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**Regulatory Update – CAFII Executive Operations Committee, 25 October, 2021**

Prepared by Keith Martin, CAFII Co-Executive Director

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## Federal/National

### Financial Consumer Agency of Canada (FCAC)

#### *Investment Executive Reviews Impact of New Federal Regulations in Relation to Bill C-86 Around Bank Customers and Complaints Procedures*

Investment Executive reported on 20 September, 2021 that “Consumers may soon be getting more protection as new federal rules aim to improve customers’ treatment at the hands of their banks,” noting that “In mid-August, the federal government published long-awaited regulations that represent the final step in a new consumer protection framework for the banking sector, which began with legislative changes in 2018.” In 2018, the Canadian Bankers Association stated that it “supports proposed FCAC enhancements.”

The new rules will take place on 30 June, 2022. There is a significant new obligation requiring banks to resolve customer complaints within 56 days (eight weeks). Current FCAC guidance calls on banks to address consumer complaints within 90 days. An FCAC review published in February 2020 found that only two of the Big Six banks took fewer than 90 days on average to resolve complaints that were elevated to their senior complaints officers (as opposed to easy-to-resolve issues that could be addressed by banks’ front-line staff). One of the other banks averaged 207 days to address these more complex complaints, and the overall average for the Big Six was 130 days.

The FCAC’s review pointed to several reasons for these prolonged timelines, including the banks’ practice of directing initial complaints to lower levels in the complaints-handling process, requiring clients to jump through bureaucratic hoops before reaching dedicated complaints personnel. The review noted that about 80% of complaints are handled this way.

When customers’ grievances do reach complaints officers, the FCAC’s review found the officers often don’t have direct access to the banks’ records, slowing investigations because they must rely on busy branch personnel to help collect information on the complaint’s merits. Moreover, if a customer’s complaint is found to be valid, the officers rarely have the authority to impose a resolution. Even when a complaints officer sides with the consumer, the officer has to persuade the unit that’s at fault to provide redress.

“This process can lead to delays as the [officer] negotiates with the business line,” the FCAC’s review found, noting that while the amount of money at stake may be negligible to the bank overall, the amount can be significant for the unit responsible for paying back a complainant. While such negotiations are playing out behind the scenes, customers are kept in the dark and grow frustrated with the process, FCAC’s review found. “This type of delay can undermine consumers’ confidence in the fairness and objectivity of banks’ [complaints-handling],” the FCAC’s report stated.

Meanwhile, delays can compound consumers' troubles. The FCAC's report noted that some of the most common consumer issues involve retrieving funds, unauthorized transactions and alleged fraudulent account access — all time-sensitive issues.

"The impact of these problems can grow more acute with each hour that passes before the bank addresses them," the FCAC stated. Aggrieved consumers can end up facing late-payment charges, insufficient-funds fees or debt defaults that ultimately harm the consumers' credit rating while they pursue complaints with their bank.

As a result, many complainants are left to begrudgingly accept redress they view as inadequate or simply abandon their complaint altogether. The FCAC review found "the length of time it takes banks to resolve complaints is an important cause of attrition."

The new timeline requirements aim to bring the banks' complaints-handling processes in line with international standards. The new 56-day standard matches requirements for banks in the U.K., but is less stringent than the 45-day limit in Australia.

The Department of Finance Canada considered those jurisdictions' rules when setting the new standards, noting in its analysis that "timely resolution" of consumer complaints is considered best practice under the G20's principles for consumer protection in the financial services industry.

Finance estimated that bringing complaints-handling times down to 56 days from the current average of 130 days will cost the banking sector approximately \$19.4 million over 10 years. The projected costs relate largely to added staffing in the banks' complaints departments. In the meantime, the federal government also is reviewing the banking sector's external dispute resolution system — where client complaints can land when the banks' internal process fails.

In July, Finance launched a review of the existing system, which allows banks to choose between approved dispute resolution providers (the Ombudsman for Banking Services and Investments or ADR Chambers Banking Ombuds Office). The review, which runs until Oct. 14, aims to strengthen the system amid concerns that allowing competing services adds complexity, hampers consumers' access and undermines trust in the process.

