

**Agenda Item 2(a)**  
**October 10/23 Board Meeting**

**BOARD MEETING**  
**CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE**  
**In-Person/Hybrid Meeting at Manulife, 200 Bloor St. East, Toronto, Ontario**  
**Tuesday, June 6, 2023**  
**2:50 to 5:00 p.m. EDT**  
**Minutes**

**Board Members**

**Present In Person:**

Rohit Thomas	BMO Insurance
Louie Georgakis	The Canada Life Assurance Company
Heather McLachlin	CUMIS/The Co-operators
Wally Thompson	Manulife
Peter Thompson	National Bank Insurance, Chair
Julie Gaudry	RBC Insurance
Wayne Hewitt	Scotia Insurance
Nigel Branker	Securian Canada
Valerie Gillis	TD Insurance

**Present Virtually:**

Adam Vespi	Canadian Tire Bank
Rahul Kakar	Chubb Life Insurance Company of Canada
Simon Lacroix-Hubert	Desjardins Insurance
Nicole Benson	Valeyo

**Regrets:**

Paul Cosgrove	Assurant Canada
Ian Oncea	CIBC Insurance

**Also Present:**

Brendan Wycks, Co-Executive Director  
Keith Martin, Co-Executive Director  
Rob Dobbins, EOC Chair and Board Secretary  
Karyn Kasperski, EOC Vice-Chair and Vice-Board Secretary  
Donald Hinnecke, Treasurer  
Jake Becker, Association Coordinator

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

Board Chair Peter Thompson welcomed all to this meeting of the CAFII Board of Directors and called the meeting to order at 2.50 p.m. Jake Becker served as Recording Secretary.

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

Board Secretary Rob Dobbins confirmed that there was a quorum of Directors present at the meeting and that the meeting had been properly called and constituted.

**Item 1(b): Welcome to New CAFII Directors: Heather McLachlin, CUMIS/The Co-operators; and Julie Gaudry, RBC Insurance**

Board Chair Peter Thompson welcomed new CAFII Directors Heather McLachlin of CUMIS/The Co-operators, and Julie Gaudry of RBC Insurance, both of whom provided a brief self-introduction.

**Item 1(c): Approval of Agenda**

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

**Item 1 (d): Review and Acceptance of CAFII Competition Law Policy**

Peter Thompson noted that the CAFII Competition Law Policy provided in today's Board meeting package had been adopted by the Association's then-Board of Directors on April 3, 2008. CAFII's practice has been to highlight the key principles set out in the Competition Law Policy annually, at this first Board meeting in a new CAFII governance year.

CAFII has also provided -- as a related document for this particular agenda item, particularly given that seven (7) of the fifteen (15) Directors are relatively new Directors who have been on the Board for less than a year -- a legal analysis of our CAFII Competition Law Policy which was completed by Mike Kilby, a competition law expert lawyer at Stikeman Elliott, and presented to the CAFII Board in June 2019.

Mr. Thompson summarized the CAFII Competition Law Policy, noting that it commits the Association's Directors and other Member representatives who participate in the Association's affairs to avoidance of the following:

- Making or discussing any agreement on prices, premiums, fees, or products;
- Exchanging cost information (with the intent to fix prices or reduce competition);
- Restricting independent dealing with industry suppliers; and
- Precluding, arbitrarily, participation in CAFII in a manner that may limit competition.

On a motion duly made, seconded and unanimously carried, **IT WAS RESOLVED** that CAFII members agree to comply with and abide by the CAFII Competition Law Policy.

**Item 1 (e): Deliberations of 2023 CAFII Nominating Committee, Taking Into Account Board-Approved Principles-Based Guideline on Appointment of CAFII Board Members Into Leadership Roles of Board Chair and Board Vice-Chair**

Peter Thompson provided an update on the recent deliberations of the CAFII Nominating Committee, which he had chaired. Those deliberations culminated in the successful identification of a well-qualified candidate for the position of CAFII Board Vice-Chair, with that candidate being Wally Thompson, CAFII Board Director from Manulife.

Mr. Thompson indicated that the Nominating Committee members who had met over the past few weeks were EOC Chair and Board Secretary Rob Dobbins; EOC Vice-Chair and Vice-Board Secretary Karyn Kasperski; Co-Executive Directors Keith Martin and Brendan Wycks; and himself as current Board Chair.

Mr. Thompson reported that the Nominating Committee had met three times over the past few weeks to deal with the iterative steps in a process that included the following:

- reviewing data on the length of tenure and Board meeting attendance of the 13 Directors on the Board who were candidates for the Board Vice-Chair position, that is all 2023-24 Directors other than myself as current Board Chair and other than Nicole Benson who is a past Board Chair of our Association;
- taking into account the fact that seven (7) of the 13 eligible Directors on the 2023-24 Board have been on the Board for less than one year, and five (5) of those seven (7) Directors were first appointed to the Board in 2023;
- having an assessment discussion around the “level of engagement in CAFII” demonstrated by the 13 Directors on the Board who were candidates for the Board Vice-Chair position, since the time of their respective appointments to the Board; and
- taking into account the new *Principles-Based Guideline on Appointment of CAFII Board Members Into Leadership Roles of Board Chair and Board Vice-Chair*, which the Board passed unanimously at our previous meeting on April 4; and, in particular, that Guideline’s principle that, all other things being equal, the CAFII Board Chair will ideally come from a financial institution distributor Member of CAFII; and the Board Vice-Chair will ideally come from an insurer/underwriter Member of the Association.

