

**Job Class Profile:** Insurance Examiner

**Pay Level:** CG-35 **Point Band:** 766-789

Factor	Knowledge	Interpersonal Skills	Physical Effort	Concentration	Complexity	Accountability & Decision Making	Impact	Development and Leadership	Environmental Working Conditions	Total Points
Rating	6	5	2	4	5	4	4	1	3	
Points	280	83	13	19	150	87	83	21	32	768

## JOB SUMMARY

The Insurance Examiner performs financial analysis and examination work in examining or investigating insurance, securities, real estate, mortgage brokers, and prepaid funeral service industries to protect consumers from financial loss.

### Key and Periodic Activities:

- Develops and maintains a database of insurance agents, brokers, and real estate agents which tracks filing deadlines, financial reporting requirements, and financial information reported, and other relevant information. Communicates with licensing section to ensure completeness of database information.
- Communicates with agents and brokers with regard to financial reporting requirements. Reviews financial information received to assess the financial condition and degree of compliance with the Act and Regulations. Where applicable, requests additional financial information from the agent/broker or from the external auditor.
- Prepares detailed reports for management on a routine and ad hoc basis.
- Meets with the Manager and Senior Auditor to discuss issues of concern and communicates with agents/brokers regarding compliance issues.
- Works with Senior Auditor to develop a multi-year examination plan.
- Using examination powers contained in the various statutes carries out on-site examinations of insurance agents and brokers, real estate agents, and sellers of pre-paid funeral contracts to determine compliance with the relative statute and ensure early intervention in situations where improper use of trust funds is detected. The examination includes assessing the entity's financial condition and compliance with the Act and Regulations, review of company's auditor's working paper file, and the examination of company records. Prepares a report of the examination findings for review by the manager.
- Carries out an investigation where there are reasonable grounds to believe that an offence has been committed or is being committed. This may include obtaining a search warrant to allow the Examiner to enter and search a place which includes a private dwelling, obtaining a production order from a judge ordering a person other than the subject of the investigation to produce documents or data. Prepares an investigation file detailing the evidence gathered supporting the contravention for review by the Department of Justice for the laying of a charge and for disclosure to the accused.
- Testifies in court.
- Assists with assessing the safety and soundness of Newfoundland and Labrador incorporated insurance companies to ensure early intervention when there are areas of concern such as solvency, market conduct practices, fiduciary duties, and governance issues. Carries out financial analysis and monitors these companies. Completes assigned sections of the

**Key and Periodic Activities:**

- examination program during the on-site examination including a risk assessment. Prepares ratio analysis on these companies.
- Monitors reports filed by companies issuing securities in the province on an exempt distribution basis to ensure that these companies comply with the appropriate requirements. Develops and maintains a database which captures the information contained on these reports. Performs search queries to determine compliance with legislated filing requirements for investigative purposes, prepares reports for management, communicates with the security issuer's contact person or legal representative with regards to incorrect or incomplete filings.
  - Monitors the filings of Newfoundland and Labrador incorporated insurance companies and other financial services companies to ensure compliance with the filing requirements of the Office of the Superintendent of Financial Institutions (OSFI) in relation to suppression of terrorism and money laundering activities. Reviews information submitted by these companies and communicates with representatives with regards to incorrect or incomplete filings. Communicates with the OSFI and manager with regards to the results of monthly reporting.
  - Prepares the annual statistical Report of Superintendent of Insurance. Develops and maintains a database of provincially licensed insurance companies who are required to report their insurance activities with regards to the residents of the province. Data is received from the federal Office of the Superintendent of Financial Institution, from annual reports filed by extra-provincial insurance companies and provincially incorporated insurance companies. From the information contained, the annual Report of the Superintendent of Insurance is prepared and distributed to all insurance related entities, the Department of Finance, and the Board of Public Utilities.
  - Researches related issues of general concern to public, industry, and government.
  - Responds to questions from the general public with regards to insurance, real estate, or funerals.
  - Responds to questions from other staff members in relation to financial information filed.
  - Assists with administration or management functions where the Superintendent of Insurance seizes assets of an insurance company, agent, broker, or adjusting company for the purposes of rehabilitation, sale, or wind-up.
  - Represents the province on national committees.