The Liberals' election platform states the party will establish "a single, independent ombudsperson for handling consumer complaints involving banks, with the power to impose binding arbitration."

Whether reforms to the external complaints system emerge from the consultation remains to be seen. But an overhaul of that framework, combined with tough new deadlines for internal complaints processes, could lead to improved consumer protection when dealing with the Big Six.

The full Investment Executive report can be found at:

<https://www.investmentexecutive.com/newspaper/news-newspaper/more-protection-for-bank-customers-coming-next-year/>

## Canadian Council of Insurance Regulators (CCIR)

*The Canadian Council of Insurance Regulators (CCIR) Releases “CCIR Cooperative Fair Treatment of Customers (FTC) Review—Consolidated Observations Report”*

On 12 October, 2021 CCIR sent CAFII an email to share the just-released “CCIR Cooperative Fair Treatment of Customers (FTC) Review – Consolidated Observations Report.” The report begins by noting that

*FTC principles have a broad impact on the reputation of not only individual companies, but the reputation and confidence of the financial system as a whole. Adherence to FTC is an end-to-end process and the insurer must take it into consideration at each stage of the product life-cycle. Strong integrated risk management in the form of monitoring and supervision must also be used to ensure FTC principles are being followed. (Page 4.)*

The review identifies issues that the CCIR found in seven key areas of FTC, and provides recommendations around how to address those concerns. The high level findings in the seven areas in question are:

### 1. **Corporate Governance and Culture in relation to FTC**

- *The roles and responsibilities specifically related to FTC were not always clearly defined.*
- *The current policies and procedures were not fully evaluated to assess if pertinent FTC elements were incorporated, and no action plans were in place to implement and operationalize the FTC elements.*
- *There was no consolidated reporting that assesses the insurers’ overall performance with respect to FTC.*
- *There were no procedures to ensure that agents were reviewing the insurers’ code of conduct on an ongoing basis.*

## **2. Agent Training and Outsourcing/Delegating Arrangements**

- *The contractual agreements or supporting documentation between insurers and intermediaries<sup>2</sup> did not outline detailed expectations regarding their roles and responsibilities.*
- *There were no mechanisms in place to provide reasonable assurance that independent agent training was being completed, or intermediaries understood and fulfilled their delegated training responsibilities.*

## **3. Incentive Management and Remuneration Structure**

- *The structure of incentive programs reviewed predominantly contained sales-related quantitative elements and the application of qualitative criteria based on FTC was not formalized.*
- *There were no supervision processes over incentive programs used or developed by intermediaries.*

## **4. Product Design, Marketing, and Advertising**

- *There were no formal and established processes for ongoing and periodic reviews of marketing materials provided to intermediaries and consumers.*
- *There were no FTC components implemented in the product design and marketing procedures.*

## **5. Information Provided to Consumers**

- *There were no mechanisms in place or formal procedures provided to agents as guidance on what should be distributed to consumers.*

## **6. Claims Examination and Settlement**

- *The claims process was not always explained in a complete and accessible manner.*

## **7. Complaints Examination and Dispute Settlement**

- *Insurers' reporting of complaints was not being done in accordance with Annual Statement on Market Conduct (ASMC) requirements.*
- *The complaints handling policies and procedures were not always simple, accessible, and complete.*

*CCIR Chair Frank Chong (BCFSA) Steps Down, is Replaced by Robert Bradley (Superintendent of Insurance, PEI)*

In an October 1, 2021 email to Brendan Wycks, CCIR Secretariat staff member Tony Toy confirmed that Frank Chong from BCFSA had stepped down as CCIR Chair. CCIR announced on 7 October, 2021 in a news release that Robert Bradley, Superintendent of Insurance for Prince Edward Island, was taking over the role of CCIR Chair.

