

CAFII EOC Meeting Minutes

Tuesday, June 23, 2015

Location: RBC Insurance

200 Bay St, South Tower, 40th Floor [Executive Dining Room], Toronto, ON

Present:	Carol Allen	Assurant Solutions (<i>for part by teleconference</i>)
	Charles Blaquiere	Canadian Premier Life Insurance Co. (<i>by teleconference</i>)
	Rose Beckford	ScotiaLife Financial
	Derek Blake	RBC Insurance
	Eleanore Fang	TD Insurance (<i>for part by teleconference</i>)
	Moira Gill	TD Insurance (<i>for part by teleconference</i>)
	Greg Grant	CIBC Insurance, <i>Chair</i>
	John Lewsen	BMO Insurance (<i>for part</i>)
	Sue Manson	CIBC Insurance (<i>for part</i>)
	Raja Rajaram	CIBC Insurance (<i>for part by teleconference</i>)
	Diane Quigley	The CUMIS Group (<i>by teleconference</i>)
	Maria Sanchez-Chung	TD Insurance (<i>by teleconference</i>)
	Jodi Skeates	The CUMIS Group (<i>by teleconference</i>)
Regrets:	Emily Brown	BMO Insurance
	Jerome Savard	Desjardins Financial Security Life Assurance
	Sari Scherer	BMO Insurance
Also Present:	Leya Duigu	T•O Corporate Services, <i>Recording Secretary</i>
	Brendan Wycks	CAFII Executive Director

1. Call to Order

The meeting was called to order at 2:00 pm. G. Grant acted as Chair and Leya acted as Recording Secretary.

2. Approval of Agenda and Previous Minutes

a. EOC Minutes of May 26, 2015

Approved as amended by Sue.

b. Board Minutes of June 9, 2015

Approved as presented.

c. Summary of Board and EOC Action Items

B. Wycks reviewed the most recent updates to this document. In addition, members were updated regarding the interview with the Investment Executive on the AMF's final report on Electronic Commerce in Insurance (as discussed at the June 9 Board meeting). Brendan and Greg participated

in the phone interview on June 10 and the resulting article is expected to appear in the July issue of Investment Executive. Overall, the interview was friendly and a good opportunity for CAFII.

3. Strategy and Governance

a. Balanced Scorecard

Brendan recently added the Ontario review of FSCO's mandate which CAFII recently participated in. Stakeholder submissions to this consultation had a June 5 deadline and will be published online by the end of June. Sectoral roundtable meetings with the Expert Panel will follow in July.

Action: Monitor Ontario government site to confirm CAFII's submission is published. *[Brendan; tba]*

4. CAFII Financial Management

a. Financial Statements as at May 31, 2015

Raja, Treasurer, reported that the Balance Sheet shows a bank balance of nearly \$36K and the Accounts Receivable is comprised of the same outstanding Member and Associate dues that were reported last month. Leya reported that Collins Barrow and Munich Re recently submitted their payments, while payments from KPMG and AMEX remain outstanding. Brendan has developed a strategy to retain AMEX as a Regular Member and will be following up with them. The investments show a maturing GIC which will be reinvested. We are approximately 20% over our maximum target level of financial reserves. There is nothing to report regarding the Income Statement and to-date we are on track with our budget.

5. Regulatory Relations and Advocacy

a. Consultations/Submissions Timetable

A consultations/submission timetable has been developed in order to keep us on track over the course of the year.

b. Ontario Review of FSCO Mandate

At this stage, Brendan will provide updates as developments occur including the scheduling of any further meetings with the Expert Panel. The key item is ensuring that we have the right people representing CAFII at these meetings. Next steps include considering CAFII's ideal representation at the life and health insurance sectoral roundtable meeting in late July: for example, the current and immediate past-Chairs, Peter McCarthy and Rino D'Onofrio. In addition, we shall seek a one-on-one stakeholder meeting with the Expert Panel.

Action Items:

- Contact David McLean regarding a one-on-one stakeholder meeting for CAFII with the Expert Panel. *[Brendan; tba]*
- Confirm timing and details of meetings and prepare briefing notes highlighting key CAFII positions and those of other relevant organizations. *[Brendan; tba]*

c. CCIR Travel Insurance Working Group

Carol Shevlin, CCIR's Policy Manager, recently shared an advance copy of the near-final version of the Travel Insurance Working Group (TIWG)'s survey of travel health insurers, with a request that it not be shared. To-date, CCIR has not approached any ombudservices for travel insurance complaint data, but it is in their work plan to do so in a subsequent phase of the review. Carol advised that a survey conducted by the Financial Conduct Authority in the UK regarding consumer satisfaction with travel insurance had been a source of information for CCIR.

