

BOARD MEETING
CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE
In-Person/Hybrid Meeting at Complexe Desjardins in Montréal, Quebec
Tuesday, October 11, 2022
2:20 to 4:00 p.m. EDT
Minutes

Board Members	Peter Thompson	National Bank Insurance and Chair
Present:	Louie Georgakis	The Canada Life Assurance Company
In-Person:	Chris Lobbezoo	RBC Insurance
	Peter McCarthy	BMO Insurance
	Kelly Tryon	CUMIS/The Co-operators
	Simon Lacroix-Hubert	Desjardins Insurance
Virtually:	Wayne Hewitt	ScotiaLife Financial
	Nicole Benson	Valeyo
	Adam Vespi	Canadian Tire Financial Services
	Rob Robinson	Canadian Premier Life Insurance Company
	Ian Oncea	CIBC Insurance
	Wally Thompson	Manulife Financial
Regrets:	Sophie Ouellet	Sun Life
	Paul Cosgrove	Assurant
Also Present:	Brendan Wycks, Co-Executive Director	
	Keith Martin, Co-Executive Director	
	Rob Dobbins, Secretary	
	Karyn Kasperski, Vice-Secretary	
	Donald Hinnecke, Treasurer	
	Jake Becker, Association Coordinator	

Item 1: Welcome, Call to Order, and Meeting Confirmation

CAFII Board Chair Peter Thompson welcomed all to this meeting of the CAFII Board of Directors, which was held at the downtown offices of Desjardins in Montreal, Quebec, as well as virtually on the Microsoft Teams platform, and called the meeting to order at 2:20 p.m. Jake Becker acted as Recording Secretary.

Item 1(a): Declaration of Meeting Properly Called and Constituted

Rob Dobbins, Board Secretary, confirmed that notice of the meeting had been sent to all Directors in accordance with the Association's By-Law; and that a quorum of Directors was present.

Peter Thompson declared this meeting of the Board of Directors of the Canadian Association of Financial Institutions in Insurance duly convened and properly constituted for the transaction of business.

Item 1(b): Approval of Agenda

On a motion duly made, seconded and unanimously carried **IT WAS RESOLVED** that the meeting Agenda be approved as circulated.

Item 2: Consent Items

On a motion duly made, seconded, and unanimously carried **IT WAS RESOLVED** that the Consent Agenda items were approved or received for the record, as indicated in the Action column in the Consent section of the agenda, as follows:

- a. Draft Board Meeting Minutes, June 7, 2022
- b. Summary of Board and EOC Action Items
- c. June 2022 Regulatory Update
- d. September 2022 Regulatory Update
- e. May 31/22 CAFII Submission to FSRA on “Guidance on Use of Retained Revenues under Regulation ‘Money Retained Outside the Consolidated Revenue Fund’” Consultation
- f. September 9/22 CAFII Response Submission to BCFSa on “Draft Insurer Code of Market Conduct and Supplemental Guideline”
- g. October 3/22 CAFII Response Submission to BC Ministry of Finance on “Consultation Regarding Restricted Insurance Licences”
- h. Consultations/Submissions Timetable
- i. Regulator and Policy-Maker Visit Plan
- j. Board-Approved Schedule of CAFII 2022 Meetings and Events

And further, it was **RESOLVED** that the minutes of the meeting of the CAFII Board of Directors held June 7, 2022 be and are adopted in the form presented, and that copies of those minutes be signed and placed in the minute book of the Corporation.

Item 3: Governance Matters

Item 3(a): Welcome to and Self-Introduction by New CAFII Director Wayne Hewitt, Scotia Insurance

Peter Thompson welcomed a new CAFII Director for Scotia Insurance, Mr. Wayne Hewitt. Mr. Hewitt introduced himself to his fellow CAFII Board members, and said he was looking forward to participating in the Board’s deliberations and the Association’s initiatives.

Item 3(b): CAFII Board Vice-Chair Position

Peter Thompson noted that in recent years typically a Board Vice-Chair is nominated, with the person in that role expected to be the next in line to become Chair. A person had been approached but this did not work out, and there have been many new members of the Board recently. For those reasons, it is recommended that the Vice-Chair role not be filled at this time, but that a nominee be advanced for the June 2023 Board meeting.

On a motion duly made, seconded, and unanimously carried **IT WAS RESOLVED** that the CAFII Board supports the recommendation from the Board Chair and CAFII management that the Board Vice-Chair position **not** be filled for the Association’s 2022-23 governance year; **but** that a Board Vice-Chair candidate be identified for appointment at the June 2023 first meeting of the 2023-24 Board of Directors, which occurs immediately following the 2023 Annual Meeting of Members.