The press release noted:

*Mr. Bradley, Superintendent of Insurance for Prince Edward Island, has been a longstanding member and Vice Chair of CCIR. With 25 years of regulatory experience, Mr. Bradley is also a member of the Canadian Insurance Services Regulatory Organizations (CISRO) and a founding Member Director of the General Insurance Statistical Agency (GISA). Mr. Bradley's career has also included engagement in the audit and taxation divisions of a major chartered accounting firm, in Toronto, and senior positions in both the health care and regulated energy sectors.*

*"I am very honoured to be elected as CCIR Chair. For over 100 years, CCIR has been at the forefront of promoting consistent regulatory approaches across Canada. CCIR remains committed to working collaboratively with all stakeholders, including other financial services regulators, to promote efficient and effective regulatory supervision, support innovation and enhance the fair treatment of customers," said Mr. Bradley.*

On October 8, 2021 Martin Boyle, BMO Insurance and a former employee of CCIR, provided CAFII's Co-Executive Directors with the following salient insights on this development, which he has given us permission to share in this month's Regulatory Update:

*Morning Brendan and Keith,*

*For what its worth, I thought I would provide my thoughts on the potential implications for the change in CCIR Chair and what it might mean for the organization. The bullets below include my opinion based on the working relationship I had with Robert Bradley during my time with the CCIR.*

*--The transition should be quick and smooth. Robert has extensive experience on the CCIR executive committee. He is very familiar with how the group operates, its processes and requirements. He also has a longstanding relationship with the Secretariat and would understand how it operates as well (there are quirky limitations as a result of being housed within the OPS). As a result, there likely wouldn't be a "teething" process and Robert would be able to continue to move the organization forward without delay.*



*--His experience in the executive committee would mean he's also very familiar with the priorities and plans of the organization. I would not expect there to be any changes in these areas, even in terms of resourcing or timelines. The work committed to by the organization would also likely move forward without any sort of delay.*

*--Robert is from a small province that does not have significant resources to devote to the CCIR. It's largely been just his personal contributions to the CCIR from PEI. I would expect that this means the CCIR may become a little more collaborative (if that's the right word). When the Chair is from a province with a large staff, we see a significant resource commitment from that province as well. Under Patrick, the AMF was very involved in moving the work of the CCIR forward. While I would expect the AMF to remain a main contributor within the CCIR, I could see some degree of drop off in their resource commitments. This would mean other members would need to pick up the slack, but it's unlikely those resources could come from PEI.*

*--Patrick led the CCIR through a time of considerable change. He guided the regulators through the process of addressing the issues identified by the IMF, introduced the MOU and the new collaborative supervision, introduced the FTC framework and the Annual Statement. I would expect that Robert will be there to stay the course rather than steer the organization in a new direction (this works well with the limited resources he would be able to commit from PEI as well).*

*--I see Robert as a person who prioritizes stakeholder feedback and engagement. This was the case in terms of how he dealt with his counterparts from other provinces and as well as with industry. I think it's possible that we may see a return to a more open and collaborative CCIR where industry is more involved or has more opportunity to be involved (I found a few recent developments to come up short in this area).*

*Chris Carter, Vice-President, Financial Institutions and Mortgage Brokers Market Conduct, BC Financial Services Authority, Becomes the BCFSA Representative at CCIR*

CCIR has announced that Chris Carter, Vice-President, Financial Institutions and Mortgage Brokers Market Conduct at BC Financial Services Authority, will become the new CCIR representative for BCFSA.

Chris Carter will be participating in a CAFII webinar on 25 October, 2021 consisting of a three-person regulatory panel on *"Provincial Insurance Policy and Regulatory Priorities and Emerging Issues As Canada Progresses Out Of COVID-19."*



His biography follows:

*Chris Carter serves as Vice President of Financial Institutions and Mortgage Brokers Market Conduct with BC Financial Services Authority ("BCFSA"). He oversees the market conduct of B.C.'s mortgage brokers, insurance companies, credit unions, and trust companies. Chris joined BCFSA, and its predecessor the Financial Institutions Commission, in 2012.*

*During his time with BCFSA, Chris has advanced the fair treatment of British Columbians by raising marketplace conduct standards and holding industry to those standards. He has led the organization's solvency supervision of B.C.'s financial institutions. He also played a key role in the reform of real estate regulation as principal advisor to the Independent Advisory Group review of conduct and practices in the real estate industry.*

*Chris is committed to strengthening British Columbia's and Canada's financial services regulatory framework through coordination and collaboration with peer regulators and other partners. He heads a team of professionals who are committed to protecting British Columbians by identifying, investigating, and dealing with marketplace risks.*

