

CAFII EOC Meeting Minutes
Tuesday, October 29, 2013
Action Items from the Meeting

Agenda Item	Action Item	Responsible	Deadline
4b. Membership Recruitment	Membership and Recruitment Plan to be developed by Brendan Wycks.	B. Wycks	April 2014
4c. 2014 Budget	M. Fabian to follow up with the respective committee chairs regarding their budget.	M. Fabian	Nov 26
8a. CNCA Transition	B. Wycks to consult with J. Lewsen and J. Poolman to review the proposals from TOCS and Carters and make a recommendation to the EOC at the next meeting.	B. Wycks	Nov 26
8b. Question about Credit Card balance insurance premiums	Reinforce relationship with CBA. Conduct introduction meetings with Randy Hopkins, Darren Hannah, Marion Wrobel and Linda Routledge. B. Wycks to reach out to CBA with S. Manson's help.	B. Wycks	December 2013
	B. Wycks to draft letter of introduction to new FCAC Commissioner and consider offering to present topics to FCAC.	B. Wycks	November 30?



CAFII EOC Meeting
Tuesday, October 29, 2013
Location: CIBC
Commerce Court, 199 Bay Street, 4th Floor, Imperial Room
Toronto, ON

Present:	Rose Beckford	ScotiaLife Financial
	Charles Blaquiere	Canadian Premier Life Insurance Co.
	Emily Brown	BMO Insurance
	Isabelle Choquette	Desjardins Financial Security Life Assurance (<i>teleconference</i>)
	Matt Fabian	BMO Insurance
	Eleanor Fang	TD Insurance
	Sara Gelgor	ScotiaLife Financial
	Moira Gill	TD Insurance (<i>by teleconference, for part</i>)
	Greg Grant	CIBC Insurance
	Jennifer Hines	RBC Insurance <i>Chair</i>
	John Lewsen	BMO Insurance (<i>for part</i>)
	Sue Manson	CIBC Insurance
	John Poolman	Assurant Solutions
	Maria Sanchez-Chung	TD Insurance (<i>teleconference</i>)
	Paul Yeung	RBC Insurance (<i>teleconference</i>)
Regrets:	Andre Duval	Desjardins Financial Security Life Assurance
	John Poolman	Assurant Solutions
Also Present:	Leya Duigu	T•O Corporate Services
	Brendan Wycks	CAFII Executive Director

1. Call to Order

The meeting was called to order at 1:05 p.m. Jennifer Hines acted as Chair and Leya Duigu acted as Recording Secretary.

2. Approval of Agenda

The agenda was approved as circulated.

3. Minutes and Action Items

a. EOC Minutes and Action Items of September 24, 2013

Proposed 2014 committee budgets are currently being developed; all other Action Items from this EOC Meeting have been completed.

b. Board Minutes and Action Items of October 8, 2013

It was noted that at this Board meeting, a Director had requested that an Executive Summary page accompany the Regulatory Update section, providing a synopsis of the entire regulatory section.

4. CAFII Financials

a. Financial Statements as at September 30, 2013

Treasurer Matt Fabian reported on CAFII's financial position, based on the September 30, 2013 financial statements included in the meeting package. The bank balance is higher than normal because we haven't yet received many of the expense invoices that we were expecting

Asset position is good. Liabilities are as expected. This year, we lost two Associate members which means we are down \$9K in revenue. M. Fabian forecasted that CAFII will have approximately \$260K in cash reserves going into 2014.

b. Membership Recruitment

During the last Board meeting, membership recruitment was highlighted as an area to be addressed. As a result, CAFII will be addressing membership recruitment and should do so based on growing the Association's industry and voice, rather than revenue. Laurentian Bank was cited as a potential member who should be approached as well as other creditor insurance distributors.

Action: Membership and Recruitment Plan to be developed by Brendan Wycks.

c. 2014 Budget

Matt Fabian noted that the focus of discussion in developing and seeking Board approval of the 2014 operating budget will be on planned committee projects and initiatives for 2014. Association operating expenses will be discussed separately. In addition, the EOC will need to discuss what to do with any cash surplus and investments at the next meeting.

It is anticipated that the new Treasurer, Raja Rajaram, will receive the necessary internal clearance from CIBC Insurance in the coming weeks. M. Fabian indicated that he is happy to continue serving as Treasurer until R. Rajaram is properly oriented.

