.

He is said to also be known as Ian Stuart-Smith, John Harris and John Harrington, and operated a number of purported brokerages in New York and Ontario, prosecutors said.

Moody was strong TIWA supporter

MAGGIE Moody, a former Insurance Woman of Year, passed away suddenly on June 16 in hospital in Barrie, Ont. in her 56th year.

A long-time employee of Marsh Canada, most recently assistant vp, Ms. Moody was a strong industry supporter having served as president of both the Toronto Insurance Women's Association and the Canadian Association of Insurance Women.

She was a member of TIWA since 1975, serving on all committees - chairing several - and holding all positions on the executive board.

At the CAIW convention in 1991, when she was named the Insurance Woman of the Year, she said: "I don't think I have done

anything spectacular. I'm just doing what everyone else is or should be doing.

"Without education, women will remain filing clerks and secretaries and never become presidents or ceos."

Ms. Moody was a resident of Lefroy, Ont.

Friends are invited to remember her July 9 at the Innisfil Funeral Home, 7910 Yonge St., Stroud from 1 - 2 p.m., with a celebration of her life to be held at 2 p.m.

Cremation has taken place.

Donations in her memory may be made to the Toronto Hospital for Sick Children. Words of comfort may be forwarded to maggiemoody@innisfilfuneralhome.ca.

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Lung cancer claims Martin, 52

A FUNERAL mass was held last week in Mississauga for Deirdre Martin, senior counsel for the Insurance Bureau of Canada, who died June 21 after a short battle with lung cancer. She was 52.

"I know Deirdre had many friends in the insurance industry and that her work was highly respected," IBC cco Stan Griffin said.

"The IBC family has suffered a very large loss. Deirdre will be greatly missed."

She had been with the bureau since September, 1997.

Ms. Martin's family has requested that those wishing to make donations in her memory make them to the Canadian Cancer Society or to the charity of their choice.

She leaves behind three sons.