[Action Item: Identify a CAFII Board Vice-Chair candidate for appointment at the June 2023 First Meeting of 2023-24 Board of Directors; P. Thompson, K. Martin, B. Wycks, May 15/23.]

Item 3(c): EOC-Endorsed Recommendations for Revisions to CAFII Alerts Weekly Digest

Peter Thompson invited EOC Chair Rob Dobbins to provide a recommendation around revisions to the CAFII Alerts Weekly Digest. Mr. Dobbins explained that a Member of the Association had raised concern around an article that had been included in the June 7/22 edition of the Weekly Digest, because it was an opinion piece that provided editorial comments that the Member did not feel were appropriate. Other Members felt that the Digest was typically too lengthy. Arising from a survey of and ensuing discussion with EOC members, a recommendation was now being made that the Weekly Digest be limited to a maximum of five articles in each of two discreet sections, along with upcoming CAFII Member-relevant webinars and events, with no editorial or opinion pieces included.

On a motion duly made, seconded, and unanimously carried IT WAS RESOLVED that the CAFII Board hereby approves the EOC-endorsed Recommendations for Revisions to the CAFII Alerts Weekly Digest, as set out in the document that was part of the materials package for this Board meeting.

[Action Item: Implement immediately Board-approved revisions to CAFII Alerts Weekly Digest; B. Wycks, J. Becker, A. Nguyen, October 14/22.]

Item 3(d): Recommended CAFII 2023 Schedule of Meetings and Events, Including Feedback Question Re Optimal Timing of 2023 Annual Members and Associates Luncheon

Peter Thompson invited CAFII Co-Executive Director Brendan Wycks to provide an overview of the 2023 proposed schedule of meetings and events, including a recommendation on moving the timing of the Annual Members and Associates Luncheon to the spring of 2023.

On a motion duly made, seconded, and unanimously carried IT WAS RESOLVED that the CAFII Board hereby approves the Recommended CAFII 2023 Schedule of Meetings and Events.

Item 3(e): Plans for CAFII 25th Anniversary Celebration Event on October 19/22

Brendan Wycks provided an overview of the upcoming 19 October, 2022 CAFII 25th Anniversary Celebration Event, to be hosted by BMO Insurance in the bank's Corporate Event Venue on the 68th floor of First Canadian Place in Toronto. Mr. Wycks noted that a very strong contingent of insurance regulators and policy-makers was expected at the event.

Item 4: Financial Management Matters

Item 4(a): CAFII Financial Statements as at August 31/22

CAFII Treasurer Donald Hinnecke provided an overview of the Association's financial statements as at August 30, 2022, noting that CAFII was in a strong financial position, and would have a significant 2022 year-end surplus mostly due to the fact that some budgeted expenses, such as legal fees, travel, and event costs, would not be incurred. Mr. Hinnecke noted that due to higher interest rates and the significant operating surplus, \$300,000 had been moved into a savings account to generate interest revenue for the Association.

On a motion duly made, seconded, and unanimously carried IT WAS RESOLVED that the Board hereby approves CAFII Financial Statements as at August 31, 2022.

Item 4(b): Forecast for CAFII 2022 Fiscal Year as at August 31/22

CAFII Treasurer Donald Hinnecke provided an update on the forecast for CAFII's 2022 fiscal year-end, noting that a significant surplus was expected.

Item 4(c): EOC-Endorsed Recommendation, Supported by CAFII Treasurer, That CAFII Member Dues Be Consolidated Into One Invoice/Payment Starting In 2023

CAFII Co-Executive Director Keith Martin provided an overview of a recommendation, supported by the CAFII Treasurer and endorsed by the EOC, that member dues be consolidated into one annual invoice instead of two semi-annual instalment invoices, to minimize the administrative burden of collecting the Member dues.

On a motion duly made, seconded, and unanimously carried **IT WAS RESOLVED** that the Board hereby approves the EOC-endorsed Recommendation that CAFII Member Dues be consolidated into a one single Member dues invoice and payment process, starting with the Association's 2023 fiscal year.

[Action Item: Change CAFII Member dues invoicing process to one annual invoice beginning in 2023; K. Martin, B. Wycks, R. Nason, February 28/23.]

Item 4(d): Critical Path For Development of 2023 CAFII Operating Budget; and Budget Development Considerations Under Current Economic and CAFII Financial Position Circumstances

Brendan Wycks provided an update on the critical path for the development of CAFII's 2023 CAFII Operating Budget, along with current economic and CAFII financial position circumstances that would impact upon that budget. It was noted that high inflation would be impacting on the Association's expenses in 2023.

