

**CAFII Board Meeting Minutes
Wednesday, December 4, 2013**

**Location: BMO Insurance
First Canadian Place, 100 King St. W, 68th Floor, Walker Room
Toronto, ON**

Present:	Julie Barker-Merz	BMO Insurance	
	Mark Cummings	ScotiaLife Financial	<i>Chair</i>
	Dave Minor	TD Insurance	
	Rick Lancaster	CIBC Insurance	
	Isaac Sananes	Canadian Premier Life Insurance Co.	
	Linda Fiset	Desjardins Financial Security Life Assurance	
	Vivianne Gauci	AMEX Bank of Canada	
	Richard Hebert	National Bank Insurance Co.	
	Rino D'Onofrio	RBC Insurance	
	Bob Zanussi	Assurant Solutions	
EOC Present:	Rose Beckford	ScotiaLife Financial	
	Charles Blaquiere	Canadian Premier Life Insurance Co.	
	Emily Brown	BMO Insurance	
	Andre Duval	Desjardins Financial Security Life Assurance	
	Matthew Fabian	BMO Insurance	<i>Treasurer (outgoing)</i>
	Sara Gelgor	ScotiaLife Financial	
	Moirra Gill	TD Insurance	
	Greg Grant	CIBC Insurance	
	Jennifer Hines	RBC Insurance	<i>Secretary</i>
	John Lewsen	BMO Insurance	
	Sue Manson	CIBC Insurance	
	Raja Rajaram	CIBC Insurance	<i>Treasurer (incoming)</i>
	Maria Sanchez-Chung	TD Insurance	
	Paul Yeung	RBC Insurance	
Also Present:	Brendan Wycks	CAFII	<i>Executive Director</i>
	Leya Duigu	T•O Corporate Services	<i>Recording Secretary</i>
Regrets:	Brian Wise	Assurant Solutions	
	Eleanore Fang	TD Insurance	

1. Call to Order and Welcome

The meeting was called to order at 2:00 p.m. M. Cummings acted as Chair, J. Hines acted as Secretary, and L. Duigu acted as Recording Secretary.

Mr. Cummings informed Board members of some changes being tested in today's meeting format. The meeting had been divided into two parts represented by separate agendas: a Consent Agenda Meeting; and a Discussion Agenda Meeting. By way of explanation, he advised that

- a Consent Agenda is a tool used to streamline meeting procedures by grouping routine, non-controversial items together, which are then approved or simply received for the record via a single motion and vote. No discussion or debate is permitted on any item on an approved Consent Agenda; and
- in contrast, a Discussion Agenda meeting includes items which are expected to require explanation and, possibly, discussion and debate. The items on a Discussion Agenda are typically Policy Issues and Decision items, as well as reports that are to be delivered verbally or require verbal updating.

1.1. Review of CAFII Competition Guidelines

Mr. Cummings reminded members that the Competition Guidelines provided in the package were adopted at the April 3, 2008 Board of Directors meeting. The practice of reviewing the guidelines at the beginning of Board meetings was adopted to ensure that the Board's deliberations adhere to the guidelines, which were briefly summarized.

1.2. Approval of Consent Agenda

On motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

The consent agenda be approved as circulated.

2. Approval of Consent Items

On 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 beside each agenda item:

- **Regulatory Update**
- **Executive Director's Report**
- **Proposed 2014 CAFII Meeting Calendar**

IT WAS FURTHER RESOLVED that:

The Minutes of the meeting of the Board held on October 8, 2013 be and are adopted in the form presented, and that a copy of these minutes be signed and placed in the Minute Book of the Corporation.

3. Termination

On motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

The meeting be terminated at 2:10 p.m.

It was noted that the Board's Discussion Agenda Meeting would immediately follow.