*Prior to joining BCFSA, Chris led high-profile trade and investment development initiatives with B.C.'s Ministry of Trade and Investment. These initiatives included the rollout of the province's Asia network and the design of high-level business networking programs during the 2010 Winter Olympics. With the Government of Australia, Chris advanced Australia's international education interests through market development, bilateral relations, and policy initiatives.*

*Chris holds a Bachelor of Laws and a Bachelor of Commerce from Murdoch University in Western Australia.*

## **Canadian Health and Life Insurance Association of Canada (CLHIA)**

[\*CLHIA Issues Press Release Indicating that Life and Health Insurers Paid \\$100 Billion to Support Canadians Through the Pandemic\*](#)

The CLHIA issued a news release on 14 September, 2021 in which it announced that *Canadians received over \$97 billion in benefits from life and health insurance products in 2020, a period that included the first nine months of the COVID-19 pandemic economic slowdown. Insurers helped Canadians respond to the disruption and tragedy of the pandemic by:*

- *paying out over **\$12 billion** in prescription drug claims*
- *paying out **\$950 million** in travel insurance claims – largely for trip cancellations;*
- *paying out **\$420 million** in psychology-related claims to support mental health – up nearly a quarter from 2019; and*
- *paying out **\$154 million** in life insurance claims from deaths related to COVID-19.*

The CLHIA release was based on its latest annual “Canadian Life and Health Insurance Facts” data set, a publication of statistics that CAFII has in the past considered producing for Credit Protection Insurance statistics. The CLHIA document is available at [clhia.ca/facts](http://clhia.ca/facts).

## Canadian Association of Financial Institutions in Insurance (CAFII)

### *CAFII Holds Webinar on Climate Change and Life Insurance Implications with RGA Reinsurance*

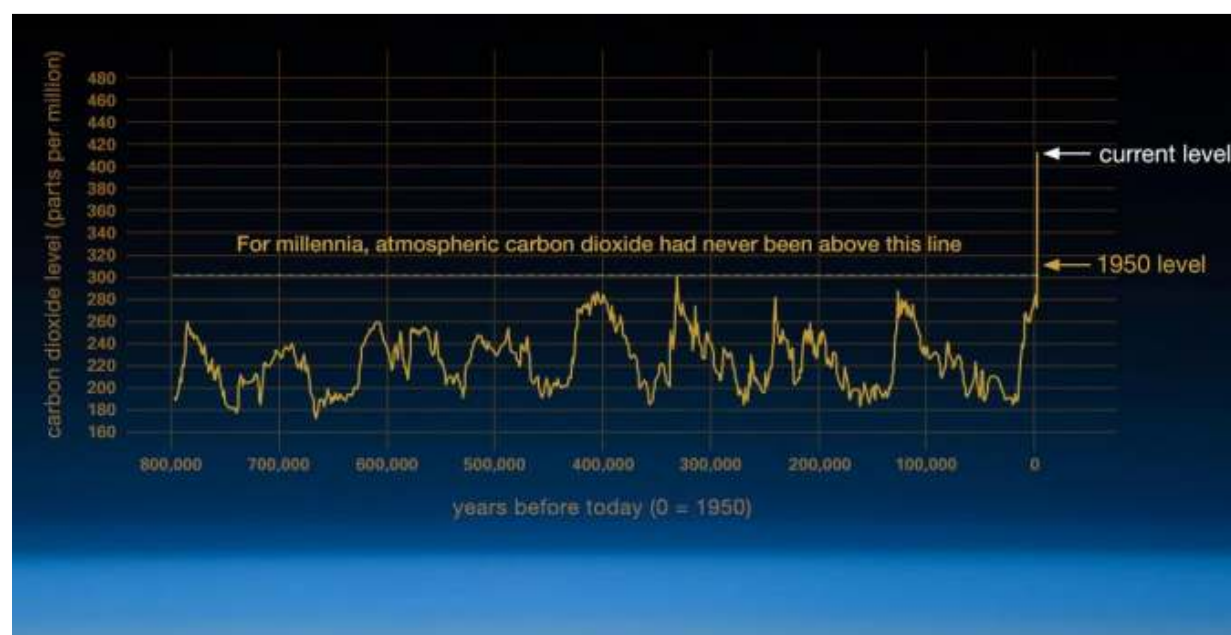
CAFII held a successful presentation from RGA Reinsurance on 29 September, 2021 on “Climate Science, Our Changing Planet, and Implications for Life Insurance.” The presentation is posted on the CAFII website.

