

**CAFII EOC Meeting Minutes  
 Tuesday, January 14, 2014  
 Action Items from the Meeting**

<b>Agenda Item</b>	<b>Action Item</b>	<b>Responsible</b>	<b>Deadline</b>
5a. Customer Value Proposition of Creditor's Group Insurance Comparative Project	<p>The DMC Committee shall elaborate on the answers to questions posed during the discussion including:</p> <ul style="list-style-type: none"> <li>• What will the final quote be with and without the additional survey information? In the event that Towers Watson is unable to secure the survey information, will the project be scaled back rather seeking the services of another supplier?</li> <li>• What can CAFII expect to receive in terms of final results?</li> </ul> <p>The revised proposal shall be circulated to the EOC for agreement before submission to the Board for approval.</p>	DMC	February 18, 2014
5b. Federal Government Consultation On A New Financial Consumer Code	The DMC to consolidate the key points and Brendan Wycks to draft CAFII's response for review by the EOC.	B. Wycks, DMC	February 28, 2014
5c. Media & Advocacy Committee	<ul style="list-style-type: none"> <li>• Brendan Wycks and Leya Duigu to work on updating the website to reflect the new logo.</li> <li>• Brendan Wycks to ensure that Regulatory Updates are posted online in the members' only area of the CAFII site.</li> </ul>	B. Wycks, L. Duigu B. Wycks	February 18, 2014
6a. CAFII Response to Second Draft of Manitoba's ISI Licensing Regime Regulation	Brendan Wycks to poll for Board member volunteers to attend a meeting with the Minister in Manitoba, once a meeting date is confirmed.	B. Wycks	January 31, 2014
6ai. Dec. 12/13 Meeting Re Representation For Restricted License Holders	<u>Next Steps:</u> CAFII to focus on completing our own analysis with legal and responding to the items which were raised during the Alberta Insurance Council meeting. Once CAFII has submitted its proposal to Alberta we will reach out to the CLHIA with the goal of including them earlier in the process and coordinating our respective efforts.	Licensing Committee	February 28, 2014

6c. LLQP Modernization	<ul style="list-style-type: none"> <li>Brendan Wycks to canvas EOC members for their availability to participate in the LLQP modernization stakeholder meetings on February 10 at 9:00 am</li> <li>CCIR activities listed on <a href="http://www.cafii.com">www.cafii.com</a> are out-of-date. Brendan Wycks to ensure this information is updated.</li> </ul>	B. Wycks  B. Wycks	January 31, 2014  February 21, 2014
6d. January 9/14 Meet Re Representation For Restricted Licence Holders	<ul style="list-style-type: none"> <li>FCAC to be added to the E-Newsletter distribution list.</li> <li>The Media &amp; Advocacy Committee to create FAQs that can be provided to the FCAC for posting on the FCAC website.</li> </ul>	L. Duigu  MAC	February 21, 2014  March 31, 2014
7a. Distribution and Market Conduct Committee	Brendan Wycks and/or members to reach out to the Ministry of Finance or FSCO members to find out more about the letter that was sent to stakeholders regarding a review of the online promotion of credit unions in insurance.	B. Wycks, DMC	February 18, 2014
7b. Licensing Efficiency Issues Committee	Brendan Wycks to work with AIC on setting up another online demo of the Canadian Insurance Participant Registry.	B. Wycks	February 21, 2014
7c. Events & Networking Committee	Brendan Wycks to connect with Chrys Lemon on the phone to provide him with background information on CAFII and the expected audience.	B. Wycks	January 24, 2014
8d. EOC and Committee Meetings 2014	<ul style="list-style-type: none"> <li>Leya Duigu to poll members for a new EOC meeting date in June due to an existing conflict on June 24, 2014.</li> <li>Leya Duigu to poll members for a new MAC meeting date in February due to an existing conflict on February 11, 2014.</li> </ul>	L. Duigu  L. Duigu	February 18, 2014  January 24, 2014

**CAFII EOC Meeting**  
**Tuesday, January 14, 2014**  
**Location: TD Insurance**  
**120 Adelaide St. W, 2<sup>nd</sup> Floor [Adelaide Room], Toronto, ON**

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

**1. Call to Order**

The meeting was called to order at 2:05 pm. Jennifer Hines acted as Chair and Leya Duigu acted as Recording Secretary.