Date

Chair

Recording Secretary

**CAFII Board Meeting Minutes
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 Action Items from the Meeting**

Agenda Item	Action Item	Responsible	Deadline
3.1 Customer Value Proposition of Creditor's Group Insurance Comparative Project	The Board agreed that this initiative shall proceed as follows: - DMC Committee and EOC to make recommendation/decision - CAFII Secretary Jennifer Hines to seek approval from Chair Mark Cummings and the Board of Directors via email before the next Board meeting.	DMC, EOC	Feb 18, 2014
		J. Hines	Feb 21, 2014

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	Bob Zanussi	Assurant Solutions	
 EOC Present:	 Rose Beckford	 ScotiaLife Financial	
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	Emily Brown	BMO Insurance	
	Andre Duval	Desjardins Financial Security Life Assurance	
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	Leya Duigu	T•O Corporate Services	<i>Recording Secretary</i>
 Regrets:	 Brian Wise	 Assurant Solutions	
	Eleanore Fang	TD Insurance	

1. Call to Order and Welcome

The meeting was called to order at 2:10 p.m. M. Cummings acted as Chair, J. Hines acted as Secretary, and L. Duigu acted as Recording Secretary.

1.1. Approval of Discussion Agenda

On motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

The Discussion Meeting Agenda be approved as circulated.

2. Financial Update

2.1. Financial Statements as at October 31, 2013

CAFII's bank balance remains healthy and our cash position is high because we haven't spent as budgeted on certain projects. We are in compliance with the CAFII Reserve Policy with unrestricted net assets at \$280K.

The Operating Expenses will be a little higher this year because we had accounted for the net expenses during last year's budget rather than gross expenses. The expenses related to conference calls have been reallocated to Association Operating Expenses, moved from the Networking and Events Committee budget.

Upon review of the different variable costs, we are under budget as expected. We came in under budget on the 15th Anniversary Celebration and Media and Advocacy Committee projects, to name a couple of examples; and we are currently at 54% of budget, well under where we were at the same point in time last year.

Membership fees haven't changed since the last meeting with all members being fully paid except the two Associate Members who resigned earlier in the year.

3. Policy Issues and Decision Items

3.1. Customer Value Proposition of Creditor's Group Insurance Comparative Project

CAFII did a study in 2009-10 entitled "A Comparison of Creditor's Group Mortgage Life & Disability Insurance and Equivalent Individual Insurance," using 2008 data. This project is an initiative of the Distribution and Market Conduct Committee, chaired by Sue Manson.

At the last Board meeting, the committee was asked to seek competitive quotes on the project as well as to review the quote received from Avalon Actuarial. The committee presented the results to the EOC during its meeting last week and it was decided to return to each of the three bidders to resolve some outstanding questions before making a decision. Ms. Manson summarised the EOC discussion and the results of the review process.

Action: The Board agreed that this initiative shall proceed as follows:

- DMC Committee and EOC to make recommendation/decision; and
- CAFII Secretary Jennifer Hines to seek approval from Chair Mark Cummings and, subsequently, the Board of Directors via email before the next Board meeting.

Sue Manson, Emily Brown and Brendan Wycks were recognized for their work on this initiative to date.

3.2. Revised CAFII Communications Strategy

The CAFII Communications Strategy was presented and discussed during the previous Board meeting. Directors were happy with the proposal around the regulators audience, but requested some revisions to the media and public/consumer interest group audiences.

Brendan Wycks summarised the subsequent changes to the Communications Strategy, referencing a high level summary included in today's meeting materials.

It was noted that the Communications Committee of the Board needed to be resurrected and its role in the Association's Media Protocol process articulated.

In terms of external communications with media and public/consumer interest groups, there was Board consensus that the focus should be on educating them of the benefits of creditor insurance and maintaining a positive and consistent message.

3.3. Proposed 2014 CAFII Operating Budget [in-camera]

Outgoing Treasurer Matthew Fabian reviewed the proposed 2014 CAFII Operating Budget (new Treasurer Raja Rajaram will take on accountability for the budget going forward).

In discussion, the Board asked the EOC to ensure that CAFII has the capacity to execute on the initiatives budgeted for under each of the Working Committees.

Under Management Fees, it was noted that there were outstanding matters to be dealt with related to Executive Director Salary and T.O Corporate Services fees; and depending upon decisions to be made in this area, this line item in the 2014 budget could be impacted.

On motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

The 2014 Budget be approved as presented, and in the event that further changes are required, these could be brought back to the Board of Directors for approval (via email).

4. Regulatory Visits

4.1. Regulatory Visit Plan 2013 and 2014

Brendan Wycks summarised the Regulatory Visits Plan based on the document that had been circulated.