The presenters were:

- Georgiana Willwerth-Pascutiu, VP Global Medical Director, RGA Reinsurance; and
- Chris Falkous, Vice-President and Senior Biometric Insights Actuary at RGA Reinsurance Company, situated in the UK.

The webinar began with evidence for climate change, which was viewed as undeniable, and included increased global service temperature, extreme temperatures, severe weather events (heat waves, floods, severe hurricanes, and droughts), rising sea levels, ocean acidification, shrinking ice sheets, and air pollution, with air pollution itself estimated to cause 250,000 additional deaths per year globally between 2030 and 2050 (*World Health Organization*).

### **Graph One—Atmospheric Carbon Dioxide Levels over Past Millenia**

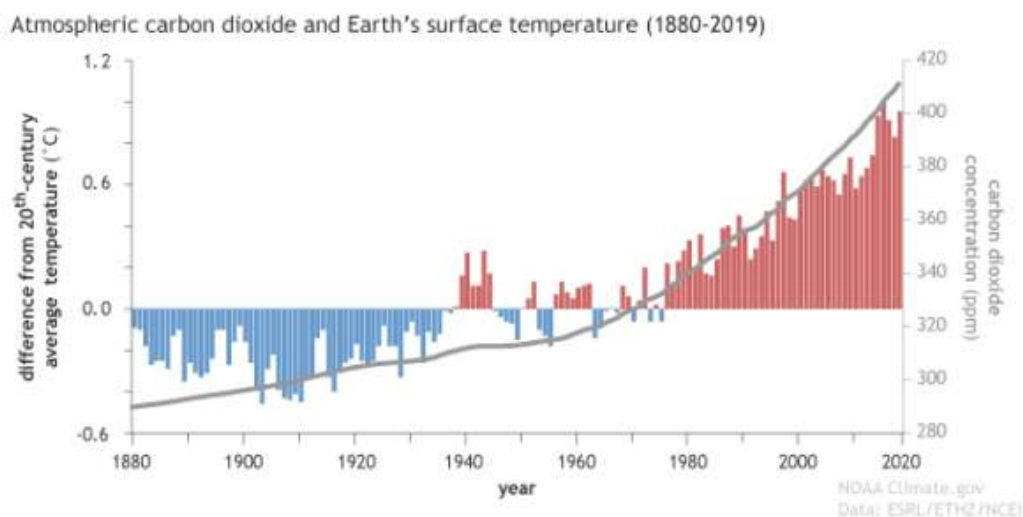


It was noted that the exact cause of climate change—natural phenomenon, or the result of human activities—will continue to be the subject of debate, and that a combination of both is the likely cause. More evidence of the reality of climate change was then presented. Graph One, above, is an example of the dramatic change that has occurred in recent decades. Most of the global warming has occurred in the past 40 years, with the seven most recent years being the warmest, and more specifically with 2016 and 2020 tied for the warmest year on record.

The presentation mentioned that global temperature and the relationship with carbon dioxide levels are also well established (see Graph Two, below). Additional factors at play are population growth, with the world population moving from 1 billion in 1800 to 7.7 billion today; and the emergence of megacities, with 3% of the world population urbanized in the 1800s, versus 69% of the world's population by 2050. A key mitigating factor in all of these trends were the industrial revolution, which began or exacerbated the world's environmental problems.

### **Graph Two--Global Temperature and Carbon Dioxide Levels**

## **Global Temperature and Carbon Dioxide**



It was pointed out that these developments have real impacts on human health. Rising temperatures, more extreme weather, rising sea levels, and increases in the levels of carbon dioxide are resulting in air pollution, increases in allergens, water quality impacts, water and food supply impacts, and general environmental degradation. In turn, this is causing human impacts like injuries, fatalities, mental health impacts, asthma, cardiovascular disease, heat-related illness, forced migration, civil conflict, malnutrition, respiratory allergies, and a host of specific diseases such as cholera, malaria, dengue, lyme disease, West Nile virus, among other impacts.