**2. Approval of Agenda**

“Website Update” was added under the MAC Committee agenda item, and the agenda was approved as amended.

**3. Minutes and Action Items**

**a. EOC Minutes and Action Items of November 26, 2013**

The Committee reviewed the Action Items from the previous meeting.

**b. Board Minutes and Action Items of December 4, 2013**

Jennifer Hines advised EOC members that further changes would be made to the format of the next Board meeting agenda, with the goal of being more efficient. There will be one single Board meeting agenda, covering both Consent Items and Discussion Items.

Discussion Minutes:

At this time, the only outstanding item is to review the initial agreement that CAFII had with Avalon Actuarial to confirm whether Avalon has the intellectual property rights to the research and the output of the project they conducted on behalf of CAFII in 2009.

#### **4. CAFII Preliminary Financial Statements for the fiscal year ended December 31, 2013**

Reporting on the preliminary CAFII financial statements for the just completed 2013 fiscal year, which had been prepared by the Association's Controller, Treasurer Raja Rajaram reported that expenses for that year were under budget in most areas.

At this time, the 2013 financials have been closed, he advised. Some invoices are still outstanding and will be included during the audit as adjustments. The balance sheet is healthy and CAFII is within its six months of reserves policy. With respect to investments, a GIC is set to mature in May 2014 and we will address this with the EOC when it is about to mature.

Jennifer Hines updated the meeting on some outstanding matters related to the 2014 budget, following an in-camera discussion that occurred during the Board meeting on December 4, 2013. Changes were anticipated to the Management Fees and Executive Director Compensation line item only, subject to approval by the CAFII Board of Directors. The EOC will make a recommendation via email for Board approval and this is indicated in the Board Minutes of December 4, 2013.

#### **5. Policy Issues and Decision Items**

##### **a. Customer Value Proposition of Creditor's Group Insurance Comparative Project**

Sue Manson provided an update based on the Distribution and Market Conduct (DMC) Committee's recommendation document included in the meeting materials. The committee is recommending Towers Watson as the actuarial services provider to carry out the project for the reasons stated.

**Action:** DMC Committee to provide answers to questions posed by the EOC, as follows:

- What will Towers Watson's final price quote be, with and without the additional survey information? In the event that Towers Watson is unable to secure the comparative data from individual insurers, will the project will be scaled back rather seeking the services of another supplier? What can CAFII expect to receive in terms of final results?

A revised proposal from the DMC is to be circulated to the EOC for agreement before submission to the Board for approval.

##### **b. Federal Government Consultation Process For a New Consumer Code**

The DMC Committee has discussed this consultation and recommends that CAFII participate in the consultation. Two key issues stand out including the establishment of:

- i. Comprehensive rules for consumer protection.
- ii. A regulatory regime.

The existing framework is focused on prohibiting some items but does not have a broad standard on how to treat customers.

Canadian Bankers Association (CBA) Communication on this matter: Brendan Wycks to reach out to the CBA. This is a very topical issue to begin a conversation with the CBA and Sue Manson can facilitate the introductions.

**Action:** The DMC to consolidate the key points and Brendan Wycks to draft CAFII's response for review by the EOC.

**c. Media and Advocacy Committee**

A brief update on activities was provided including the communications strategy, rebranding, website and co-chairing of the committee. A volunteer is being sought for the role of committee co-chair.

**Action:** Brendan Wycks and Leya Duigu to work on updating the website to reflect the new logo.

**Action:** Brendan Wycks to ensure Regulatory Updates are posted online in the members' only area of the CAFII site.

**6. Regulatory Update**

**a. CAFII Response to Second Draft of Manitoba's ISI Licensing Regime Regulation**

CAFII submitted a response to Manitoba's second draft of the ISI Licensing Regime Regulation and to date no response has been received.

Brendan Wycks will be touching base with Scott Moore to confirm he received the submission and a meeting will be requested with Manitoba's Minister of Finance for February.

**Action:** Brendan Wycks to poll for Board and EOC member volunteers to attend a meeting with the Finance Minister in Manitoba, once a meeting date is confirmed.

**b. Alberta Insurance Council:**

**i. Dec. 12/13 Meeting Re Representation For Restricted License Holders**

Brendan Wycks provided an update on the recent meeting with Joanne Abrams of the Alberta Insurance Council based on the written summary included in the meeting materials. As a result of the discussion, the option of having a sub-council reporting to the Insurance Council was removed from the list of possibilities. Moira Gill will be contacting Stikeman Elliott to begin work on a proposal for Alberta based on the discussion and feedback received.