Peter Thompson advised that that assessment process had led to the identification of a well-qualified candidate for the position of Board Vice-Chair, Wally Thompson, and following an outreach to that Director on behalf of the Nominating Committee, the Committee was pleased to be able to report that it had received a confirmation of keen interest in the position and a commitment to serve in that that CAFII Officer role for a minimum of two years.

The Nominating Committee was delighted to reach such a successful outcome of its deliberations, Mr. Thompson concluded.

#### **Item 1 (f): Appointment of 2023-2024 CAFII Officers**

Peter Thompson noted that as this was the first Board meeting following the election of the Association’s Directors, the Board must now appoint the volunteer Officers of the Association for 2023-2024, with those volunteer Officer positions being Board Chair; Board Vice-Chair; Board Secretary & Executive Operations Committee Chair; Vice-Board Secretary & Vice-Executive Operations Committee Chair; and Treasurer.

He noted that Article 7.1 of the CAFII Bylaw specifies that “*the Directors shall select annually Officers of the Corporation. Except for the Executive Director, Officers shall hold their position for a period of one year.*”

Therefore, the Nominating Committee was pleased to propose the following slate of 2023-24 CAFII Officers for appointment by the Board:

Board Chair:	Peter Thompson, National Bank Insurance
Board Vice-Chair:	Wally Thompson, Manulife
Board Secretary & EOC Chair:	Rob Dobbins, Assurant Canada
Vice-Board Secretary & Vice-EOC Chair:	Karyn Kasperski, RBC Insurance Holdings Inc.
Treasurer:	Donald Hinnecke, RBC Insurance Holdings Inc.

On a motion duly made, seconded and unanimously carried, **IT WAS RESOLVED** that the CAFII Board hereby appoints the previously named individuals to the CAFII Officer positions specified, effective June 6, 2023 until the next Annual Meeting of the Association in 2024.

### **Item 2: Consent Items**

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

- a. Draft Board Meeting Minutes, April 4, 2023
- b. Summary of Board and EOC Action Items
- c. April 2023 Regulatory Update
- d. Consultations/Submissions Timetable
- e. Regulator and Policy-Maker Visit Plan Recap
- f. Committee Reports Addressing CAFII Priorities
- g. Board-Approved CAFII 2023 Schedule of Meetings and Events

And further, **IT WAS RESOLVED** that the minutes of the meeting of the Board of Directors held April 4, 2023 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: Financial Management Matters**

#### **Item 3(a): CAFII Financial Statements as at April 30/23**

CAFII Treasurer Donald Hinnecke provided an overview of the Association's financial statements as at April 30, 2023, noting that the Association's finances were in a strong position.

On a motion duly made, seconded, and unanimously carried **IT WAS RESOLVED** that the CAFII financial statements as at April 30, 2023 be and are approved.

#### **Item 3(b): Forecast for CAFII 2023 Fiscal Year as at April 30/23**

CAFII Treasurer Donald Hinnecke provided an overview of the Forecast for CAFII's 2023 fiscal year as at April 30, 2023 and reported that the forecast was currently aligning very closely with the Board-approved budget for the 2023 fiscal year.

### **Item 4: Strategic and Regulatory Matters**

#### **Item 4(a): Insights Gained from May 11/23 CAFII Special Purpose Virtual Meeting with AMF on Its Definition of Complaints and Related Complaints Handling Regime; and Next Steps Arising**

Keith Martin reported that CAFII held a successful meeting on May 11/23 with the AMF on its complaints and dispute resolution Regulation, and shared the many concerns with the regulation as it stood. The AMF agreed that there was confusion about the Regulation in the marketplace and that it needed to communicate about some of the elements in the Regulation more effectively. The AMF was looking at modifications to the Regulation and offered to have a follow-up meeting with CAFII in June about it, he concluded.

**Item 4(b): Plans for June 8/23 CAFII/AMF Special Purpose Virtual Meeting on AMF Gathering of Industry Statistics on Claims Denials, and Utilization Intentions**

Keith Martin provided an overview of the approach which the CAFII representatives who would be participating in the June 8/23 Special Purpose Virtual Meeting with the AMF on its gathering of industry statistics on Debtor Life, Health and Employment (DLHE) Insurance claims denials, and its utilization intentions for those statistics planned to take in the meeting. There was agreement that it would be appropriate for CAFII to take a 'listening mode' approach to this meeting.