**SKILL****Knowledge****General and Specific Knowledge:**

- In-depth knowledge of the Insurance Act, Insurance Adjusters, Agents, and Brokers Act, Real Estate Trading Act, Prepaid Funeral Services Act, Mortgage Brokers Act, Securities Act as well as all related regulations, policies, and rules. Extensive knowledge of the enforcement powers contained in the acts that the Division administers.
- Specialized in-depth knowledge of the insurance and securities fields.

**Formal Education and/or Certification(s):**

- Minimum: Undergraduate degree in Business with a specialization in accounting.

**Years of Experience:**

- Minimum: 3-4 years experience.

**Competencies:**

- Ability to understand and differentiate between the powers that relate to determining compliance with the various acts and the investigative powers that must be used when an alleged offense has been committed.

### Interpersonal Skills

- A range of interpersonal skills used include listening to information from others, asking questions to gather information, providing routine and complex information/direction to others, conducting formal interviews, gaining the cooperation of others to complete work, dealing with angry or upset people, and providing expert advice or counselling to others.
- Examples: (1) Asks questions during an examination to gather information and listen to information from others such as questioning an agent/broker on the process for handling insurance premiums received from customers or with regards to how deficits in trust accounts occurred. (2) Provides expert advice to others such as agents/brokers with regards to adequacy of financial information reported, compliance with legislation and filing deadlines, advice to accounting firms from other jurisdiction with regards to regulatory questions, or advice to real estate agents regarding the legal requirement to take deposits from customers. (3) Clients are often upset over strict financial reporting requirements and cannot understand why the requirements are stricter than in other Canadian jurisdictions.
- The most significant contacts are with: (1) various agents and brokers (or their external accountants or auditors) with regards to filing of required information, requests for further information, or to arrange audit dates. (2) Supervisor/manager regarding work assignments, non-compliance issues, and the review of examination reports. (3) Employees within the immediate work area with regards to licensing issues, responding to queries on filings made by securities issuers, insurance companies, agent/broker, etc.

## EFFORT

### Physical Effort

- The demands of the job do not result in fatigue, requiring periods of rest.
- Fine finger precision work and sitting is required while using a computer to create and maintain various databases, generate reports, etc. Majority of work is done while sitting and includes reviewing financial information, communicating by telephone or email or correspondence, and preparing reports.
- Required to drive to and from client's premises to conduct examinations or an accountant's office to review/discuss information and may lift individual files or boxes of files/documents (up to 25 lbs).

### Concentration

- **Visual** concentration is required when inputting data to ensure data integrity, creating reports, and constant reviewing of financial information.
- **Auditory** concentration is required while listening over the telephone with persons from a variety of cultures, listening intently to responses from individuals who are the subject of an examination.
- **Repetition** requiring alertness occurs when inputting data sometimes requiring repetitive copy and paste functions or copying the format of a letter for one client into a new letter for another client.
- **Time pressures/deadlines** occur at set time periods for examinations, solvency concerns and other issues that can result in 100% focus of the Examiner. Reports or financial filings from all

clients have set deadlines as per legislation and the Report on Insurance for Superintendent of Insurance has an expected competition date.

- **Lack of control over the work pace** occurs when filing deadlines are set by legislation and the date is dependent upon the company's year end which results in a large amount of information being received. During an examination the pace of work is impacted by the pace that information is supplied by the auditee.
- **Eye/hand coordination** is required when using a computer.
- **Exact results and precision** is required when inputting data into databases, spreadsheets, and documents requiring attention and precision as information recorded may be used in court proceedings. Examination of financial statements and other financial information can have a negative impact on clients if mistakes are made.

