

CAFII Executive Operations Committee Meeting Minutes

Tuesday, June 21, 2016

Location: CIBC Insurance, Room #11

4th Floor, 199 Bay St., Toronto

DRAFT

EOC Present:	Carol Allen	Assurant Solutions <i>(by teleconference)</i>
	Rose Beckford	ScotiaLife Financial <i>(by teleconference)</i>
	Charles Blaquiere	Canadian Premier Life Insurance <i>(by teleconference)</i>
	Jason Beauchamp	BMO Insurance
	Eleanore Fang	TD Insurance <i>(by teleconference)</i>
	Katherine Geisler	CIBC Insurance
	Greg Grant	CIBC Insurance <i>Chair</i>
	John Lewsen	BMO Insurance
	Charles Maclean	RBC Insurance <i>(by teleconference)</i>
	Diane Quigley	The CUMIS Group <i>(by teleconference)</i>
	Raja Rajaram	CIBC Insurance <i>(by teleconference, for part)</i>

Also Present:	Emily Cloutier	T•O Corporate Services <i>Recording Secretary</i>
	Brendan Wycks	CAFII <i>Executive Director</i>

Regrets:	Isabelle Choquette	Desjardins Financial Security
	Maira Gill	TD Insurance
	Sue Manson	CIBC Insurance
	Jerome Savard	Desjardins
	Andrea Stuska	TD Insurance
	Ana Vu	BMO Insurance

1. Call to Order

G. Grant called the meeting to order at 2:08 p.m. and welcomed all in attendance.

2. Approval of Agenda and Previous minutes

a. Board Minutes of June 7, 2016

There was support for R. Beckford's suggestion to edit item 4.2 BC "Effecting" of CGI Issue in the draft minutes of the June 7/16 Board meeting, so that only the outcome of the Board's discussion of the matter is included and that the draft minutes be brought back to the next EOC meeting for final review.

b. EOC Minutes of May 24, 2016

It was noted that in the first bullet under item 2(c), the first initial "S." was missing from "Sykes." The minutes of the EOC meeting held May 24, 2016 were approved, subject to that edit.

c. Summary of Board and EOC Action Items

B. Wycks highlighted Action Items that had been updated since the previous Summary, as follows:

- #2: with D. Quigley succeeding S. Manson as Chair of the Research and Education Committee, D. Quigley will now take on responsibility for updating CAFII's presentation on "Seven Point Guide to the Creditor Insurance Regulatory Regime."
- #4: as per the Board's discussion on June 7/16, providing further information to BC FICOM in support of the auto dealers are creditors for a moment-in-time argument will remain a CAFII issue.
- #5: B. Wycks has contacted Elizabeth Cole of BC's Ministry of Finance for an update on its expected Policy Paper, but she has been away from the office in recent weeks.
- #9: the process of registering *cafii.insurance* as an internet domain is underway and should be completed shortly.

R. Beckford reported that with respect to Action Item #6, she and I. Choquette were consulting on the proposal that CAFII engage specialized legal counsel to advise the Association on the expected overhaul of Quebec's Insurance and Distribution Acts. A recommendation on choice of counsel will likely be ready for the next EOC meeting.

3. CAFII Financial Management

a. Quarterly Financial Reporting – June 2016

G. Grant reported that some issues remained to be ironed out in the Quarterly Financial Reporting document and it would not be presented at this meeting. However, it will be finalized and circulated by the end of June.

Referring to the CAFII financial statements as at May 31, 2016, which had been presented at the June 7/16 Board meeting, G. Grant observed that with the Board's approval to engage D. Moorcroft as media strategy consultant and with the recent engagement of J. McCutcheon as legal advisor on Alberta and BC regulatory issues, the Association's level of financial reserves would gradually be drawn down over the second half of 2016.

G. Grant advised that as a further investment which would reduce the Association's level of financial reserves, it had been suggested by a member of the Media Advocacy Committee that CAFII should refresh the travel medical insurance data obtained in August 2015, by re-doing this consumer research in the Fall of 2016.

4. Strategy and Governance

a. Balanced Scorecard

G. Grant noted that while the Balanced Scorecard had been presented at the June 7/16 Board Meeting, it had been treated as a "Consent Item" at that meeting. Therefore, it was placed on the agenda for this EOC meeting to allow for discussion.

B. Wycks highlighted the updates that had been made to the Balanced Scorecard since its previous March 2016 version, noting in particular changes in the status of BC Effecting of CGI Issue; CCIR Annual Statement on Market Conduct; and Regulations in support of Bill 177, The Insurance Act (Saskatchewan).

b. Research & Education Committee Chair Succession

G. Grant advised that D. Quigley would be succeeding S. Manson as Chair of the Research & Education Committee, effective immediately. S. Manson would remain a member of that committee and would also continue to chair the Travel Medical Insurance Subcommittee.

c. Meeting Room Locations for Future EOC Meetings

E. Cloutier thanked CIBC Insurance for hosting many EOC meetings over the past several years. However, due to a recent policy change, CIBC meeting rooms were no longer accessible by non-CIBC groups. Therefore, she would be reaching out to other EOC Members to secure rooms for EOC meetings over the balance of 2016.