- DMC Committee will be meeting before the next EOC meeting to discuss their proposals. Expenses for the "Customer Value Proposition of Creditor's Group Insurance Comparative Project" are projected to straddle the 2013 and 2014 fiscal years, and might total more than \$42k.

The cost of the planned Atlantic Canada Regulator Visit in Spring 2014 will be recorded and budgeted for under Provincial Regulatory Review. In future, it would be ideal for B. Wycks to conduct regulator visits in tandem with an EOC member – rather than having such visits be dependent upon the availability of a Board member -- which will provide greater flexibility with meeting times.

Regulators have acknowledged that one of CAFII's strengths has been direct access to industry representatives and therefore this is something that should be maintained.

Members agreed that B. Wycks' participation in regulator meetings has been beneficial and the quality of the briefing notes has improved over what was produced before the Association had an Executive Director in place. Any costs related to B. Wycks' regulator visits should also be budgeted in 2014.

- Licensing Committee will be meeting in the coming weeks to discuss its 2014 budget. It was also noted that an invoice is expected from Stikeman Elliott for its work conducted on the Representation for Restricted Licence Holders in Saskatchewan project.
- Media & Advocacy Committee will be discussing its 2014 budget over the coming weeks, including the Communications Strategy, future webinars, independent third party research for use in key messaging, and media training.
- Networking and Events Committee will be discussing its 2014 initiatives over the coming weeks. The issue of speakers at CAFII receptions and the annual members' luncheon was discussed and the possibility of paying for a keynote speaker was suggested.

Looking forward, the Association should consider if there are any major themes that should be looked at by the committees. M. Fabian will be reviewing the operating expenses over the next few weeks as well as touching base with the committees regarding their budgets. A draft budget will be presented at the next EOC meeting.

Action: M. Fabian to follow up with the respective committee chairs regarding their 2014 budgets.

5. Policy Issues and Decision Items

a. Possible Relocation of April 2014 or June 2014 Board Meeting to Montreal or Quebec City to Facilitate Louis Morisset's Acceptance of Speaker Invitation

B. Wycks has reached out informally to the AMF regarding Louis Morisset's availability in 2014 for a speaking engagement with CAFII in Montreal, Quebec City or Toronto. It was noted that a luncheon would bring CAFII more value than a reception. Once B. Wycks receives a response, we will proceed accordingly.

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

B. Wycks, S. Manson and E. Brown have been working on this project. Following the October 8 Board meeting, the group reached out to four companies seeking competitive bids on the project including Eckler, Towers Watson, Collins Barrow and PwC. The committee is seeking input from the four organizations before going back to Avalon.

The committee anticipates having a conclusion / decision in the coming weeks and will present a recommendation at the next EOC meeting, for discussion prior to presentation for approval at the December 4 Board meeting.

c. CAFII External Communications Strategy

B. Wycks provided a summary of the updated communications strategy document that was included in the meeting materials. Adjustments were made to media and consumer groups to be more proactive. Much of the communications activity will be framed around consumer financial literacy.

Specific Tactics:

- B. Wycks to write 3-4 short articles making the case for Creditor Insurance and Alternative Distribution (case scenarios) to have on hand for use proactively. This would be good base content when communicating with media. If it is beneficial to have statistics in the short articles, then CAFII shall include in their budget and strategy for next year, sourcing stats via a Pollara type omnibus survey. The areas that need statistics should be highlighted
- On a go forward basis, CAFII will be proactive about participating in “pen control” opportunities such as Mediaplanet supplements.
- There was support for CAFII’s participation in events related to Consumer Financial Literacy, which B. Wycks would attend along with 2-3 EOC members.

The Board’s discussion on October 8 was very beneficial in reframing CAFII’s communications strategy in a positive and proactive manner.

John Lewsen joined the meeting at 2:15 pm

6. Regulatory Updates

a. CAFII Response to New Brunswick Position Paper on “Opportunities for Reforming the Licensing Framework for Other-than-Life Insurance Agents and Brokers”

B. Wycks reported that he had contacted David Weir, New Brunswick’s Deputy Superintendent of Insurance, about this, and requested an extension of a few business days for a CAFII submission, to Tuesday, November 5. David Weir readily consented to that request.