### Complexity

- Work tasks are highly technical, diverse, and involve a wide variety of situation and responsibilities. Problems may be addressed through the application of standardized solutions/processes or may require that practical solutions be found.
- The legislation is complex and the Examiner is responsible for interpreting and administering the Insurance Companies Act, the Insurance Adjusters, Agents and Brokers Act and Regulations, the Real Estate Trading Act and Regulations, the Mortgage Brokers Act and Regulations, and the Securities Act and Regulations. In addition, securities issuers are required to comply with a number of National and Multilateral Instruments. The financial services industries that the Department regulates are highly specialized.
- When addressing typical challenges or problems, may reference the above noted acts, regulations, and securities rules as well as communication with the senior examiner, manager or staff, or outside sources such as other jurisdictions. There are no internal policy and procedures for most of the specialized areas (i.e. securities, insurance, real estate). Information is derived from multiple sources in order to gain a full understanding of the issues and to formulate specific answers to problems or questions.

## RESPONSIBILITY

### Accountability and Decision-Making

- Work tasks are moderately prescribed or controlled.
- Day to day work is generally performed independently. The supervisor/manager is advised of serious non-compliance issues (i.e. deficient trust account). Prepares letters addressing issues of non-compliance, interprets policy, recommends an examination, recommends cancellation of a license, imposition of license conditions, and changes to reporting structures. During on-site examinations, the Examiner uses professional judgement in deciding on which areas to concentrate and which examination procedures to follow.
- Supervisory approval is required for the commencement of an examination, changes to the financial reporting requirements, and administrative vs quasi-criminal approach to gathering evidence where there are reasonable grounds to believe that an offense has been committed.
- Discretion and judgement are used to interpret and apply guidelines when determining the examination procedures to be carried out, extending or shortening an examination, the number of records to examine, and the level of reliance to be placed on the work of the company's auditors.
- During an on-site examination the Examiner has access to the books and records and can compel an individual to testify or produce documents. However the rules regarding evidence

gathering change when the Examiner has reasonable grounds to believe that an offense has been committed. In such a case, the Examiner must advise the subject of the examination of his rights under the Charter of Rights and Freedoms and must obtain a warrant from a judge to seize anything that will provide evidence of an offense. The Examiner must use a high degree of discretion and judgement in determining if these reasonable grounds exist.

### **Impact**

- Generally has the most significant impact within the immediate work area, outside the organization, on clients/general public, and on processes, information, finances, and corporate image. Insurance statistical reports are used within the department to assess the reasonableness of the licensing fees paid by the licensed insurers; outside the department by the Department of Finance to assess the reasonableness of the premium tax paid; and outside the organization by client, industry, and the general public. Examination finding and recommendations for regulatory action are used by the Superintendent/Registrar/Minister to make decision on what regulatory action to take which will also impact other entities. Evidence of non-compliance will be used to charge an individual/company with an offence, and compliance activities protect consumers from financial loss.
- One of the primary purposes of regulating the financial services industry is to protect the consumers from financial loss.
- An error in the way of evidence gathered will result in the Department not being able to charge a person with an offence under an Act, not getting a conviction when charges are laid, and a person not being charged for violating a provincial statute. An error or omission in an Insurance Report can result in loss of tax revenue for the Department of Finance and mistakes being made by the Public Utilities Board which uses information in this report. Errors in an audit/examination of a funeral home can have a negative financial impact on the Consumer Protection Fund for Prepaid Funerals. In addition, if a trust deficit was overlooked, government will miss an opportunity to take measures to have it corrected before it gets to a more serious stage such as bankruptcy.
- Legal action can be taken against the Province by individuals who have suffered a financial loss because the Department failed to carry out its monitoring and examination functions.
- The majority of work is completed independently however management reviews summary reports and areas of potentially contentious issues.
- Identification and resolution of errors normally occurs within a month of problem identification. For example, failure to monitor or detect funds being withdrawn from a trust account may result in financial loss to the consumer or an insurer. This will likely be detected by the consumer when realizing the loss.

### **Development and Leadership of Others**

- There is no supervision of staff.
- May provide advice/direction to others.

## **WORKING CONDITIONS**

### **Environmental Working Conditions**

- There is no requirement for safety precautions or equipment.
- There is a limited likelihood of minor cuts, bruises, abrasions, injury, or illness causing disability
- When performing audits outside the office, there is a possibility of occasional exposure to any

of the following depending upon the location of the audit: distracting noise, dirt/dust, glare, fumes, limited lighting or ventilation, isolation, awkward workspaces, physical dangers or threats, adverse weather, and travel.