- Alberta: Joanne Abrams, CEO of the Alberta Insurance Council, is considering setting up a Council of restricted license holders. The EOC will be setting up a meeting with her to discuss this and offer assistance.
- Manitoba: After the previous Board meeting, it was determined that a meeting with the Minister of Finance should be requested in light of recent developments regarding the province's draft Regulation for an Incidental Sellers of Insurance licensing regime. Our main issues include the requirement to provide a detailed roster on a regular basis and maintenance of the education and professional development of restricted license holders generally.

5. Committee Reports Addressing CAFII Priorities (2013 and 2014):

5.1. Licensing Efficiency Issues Committee

5.1.1. Representation for Restricted license Holders in Saskatchewan

Moirra Gill reported that Saskatchewan has recently decided to take a step back and consider what principles they can use for a number of advisory or similar committees in the Council's

governance structure. Once determined, they will begin setting up the committee recommended recently by CAFII.

5.2. Distribution and Market Conduct Committee

A couple of projects are coming to fruition in 2014 and future initiatives will be determined in the coming months.

5.3. Media and Advocacy Strategy Committee

Brendan Wycks provided the Board with a brief update on the Media and Advocacy Committee's initiatives including CAFII's Communications Strategy which has been the major focus of the committee to date.

5.4. Events and Networking Committee

5.4.1. December 4 Reception and Launch of New CAFII Logo and Visual Identity

CAFII will be launching its new logo and visual identity at tonight's reception. The new logo will be displayed on signage and business cards have been created for CAFII Board and EOC members. In addition, CAFII will be giving out pens, key chains and coasters emblazoned with the new logo to each guest tonight.

A photographer has been secured for tonight's reception, who will be arriving early to take photos of the CAFII Board and EOC.

BMO Insurance was thanked for hosting today's events.

5.4.2. Speakers for 2014 CAFII Events

The 2014 Speaker line-up was included in the meeting materials. To date, two speakers have been confirmed for next year including:

- Louis Morisset, President and CEO, Autorité des marchés financiers (AMF) on April 8, 2014 in Montreal (QC). This will provide a good relationship-building opportunity for CAFII. Mr. Morisset has indicated a preference for a casual lunch followed by a discussion with the Board and EOC, as opposed to a formal presentation by him.
- Chrys Lemon, Partner, McIntyre & Lemon, PLLC on February 11, 2014 in Toronto (ON). His topic will be what's taken place in the US regarding creditor insurance and debt cancellation products in the last two years. Members are encouraged to invite members in their organizations interested in this subject matter.

Brendan Wycks, Andre Duval and Charles Blaquiere were thanked for their assistance in securing these speakers.

5.4.3. Relocation of April 8, 2014 CAFII Board Meeting to Montreal

Discussed previously under 5.4.2.

6. Other Business

6.1. CAFII Compliance with Canada Not-for-Profit Corporations Act (CNCA)

Brendan Wycks provided an update based on the memo included in the meeting package. CAFII is a federally incorporated not-for-profit corporation that must become compliant with the new legislation by filing Articles of Continuance by October 11, 2014.

CAFII is a small, uncomplicated association; however, there are still some important technical aspects that need to be considered. This is a good opportunity for CAFII to review its Bylaws and the goal is to have this completed in time for the June 2014 AGM. The legal firm we would like to work with is Fasken Martineau DuMoulin LLP, which is familiar with CAFII's Bylaws, having worked on them over the last few years.

Board members agreed that the participation of a legal firm was necessary and requested an opportunity to review the Bylaw analysis, to understand where CAFII is on-side and off-side with the CNCA.

6.2. Recognition of a Retiring Director

Board Chair Mark Cummings advised that Dave Minor would be retiring from TD Insurance within the next few months and, as a result, will be leaving the CAFII Board of Directors.

Dave has been a key player in CAFII for a number of years, serving as a Director for five years, as CAFII Chair for two years, and as Acting Chair whenever the need has arisen. He has represented CAFII at numerous regulator meetings and networking events, providing a well-respected voice for CAFII in key deliberations.

The Board thanked Dave for his many contributions and service over the years; and he was presented with a token of the Association's appreciation.

7. Termination

On motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

The meeting be terminated at 3:50 p.m.

It was noted that the next meeting of the Board would be held on Tuesday, April 8, 2014 in Montreal (QC) hosted by Desjardins.

ADDENDUM to Minutes: The next meeting of the board will be hosted by National Bank. All other details remain the same.

Date

Chair

Recording Secretary