Moir joined the call again at 2:45pm.

b. Regulatory Visit Plan

i. Joint Visit to Atlantic Canada Regulators

With the written update on this item included in the meeting materials, this matter was not discussed.

ii. CCIR “Industry Outreach Meeting” with CAFII: Wednesday, October 30, 2013

It was noted that B. Wycks had prepared a Briefing Document for this meeting, which was to take place the next day. Any additional feedback should on its content should be provided to him by 5:00 p.m. today.

7. EOC Committee Updates

a. Distribution and Market Conduct Committee

No report.

b. Licensing Efficiency Issues Committee

No report.

c. Media and Advocacy Strategy Committee

i. “Grand Launch” of New CAFII Logo on December 4, 2013

CAFII’s new logo and visual identity will be unveiled at this event.

d. Events and Networking Committee

i. End-of-Year Reception, December 4 (BMO Insurance)

The following were suggested as additions to the guest list:

- David Phillips, Credit Union Central of Canada
- Mike Swan (Walmart has set up an insurance company) Douglas Melville, OBSI
- Consider adding representatives from other Associations

ii. 2014 Speaker Suggestions

The Rotman School of Management at the University of Toronto has interesting speakers. There are also 2-3 speaker bureaus that work with Associations and B. Wycks will be reaching out to them.

8. Other Business

a. CNCA Transition

B. Wycks reported on the requirement for CAFII, as a federally incorporated non-profit corporation, to complete transitional arrangements under the Canada Non-profit Corporations Act (CNCA), noting that the Association has to file Articles of Continuance documents by October 12, 2014. He recently met with P. Smith and L.

Duigu of TOCS to review the two related proposals that were provided to CAFII last year.

B. Wycks indicated that his assessment is that it would be wise for the Association to purchase some of P. Smith's time in order to efficiently and effectively review CAFII's current Bylaw in light of the CNCA's requirements, and thereby save on legal fees. P. Smith has facilitated the CNCA compliance process with two Associations already, and she is working with an additional two Associations on the matter at this time. TOCS has proposed that CAFII engage 35 hours of P. Smith's time. However, B. Wycks feels that given his own background and expertise, the project could be completed with fewer hours of P. Smith's time, and that 21 hours would be adequate. L. Beauregard, TOCS President, is open to this and will be providing an updated proposal.

B. Wycks advised that Carters Law has significant breadth and depth of expertise in non-profit law, in particular CNCA compliance; has a cost structure, as a virtual law firm with its head office in Orangeville, Ontario, that is typically lower than the downtown Toronto law firms; and is highly regarded in the Associations sector. It was suggested that this work was not complicated and could be performed in-house. B. Wycks advised that whether or not CAFII engages some of P. Smith's time for CNCA compliance facilitation, it would be imperative to obtain legal advice from outside counsel in order to complete the Articles of Continuance process. The CNCA compliance requirement also presents a timely, transitional opportunity to modernize the Association's Bylaw and governance policies, Mr. Wycks noted.

At this time, it is important to have a small CAFII committee to work on this.

Action: B. Wycks to consult with J. Lewsen and J. Poolman to review the proposals from TOCS and Carters Law and make a recommendation to the EOC at the next meeting.

b. Question about Credit Card Balance Insurance Premiums

CAFII members were recently informed of an FCAC request regarding card creditor insurance. The request was received via the Canadian Bankers Association. CIBC Insurance has since provided a response to the CBA and CAFII members had an opportunity to provide input.

Such requests should be streamlined and CAFII should be consulted to ensure that regulators receive accurate information. Therefore, B. Wycks will reach out to Marion Wrobel and Terry Campbell on this, as insurance doesn't have a home at the CBA.

Action:

1. Reinforce relationship with CBA. Conduct introduction meetings with Randy Hopkins, Darren Hannah, Marion Wrobel and Linda Routledge. B. Wycks to reach out to CBA with S. Manson's help.
2. B. Wycks to draft a letter of introduction to new FCAC Commissioner and consider offering to present on mutually agreed-upon topics to FCAC.

9. Termination

There being no further business, the meeting terminated at 3:15 p.m. The next EOC meeting will be held on Tuesday, November 26, 2013 at 1:00 p.m. in Toronto.

Date

Chair

Recording Secretary