Action: Canvas EOC Members by email to secure locations for EOC meetings for the balance of 2016. [Emily: July 15, 2016]

5. Regulatory

a. Consultations/Submissions Timetable

B. Wycks highlighted recent changes to the Regulatory Consultations/Submissions Timetable, noting in particular updates to deliverables or deadlines associated with BC FICOM 10-Year Review of FIA; BC “Effecting” of CGI Issue; Quebec Ministry of Finance Review of Distribution Act; and CCIR Annual Statement on Market Conduct.

b. Regulatory update

i. BC “Effecting” of CGI Issue: CAFII Next Steps in Support of Auto Dealers Are Creditors for a Moment-in-Time

G. Grant reported that J. McCutcheon of Borden Ladner Gervais had been engaged to provide CAFII with a legal opinion in support of the auto dealers are creditors for a moment-in-time argument.

ii. CAFII Next Steps Re Alberta Decision on CI Sold Under a Restricted Certificate of Authority

G. Grant reported that J. McCutcheon of Borden Ladner Gervais, whom CAFII has engaged as a legal advisor on this issue, recently had a telephone conversation with W. Martinson, the Alberta Insurance Council’s internal legal counsel. That conversation arose from her e-mail communication to Mr. Martinson on CAFII’s behalf, which sought clarification on the Life Insurance Council’s recent decision that critical illness insurance cannot be sold under an RIA licence. Mr. Martinson indicated that the Life Insurance Council would be open to receiving and considering industry submissions on its decision and promised to get back to Ms. McCutcheon regarding the optimal timeline for making such a submission.

CAFII will make a written submission to the AIC in the summer, likely followed by a face-to-face meeting in the late summer or early fall with AIC staff executives and Council representatives.

5. EOC Committee Updates

a. Research and Education

On behalf of outgoing Research and Education Committee Chair S. Manson, G. Grant reported that feedback on her June 7/16 presentation had been provided to Lesli Martin of Pollara Strategic Insights, to strengthen the impact of her upcoming webinar for the CCIR Travel Insurance Working Group and other interested CCIR members. B. Wycks reported that the webinar had been confirmed for June 7/16 at 1:00 p.m. EST.

b. Media Advocacy

i. Implementation of Board-approved Media Strategy

C. Blaquiere, Chair of the Media Advocacy Committee, reported that with the recent CAFII Board approval, the Association had just signed a contract with media strategy consultant D. Moorcroft. Mr. Moorcroft will be retaining a company called RankHigher.ca to work with him and CAFII representatives on an overhaul of the Association's web site and related search engine optimization.

c. Market Conduct

R. Beckford, Chair of the Market Conduct Committee, reported that three new members had recently been appointed to her committee: C. Maclean, RBC Insurance; J. Beauchamp, BMO Insurance; and L. Ripandelli, The CUMIS Group.

ACTION: Update CAFII EOC Subcommittee Directory, and send it to the subcommittee chairs [Emily, July 5, 2016]

d. Licensing Efficiency Issues

No update at this time.

6. Other Business

a. CAFII Registration as a Lobbyist with Provincial/Federal Registries

B. Wycks noted that effective July 1, 2016, Ontario had changed its lobbyist registration law such that any organization that lobbies government officials, including regulators, for 50 hours or more per year collectively as an organization is required to register. Previously, the higher threshold required registration if 20% of any one individual's time was spent on lobbying.

That said, responding to public domain consultations does not qualify as lobbying; only meetings initiated by organizations themselves constitute lobbying. Therefore, over the past three years, CAFII has not come close to the 50 hour threshold as we have only interacted with public office holders around public consultations and have not initiated many meetings with regulators.

G. Grant observed that, due to the fact that virtually all of his lobbying is in response to consultation requests, he has been discouraged from registering as a lobbyist by most jurisdictions. Alberta is an exception to this and, in fact, Alberta has encouraged him to register so that he would not have to keep track of the time he spends on lobbying to ensure that he doesn't surpass that threshold for registration.

It was agreed that given the nature of CAFII's regulator and policy-maker relations activity, there did not appear to be a need to register as a lobbyist in Ontario or any other jurisdiction at this time. However, it was agreed that Brendan would update and circulate CAFII's existing Lobbyist Registration Regime Matrix.

Action: Update and circulate CAFII's Lobbyist Registration Regime Matrix to EOC members [Brendan: July 30, 2016]

Action: Clearly flag in the Regulator and Policy-Maker Visit Plan any CAFII regulator/policy-maker relations activity that constitutes lobbying [Brendan: Ongoing]

b. CAFII Registration of a .Insurance Internet Domain

No discussion on this issue. CAFII will proceed with registering *cafii.insurance* as an internet domain.

c. Possible LIMRA Membership for CAFII

G. Grant reported that S. Manson responded to B. Lemanski to communicate that CAFII would not consider a membership at the \$20,000 U.S. level that he quoted. However, if the dues were in the range of \$5,000 to \$7,500 U.S. per annum, CAFII might find it more attractive to join.

d. CAFII 20th Anniversary Celebration In 2017

B. Wycks advised that 2017 would mark the 20th anniversary of CAFII's founding, and requested EOC input on how to recognize this milestone in CAFII's history. There was general EOC support for recognizing CAFII's 20th anniversary in 2017 and that Brendan would propose options for doing so. It was discussed that this may serve as an effective way to highlight CAFII's consumer education initiatives.

Action: Bring forward a proposal for recognition of CAFII's 20th Anniversary [Brendan: October 4, 2016]

7. Meeting Termination

There being no further business to discuss, the meeting was terminated at 3:24 p.m.

It was noted that while the EOC does not customarily meet during the summer months, there is a tentative EOC meeting scheduled for Tuesday, July 19, 2016. The next CAFII Board meeting is scheduled for Tuesday, October 4, 2016 hosted by RBC Insurance at 1 Place Ville Marie, 41st Floor, Montreal, QC and will include our annual AMF Liaison Lunch and Industry Issues Dialogue.

Date

Chair

Recording Secretary