

<b>BULLETIN NUMBER:</b>	<b>INS-11-005</b>
<b>TITLE:</b>	<b>COLLECTING AND USING CLIENT INFORMATION</b>
<b>LEGISLATION:</b>	<b>PERSONAL INFORMATION PROTECTION ACT (“PIPA”)</b>
<b>DATE:</b>	<b>MAY 2011</b>
<b>DISTRIBUTION:</b>	<b>ALL INSURERS AUTHORIZED TO CONDUCT INSURANCE BUSINESS IN BRITISH COLUMBIA</b>

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## **PURPOSE**

To bring to the attention of all provincial and extraprovincial insurers authorized to conduct insurance business in British Columbia a recent ruling under this province’s Personal Information Protection Act (“PIPA”) that may affect them, and to remind them that they must comply with PIPA in collecting and using a client’s personal information.

## **BACKGROUND INFORMATION**

On January 1, 2004, this province put in force legislation designed to govern the collection, use and disclosure of personal information. The legislation, PIPA, applies to almost all organizations operating in the province including to all insurers authorized to conduct insurance business in this province.

Recently the Office of the Information and Privacy Commissioner (“OPIC”) found that one authorized insurer has not been complying with PIPA with respect to its collection and use of credit scores. The OPIC ruling, Order P11-02, issued on May 6, 2011, has ordered that insurer to stop collecting and using credit scores until it provides customers with appropriate notification as required by PIPA.

The ruling can be found on OPIC’s website at [www.oipc.bc.ca](http://www.oipc.bc.ca) under Orders, Investigations and Decisions (Order P11-02) and is cited as Quicklaw Cite: [2011] B.C.I.P.C.D. No. 16 and CanLII Cite: 2011 BCIPC No. 16.

While this ruling was specific to the collection and use of credit score information by the insurer, staff of this office believe that it impacts all insurers as it speaks to the need for insurers to ensure that they have obtained adequate permission from client's to collect and obtain information about the client from other parties.

It is staff's position that it is the responsibility of all insurers authorized in British Columbia to ensure that they have in place adequate processes, procedures and controls to ensure that they collect, use and disclose client information only in ways permitted under privacy legislation including under PIPA.

Insurance entities who are found to be in breach of PIPA or other privacy legislation may be considered by this office to be acting or pursuing a course of conduct that is harming the interests of their insured's and therefore may find themselves subject to regulatory action under section 244(2)(e)(ii) of the *Financial Institutions Act* ("FIA"). The FIA can be found on the Queens Printers website <http://www.bclaws.ca/>.

If there are any questions about the actual decision or about PIPA, those questions need to be directed to OPIC. Contact information for OPIC can be obtained from its website at [www.oipc.bc.ca](http://www.oipc.bc.ca) or by calling it at (250) 387-5629. If there are any questions about this bulletin please direct them to this office by email at [Insurance@ficombc.ca](mailto:Insurance@ficombc.ca).

Staff of the Financial Institutions Commission periodically issue interpretation bulletins to provide technical interpretations and positions regarding certain provisions contained in the *Financial Institutions Act* and Regulations. While the comments in a particular part of an interpretation bulletin may relate to provisions of the law in force at the time they were made, these comments are not a substitute for the law. The reader should consider the comments in light of the relevant provisions of the law in force at the time, taking into account the effect of any relevant amendments to those provisions or relevant court decisions occurring after the date on which the comments were made. Subject to the above, an interpretation or position contained in an interpretation bulletin generally applies as of the date on which it was published, unless otherwise specified.