Dealing with these issues will be very challenging. There are transition risks (policy and legal risks, technology risks, market risks, and reputation risks); and physical risks related to the physical impacts of climate change due to storms, heatwaves, flooding, wildfires, air pollution, food production etc.

Specific evidence was provided on temperature as a cause of death in the human population and how that relationship worked. It was noted that this relationship depended on a lot of factors including the richness of the country that one lived in among other factors. Another key factor in human deaths is air pollution, which is listed as the fifth leading risk factor for mortality worldwide, behind poor diet, high blood pressure, tobacco use, and high blood sugar. However, it is encouraging to note that air pollution is actually on a long-term decline in rich industrialized countries.

Extreme weather events is also a cause of higher cancer risk, as wildfires for example release immense amounts of air pollutants that are known carcinogens. There was also an impact on infectious diseases, with an additional 60,000 deaths per year expected as of 2030 from malaria alone. It was also pointed out that in addition to physical impacts on human populations, climate change had an impact on people's mental health.

The presenters ended on an optimistic note, stating that human ingenuity and effort could mitigate some of these impacts and that even if the problem seems overwhelming, "Great things are done by a series of small things brought together" (Vincent Van Gogh).

Among the registrants for the webinar were the following regulators and policy-makers:

- The Autorite des marches financiers, or AMF;
- The Quebec Ministry of Finance;
- The BC Financial Services Authority, or BCFSA;
- Ministry of Finance, Government of B.C.
- The Canadian Insurance Services Regulatory Organisations, or CISRO;
- The Financial and Consumer Affairs Authority of Saskatchewan, or FCAA;
- The Financial Services Regulatory Authority of Ontario, or FSRA;
- The Government of Alberta;
- The Government of Nova Scotia; and
- The federal Office of the Superintendent of Financial Institutions, or OSFI.

## Provincial/Territorial

### British Columbia

#### Insurance Council of British Columbia

*The Insurance Council of British Columbia Releases its 2020/2021 Annual Report*

In a 28 September, 2021 email to CAFII Co-Executive Directors Keith Martin and Brendan Wycks, Brett Thibault, Director, Governance and Stakeholder Engagement of the Insurance Council of British Columbia (ICBC) states:

*It's our pleasure to share with you the Insurance Council's 2020/2021 Annual Report. This publication provides highlights from our reporting and licensing year from June 1, 2020 to May 31, 2021, including progress on our [Strategic Plan](#) goals in the first year of our three-year plan.*

*You can find the 2020/2021 Annual Report including our Financial Statement on our website at [insurancecouncilofbc.com/annualreport/](https://insurancecouncilofbc.com/annualreport/) or view the .pdf of the report [here](#).*

*Publication of this annual report is one of the ways the Insurance Council demonstrates its accountability to the public, licensees and its members and is a part of responsible governance.*

*We are able to carry out a lot of our work due to relationships with our stakeholders and partners to set standards for industry professionals that protect the public. We look forward to continuing to work with you collaboratively on matters that impact licensees and consumers.*

In her message in the report, Insurance Council of BC CEO Janet Sinclair states that:

Global events have greatly impacted British Columbians. From the pandemic to climate change, the risk of catastrophic events has increased with growing concerns over the availability and rising cost of insurance. Recognizing these challenges, we have engaged with government and stakeholders to identify and assess issues driving up insurance costs and to establish regulatory measures to mitigate where possible.

Much of the remainder of the report is dedicated to establishing the progress made in year one of the ICBC's three-year strategic plan, in particular in relation to the plan's four main goals:

1. Effective regulatory practices and support systems that meet current and emerging international standards;
2. Regulatory oversight that protects consumers and enables industry innovation;
3. Enhanced ability to support insurance consumers, licensees and government;
4. Efficient and effective access to the Insurance Council's services.

The report notes that the Insurance Council of BC oversaw 45, 536 licensees in the June 1, 2020-May 31, 2021 period, an 8.4% increase over the prior year.