**Item 4(c): Responses Received from FCNB Re Restricted Insurance Representative (RIR) Licensure Deadline Extension Request and Related Rule INS-001 Compliance Issues**

Brendan Wycks provided an overview of the key deadline extension, several licensing application concessions, and numerous clarifications that CAFII had received from FCNB regarding its new Restricted Insurance Representative (RIR) licensing regime.

**Item 4(d): Insights Gained from May 8/23 CAFII Preliminary Consultation Meeting with Insurance Council of BC Re Contemplated 'Competency Model' Component of Restricted Insurance Agency Licensing Regime To Be Launched In BC**

Brendan Wycks and Keith Martin reported that CAFII's May 8/23 virtual meeting with the Insurance Council of BC regarding its contemplated 'competency model' component of the province's soon-to-be-developed Restricted Insurance Agency (RIA) licensing regime had been effective and that the Council appeared to be listening intently and open to constructive stakeholder feedback.

**Item 4(e): Insights Gained from May 8/23 BCFSa Virtual Update Meeting With CAFII Re BCFSa's Plans For Proceeding With A BC Insurer Code of Market Conduct**

Keith Martin reported that the BCFSa had significantly modified its approach to a BC Insurer Code of Market Conduct. Originally, BC intended to have a very unique version of such a Code, which is the BC version of the Fair Treatment of Customers; and intended to add two new components. BCFSa has now essentially adopted the CCIR/CISRO Guidance: Conduct of Insurance Business and Fair Treatment of Customers, with small wording modifications to reflect unique BC legislative requirements; and it has decided not to add any additional components. This is a significant modification and a win for industry, as BC's approach will now be much more aligned with existing requirements than would otherwise have been the case.

**Item 4 (f): Insights Gained from CAFII**

**-May 31/23 Liaison Meeting With Jan Seibel, Director, Insurance and Real Estate Division, Saskatchewan Financial and Consumer Affairs Authority (FCAA)**

**-June 1/23 Joint Liaison Meeting With Scott Moore, Manitoba Superintendent of Insurance; and Stacey Aubrey, Executive Director, Insurance Council of Manitoba and**

**-Approved Utilization of Results of 2022 Tracking Study on 'Consumers' Satisfaction with Credit Protection Insurance' In Presentation Deck for Regulator and Policy-Maker Liaison Meetings**

Keith Martin and Brendan Wycks provided an overview of the very successful meetings held as part of Phase 1 of the 2023 CAFII Western Canada Insurance Regulators and Policy-Makers Visits Tour. Meetings in Manitoba and Saskatchewan were collaborative, engaging, and positive. The CAFII presentation deck used provided the opportunity to share key CAFII priorities with regulators and policy-makers, and the Pollara research results were of real interest to them.

**Item 4 (g): Plans for Upcoming CAFII Liaison Meetings with BC and Alberta Insurance Regulators and Policy-Makers, June 13-15/23**

Brendan Wycks provided an overview of the meetings planned for the upcoming Phase 2 of the CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, with five meetings to be held in BC and Alberta over the course of three days, from June 13-15/23.

**Item 4 (h): Insights Gained from Recent Meetings of FSRA's Stakeholder Advisory Committee (SAC) for Life and Health Insurance**

Keith Martin reported that recent meetings of FSRA's Stakeholder Advisory Committee (SAC) for Life and Health Insurance were focused on FSRA's activities in relation to MGAs with what FSRA considered questionable sales practices. There was no discussion or concerns raised around credit protection insurance at these meetings.

**Item 5: Governance Matters**

**Item 5(a): Implementation of Board-Approved "New CAFII Management Structure (Post-2023)"**

Keith Martin thanked the Board for approving a budget to receive recruitment support from Managing Matters in relation to the hiring of two new staff at CAFII. The job descriptions were complete and CAFII was now planning to post the jobs and begin the recruitment and interview process. The Board and EOC would be kept informed of developments.

**Item 5(b): Outcomes of First Meeting of CAFII DEI Working Group**

Keith Martin reported that the CAFII Diversity, Equity, and Inclusion Working Group had recently held its first meeting and was developing a plan for its activities going forward.

**Item 5(c): CAFII-Requested Proposal from Operatic Agency for Development of New Back-End to CAFII Website**

Keith Martin reported that the back-end of the CAFII website, which is essentially an intranet, operates using Drupal, a software program that is not well-supported and which needs regular updates. At this time, the intention is to request an allocation as part of the 2024 Operating Budget to replace the backend with a more user-friendly site. But that if the site crashes over the course of 2023 and it is too costly to bring it back up, it may be necessary to expedite the replacement process and request of the Board a budget to do this project in 2023, he concluded.

*[Action Item: If necessary, request from the Board a financial provision, outside of the approved 2023 Operating Budget, for a partial rebuild of the CAFII back-end website in 2023; K. Martin, 2023.]*

**Item 5 (d): Plans for Immediately Ensuing June 6/23 CAFII Reception Event**

Brendan Wycks reported that CBA President and CEO Anthony Ostler would be making a speech at the CAFII Reception event that would immediately follow this Board meeting.

**Item 6: Meeting Termination**

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