Item 5: Strategy Setting and Implementation; and Regulatory Matters

Item 5(a): Debrief Discussion on Just-Completed 'Industry Issues Dialogue' with AMF Staff Executives, Particularly Re Issue of RADM's Applicability to Credit Card-Embedded Insurance Benefits

The Board had a robust discussion about the just-completed Industry Issues Dialogue with AMF staff executives. There was some disappointment expressed about the reaction of the AMF executives to the points made by CAFII on the RADM's applicability to credit card-embedded insurance benefits, and in particular with some of the oppositional comments made. However, Peter Thompson noted that Eric Jacob, the AMF's Superintendent of Client Services and Distribution, had approached him and suggested that the two of them should meet privately one-one-one in the very near future, and that meeting could provide an opportunity to move this file forward.

[Action Item: Schedule and hold a private, one-on-one meeting with AMF's Eric Jacob and share its outcomes with K. Martin and B. Wycks, so that CAFII Members can, in turn, be informed; P. Thompson, K. Martin, B. Wycks, November 15/22.]

Item 5(b): Insights Gained from CAFII Participation in September 19/22 Alberta Insurance Council Stakeholder Feedback Interview With Independent Agency Berlin Communications

Keith Martin reported that CAFII had recently met with a public affairs agency to provide stakeholder feedback on the Alberta Insurance Council, at the Council's request; and out of that, CAFII learned that the Government of Alberta was considering moving the Insurance Council away from its current status as a quasi-independent organization, and folding it into the government itself.

Item 5(c): Plans for November 4/22 CAFII Virtual Stakeholder Session with CCIR on Its Draft 2023-2026 Strategic Plan

An update was provided on the plans for CAFII to present its views to CCIR on its draft 2023-2026 strategic plan.

Item 5(d): EOC-Endorsed Proposal Re CAFII's Return to Insurance Regulator and Policy-Maker Visits Tours in 2023

CAFII's Co-Executive Directors recommended that CAFII return to in-person insurance regulator and policy-maker visits tours in 2023. While the last such tour was in Western Canada in the fall of 2019, and therefore the next tour should be to Atlantic Canada, it was noted that due to the pandemic, no tours had occurred for nearly three years, and that given the larger population and impact of the Western Canada provinces, the next tour should again be the to West; and that tours to both the West and Atlantic Canada should occur in 2023, given the long delay since the last tour to either region.

*On a motion duly made, seconded, and unanimously carried **IT WAS RESOLVED** that the CAFII Board approves the EOC-endorsed proposal that CAFII return to engaging in in-person Insurance Regulator and Policy-Maker Visits Tours in 2023; and that the first such tour should be to the Western Canada provinces, followed by a subsequent tour to the Atlantic Canada provinces.*

Item 5(e): Recent Operatic Agency Deliverables Re CAFII Website Videos; and Enhancements to FAQs on CAFII Website

Keith Martin provided an overview of the enhancements being made in 2022 to the CAFII website, noting that there was much substantive new content that had been added to the site of late.

Item 5(f): Execution of EOC-Approved CAFII 2022 Tracking Study Research on Consumers' Satisfaction with CPI, with Pollara Strategic Insights

Keith Martin provided an update on CAFII's 2022 research initiative with Pollara Strategic Insights, noting that while the research would be completed in 2022, the recommendation was not to publish the findings until 2023 so as to give the research a longer shelf-life. It was noted that a question would be added to the survey on the impact of inflation on the purchase of insurance products, and it was suggested by Chris Lobbezoo that a question on interest rates and the purchase of insurance could also be of value.

Item 5(g): Insights Gained from September 13/22 CAFII 2022 Annual Members and Associates Luncheon, with Mark White, CEO of FSRA, as Guest Presenter

Keith Martin reported that the September 13/22 CAFII Annual Members and Associates Luncheon, including the fireside chat with FSRA CEO Mark White, had received much positive feedback from those in attendance.

Item 5(h): Insights Gained from CAFII/CLHIA/THIA Biweekly Meetings Re Impact of COVID-19 on Travel and the Travel Insurance Industry

Brendan Wycks provided an overview of the insights gained from recent meetings of CAFII, CLHIA, and THIA on travel and travel insurance issues, noting that the range and intensity of issues discussed was lessening as Canada emerges from the pandemic.

Item 6: Meeting Termination

On a motion duly made, seconded, and unanimously carried **IT WAS RESOLVED** that the meeting be terminated.