## Saskatchewan

### Insurance Councils of Saskatchewan

#### *Insurance Councils of Saskatchewan Holds Meeting of the Restricted Insurance Agent Advisory Committee*

A meeting of the Insurance Council of Saskatchewan Restricted Insurance Agent Advisory Committee was held on 21 September, 2021. CAFII and CLHIA were represented at the meeting. Moira Gill (TD Insurance) acted as Chair and Charles MacLean (RBC Insurance) was elected vice-chair. The Agenda for the meeting follows:

#### **Agenda**

- Call to Order – 2:00 p.m. SK time (4:00 p.m. EdT)
- Desired Meeting Rules (Motions, Minutes, etc.)
- Approve Agenda
- Approve Minutes – June 17, 2021
- Possible Election of Vice-Chair (optional)
- Prioritization of Initial Topic List
- Initial Discussion on Top Priority Issues
- Confidentiality
- Terms of Reference
- Complaint Handling Process
- Other issues (time permitting)
- Next Meeting – To be determined
- Adjournment



### *Ron Fullan, Executive Director, Insurance Councils of Saskatchewan, Announces his Retirement*

Ron Fullan let members of the Insurance Council of Saskatchewan Restricted Insurance Agent Advisory Committee know at its 21 September, 2021 meeting of his intention to resign from his position as of 31 July, 2022.

## Ontario

### **Financial Services Regulatory Authority of Ontario (FSRA)**

#### *Swati Agrawal, Senior Manager, Market Conduct at FSRA, Discusses FSRA's Life and Health Sectoral Advisory Committee with CAFII*

On 7 October, 2021 Swati Agrawal, Senior Manager, Market Conduct, spoke on the phone with CAFII Co-Executive Director Keith Martin to discuss the 4 October, 2021 meeting of the FSRA Sectoral Advisory Committee on Life and Health Insurance, on which Keith Martin represents CAFII. The purpose of the call was to get a debrief on the meeting, what went well, and what could be improved. Mr. Martin provided generally positive feedback on the meeting in the conversation with Ms. Agrawal, which lasted about 20 minutes; and Ms. Agrawal was very positive about CAFII's participation, and preparation, at the meeting.

#### *CAFII Meets with FSRA Executives on the Life Agent Reporting Form Initiative*

CAFII's Brendan Wycks and Keith Martin met with Erica Hiemstra and her colleagues on 14 September, 2021 on FSRA's Life Agent Reporting Form Initiative. In attendance at this meeting from FSRA were:

- Erica Hiemstra, Head, Market Conduct—Insurance Conduct;
- Swati Agrawal, Senior Manager, Market Conduct – Licensing and Market Conduct Division;
- Robert Prior, Senior Manager, Market Conduct, Life and Health Insurance;
- Tim Mifflin, Senior Manager, Policy;
- Roy Dias, Senior Manager, Credentialing Oversight: Financial Advisors;
- Chris(tine) Caldarelli, Senior Policy and Technical Lead.

The meeting covered some general initiatives around LARF that FSRA was engaged in, including its approach to audits, statistical analysis, and ensuring agent compliance. A major benefit of the meeting was relationship-building.

#### *FSRA Releases its Innovation Framework and Launches a Consultation on it; CAFII to Meet with FSRA Executives on the Framework*

On 21 October, 2021 FSRA released its Innovation Framework and launched a consultation on it, with an 18 November, 2021 deadline for submissions. CAFII will be consulting with its Market Conduct Committee on the consultation and plans to make a submission. FSRA states that:



*The Financial Services Regulatory Authority of Ontario (FSRA) is committed to fostering a strong, sustainable, competitive and innovative financial services sector and to protecting the public interest.*

*Today, FSRA's Innovation Office is releasing its Innovation Framework for consultation.*

*The proposed framework outlines FSRA's regime for facilitating open dialogue with innovators and our Innovation Office. It:*

- *sets out our guiding principles and approach to innovation;*
- *describes our regulatory review process to make innovations easier for new entrants and industry incumbents; and*
- *promotes the use of test and learn environments, starting with our Auto sector, which will help introduce new products, services and business models.*

*In relation to this initiative, on 14 October, 2021 Glen Padassery, Executive Vice President, Policy and Consumer Office at FSRA, wrote CAFII's Co-Executive Directors to request a meeting at which Marlena Labieniec, the Director of the Innovation Office, will present the new Innovation Framework. It is CAFII's intention to seek a further meeting after this initial session at which CAFII members can attend and hear the details around the new Innovation Framework:*