d. Ontario Ministry of Health: OHIP Reimbursement Changes

Joan Weir, CLHIA's Director, Health and Dental Policy, recently met with representatives from the Ontario Ministry of Health regarding a review of the provincial government's payment levels for health benefits when an Ontarian is outside of Canada. Their last review in this area occurred four years ago and no changes were made at that time. This time around, they intend to make some changes. At the meeting, Joan suggested that CAFII should be consulted as well. In the event that a meeting is requested, Brendan will advise members of next steps.

e. Quebec Review of Distribution Act

The recently announced Quebec Ministry of Finance consultation on the province's Distribution Act puts forward five recommendations for change due to the current system showing signs of inadequacy. The first three recommendations are germane to CAFII, whereas the fourth and fifth are less so.

During the June 9 Board meeting discussion, Directors noted that aspects of the Quebec consultation align with the CAFII's 2011 submission on DWR and suggested that we review that submission to ensure our message on the latest consultation is aligned.

Action Items:

- Obtain 2011 CAFII submission on DWR to ensure our messaging is consistent and if it isn't, confirm rationale for changing it. *[Brendan; tba]*
- Schedule two meetings of the Market Conduct and Licensing Committees starting with July 21st, in lieu of the EOC meeting, and another date approximately two weeks later. *[Leya; asap]*

f. SK Bill 177

Draft regulations are still being developed. Jan Seibel informed Brendan recently that one of the regulations will not require legislative approval.

g. Regulatory Update

The Regulatory Update was included in the meeting package and key highlights were itemized on today's agenda for discussion.

h. Regulator and Policy-Maker Visit Plan

An updated plan was provided for review.

6. EOC Committees Updates

a. Media Advocacy Committee

Charles, chair of this committee, reported that the committee will be meeting this coming Thursday and therefore no substantive updates were available at this time. The group is starting to discuss key messaging and potentially developing an options document outlining their thinking for review by the EOC. The options document would provide some of the recommendations made in the initial strategic plan, questioning the role of CAFII in the media. Committee members have noted that FI's will likely deal with media issues that affect them directly. Should CAFII's goal be to deal with the media that currently contact individual member FIs or is it better to educate consumers? The benefit of this new committee is the right people are looking at the issues and asking the right questions.

b. Market Conduct Committee

Updates were provided earlier in this meeting via the two consultations that are currently under review by this committee and the Licensing Committee.

c. Research & Education Committee

The committee is close to having a concrete proposal from Pollara on a consumer satisfaction survey regarding travel insurance. It is also continuing to work on a proposed Code of Conduct for Travel Health Insurance.

Towers Watson is also expected to submit its final report at the end of this month and the reports for individual insurer participants are expected to be ready at the same time.

d. Licensing Efficiency Issues Committee

The committee is currently finalizing a follow-up letter to Saskatchewan on representation for RIA licence holders on the Insurance Council, following which they will draft a letter to Manitoba asking if they will adopt something similar.

The Premier in New Brunswick recently confirmed that an online licensing system will be available in the fall despite the absence of industry consultations. In addition, the province has agreed to coordinate the development of regulatory policy with Nova Scotia. Now that this has been stated publicly, there will be more pressure for them to deliver something.

Brendan informed members of a new Licensing Manager at FSCO and of a letter we received regarding the launch of a new on-site examination program for life agents.

Action: Circulate copy of the FSCO letter regarding the launch of a new program for life agents to members of the Licensing Committee and Derek. *[Brendan; tba]*

e. Events and Networking Committee

The next speaker opportunity will be the Annual Members' Luncheon in early 2016. Brian Mills had been identified as a potential speaker for this event. However, due to the uncertainty within FSCO, members felt this may not be the best idea for an early 2016 event. Another idea put forward was to host a speaker panel instead.

7. Other Business

a. AMF/CAFI and Board Meeting – Oct 6/15

The next Board meeting will be held in Levis (QC) on October 6, hosted by Desjardins. A luncheon with AMF executives and subsequent presentation and Board meeting will be held between 12:45 – 4:45 pm. Unfortunately Louis Morisset, AMF's CEO, is not available to attend on this day however several other AMF staff executives, are available and Louis asked that the meeting proceed without him.

b. Regulator Meeting Notes

Members requested copies of the notes from any regulator meetings that had been conducted recently be circulated.

Action: Provide meeting notes from the Quebec City regulator meetings in April 2015 to EOC members. *[Brendan; tba]*

8. Termination

There being no further business, the meeting was terminated at 4:00 p.m.

Date

Chair

Recording Secretary