*Hi Keith/Brendan*

*Hope all is well with you both – it was nice to see you (Keith) at the SAC meeting last week.*

*I wanted to touch base with you, as a follow up, to see whether there was interest in CAFII having a meeting with our Director of the Innovation Office (Marlena Labieniec) to get a preview of the Innovation Framework?*

*Let us know and we'll set something up.*

*Thanks*

*Glen Padassery (he/him)  
EVP, Policy and Consumer Office  
Financial Services Regulatory Authority of Ontario  
416-275-5294*

*FSRA Launches Consultation on Proposed 2022-2023 Statement of Priorities*

CAFII is drafting a submission to FSRA on its Proposed 2022-2023 Statement of Priorities. The submission will be circulated for review in October, with a deadline for submission of 29 October, 2021. To see the draft Statement of Priorities, please consult the following link:

<https://www.fsrao.ca/engagement-and-consultations/consultation-proposed-2022-2023-statement-priorities>

In relation to the Statement of Priorities, FSRA held a pre-consultation virtual meeting on 4 October, 2021 with the Life and Health Insurance Sectoral Advisory Committee (SAC) which Keith Martin represents CAFII on, at which a presentation was made with ensuing discussion on the Statement of Priorities. As well, another meeting of the SAC will be held with the FSRA Board of Directors on the Statement of Priorities on 23 November, 2021:

*Dear Stakeholder Advisory Committee members:*

We look forward to the **Life and Health Insurance Stakeholder Advisory Committee Meeting** with the FSRA Board of Directors on November 23, 2021 at 10:00 a.m.

With the public consultation period for the 2022-2023 Statement of Priorities Report closing October 29, 2021, we thank you for any feedback received.

The purpose of the upcoming meeting is to have an open dialogue on the proposed FSRA Statement of Priorities and Budget with the Board.

SAC members are encouraged to provide feedback and preparation of meeting materials is optional. If you do wish to submit a presentation or any other meeting materials on behalf of the Committee, we kindly ask that it be sent 5 days in advance of the meeting.

## Quebec

### Autorité des marchés financiers (AMF)

#### *CAFII and the AMF Hold their Annual Issues Dialogue Meeting*

On 14 September, 2021 CAFII held a virtual Industry Issues Dialogue with AMF staff executives. In attendance from the AMF were:

- Éric Jacob, Superintendent, Client Services and Distribution Oversight;
- Patrick Déry, Superintendent, Solvency;
- Louise Gauthier, Senior Director, Distribution Policy Management;
- Nathalie Sirois, Senior Director, Supervision of Insurers and Control of Right to Practise;
- Julien Reid, Senior Director, Supervision of Financial Institutions and Deposit Insurance;
- Mario Beaudoin, Director, Alternative Distribution Practices in Insurance.

CAFII and the AMF made two mini presentations each. CAFII's presentations were focused on the importance of credit protection insurance products in the marketplace, and on the strong regulatory environment for the industry, and the strong oversight of sales practices by CAFII members institutions. AMF presented on its upcoming consultations, as well as the evolving travel medical insurance industry.

### Quebec National Assembly

#### *Quebec National Assembly Officially Adopts Bill 64, Which Ushers In New Quebec Privacy Requirements*

On September 21, the Québec National Assembly officially adopted Bill 64 – ***An Act to modernize legislative provisions as regards the protection of personal information***. The Bill ushers in a number of new privacy requirements for organizations doing business in Québec. These requirements will come into force over a period of one, two and three years starting from September 22, 2021, the date of assent.

For details on the new legislative requirements, please review the bulletins by law firms Lavery, Fasken, and Torys:

<https://www.lavery.ca/en/publications/our-publications/4277-adoption-of-bill-64-what-do-public-bodies-need-to-know-.html>

<https://www.mondaq.com/canada/privacy-protection/1118692/the-beginning-of-a-new-era-for-the-private-sector-bill-64-on-the-protection-of-personal-information-has-been-adopted>

<https://www.torys.com/our-latest-thinking/publications/2021/10/bill-64s-adoption-confirms-overhaul-of-quebec-private-sector-privacy-law>