Next Steps: CAFII to focus on completing our own analysis with legal assistance, and responding to the items which were raised during the Alberta Insurance Council meeting. Once CAFII has submitted its proposal to Alberta, we will reach out to the CLHIA with the goal of including them earlier in the process and coordinating our respective efforts. Members agreed that this was a reasonable approach in the interests of being collaborative and partnering with a like-minded association.

**c. LLQP Modernization**

Brendan Wycks advised that, as previously communicated, CISRO's LLQP Committee would be holding one-on-one stakeholder group meetings in Toronto on Monday, February 10. CAFII had been assigned the first meeting slot of the day, from 9:00 to 10:00 a.m.

**Action:** Brendan Wycks to canvas EOC members for their availability to participate in a one-on-one stakeholder group meeting with the CISRO LLQP Committee on February 10 at 9:00 a.m.

**Action:** CCIR activities listed on [www.cafii.com](http://www.cafii.com) are out-of-date. Brendan Wycks to ensure this information is updated.

**d. January 9/14 Meeting With FCAC Representatives**

Brendan Wycks elaborated on the summary of this meeting provided in the Regulatory Update.

The meeting served as an opportunity for Brendan Wycks to meet and get acquainted with some key FCAC personnel, and an opportunity to educate those FCAC contacts about CAFII.

The FCAC representatives indicated that while they attempt to consult broadly on issues, they are open to feedback from stakeholder groups, including feedback on information that has been published online. FCAC is also open to CAFII's participation in events and is willing to advertise CAFII events on its website. In addition, they are active in consumer financial literacy education and can help arrange future speakers on that topic for CAFII events.

**Action:** FCAC to be added to the E-Newsletter distribution list.

**Action:** The Media & Advocacy Committee to create FAQs that can be provided to the FCAC for posting on the FCAC website.

**e. Regulatory Visit Plan 2014**

**i. Meeting with Manitoba Minister of Finance**

As discussed above.

**ii. Joint Visit to Atlantic Canada Regulators**

Tentative dates are currently being discussed and a meeting is expected to be confirmed shortly.

**iii. April 8/2014 Discussion with Louis Morisset, AMF CEO**

Louis Morisset has indicated a preference to have a dialogue with the CAFII Board rather than delivering a formal presentation.

Proposed Format: In-camera board lunch with Mr. Morisset including Jennifer Hines and Brendan Wycks, followed by more formal discussion/remarks with a larger group including EOC members.

**Action:** Leya Duigu to notify Richard Hebert of the proposed format of this meeting.

## 7. EOC Committee Updates

### a. Distribution and Market Conduct Committee

Moira Gill advised members of a discussion that occurred regarding CAFII's engagement in the consultation on insurance powers for credit unions. At the Insurance Brokers Association of Ontario Convention in October 2013, Premier Kathleen Wynne spoke about possibly reining in the online promotion powers of credit unions with respect to insurance, which is analogous to the same issues in the banks-in-insurance industry. The consultation process is beginning shortly and round table meetings are to be scheduled. Stakeholders were notified via a letter and, to date, CAFII has not received that letter of notification.

**Action:** Brendan Wycks to reach out to Ministry of Finance officials to find out more about the letter that was sent to stakeholders regarding a review of the online promotion powers of credit unions with respect to insurance. Distribution and Market Conduct Committee to review this issue and make a recommendation.

### b. Licensing Efficiency Issues Committee

#### i. January 8/2014 Canadian Insurance Participant Registry Demo Presentation

Only a few CAFII members were able to attend this demonstration, so the Alberta Insurance Council has agreed to provide another one online in a few weeks' time. The CIPR is still very much in beta mode and they expect it to be closer to something final by the next demonstration.

The members who did attend were impressed with the accomplishments of the AIC's small IT staff group that has been working on this. Also impressive was Alberta's leadership in this online registry initiative which they are encouraging other provinces to join. A summary of this meeting was provided in the Regulatory Update.

**Action:** Brendan Wycks to work with the Alberta Insurance Council to set up an online demo of the Canadian Insurance Participant Registry for CAFII members.

### c. Events and Networking Committee

#### 2014 Annual EOC Dinner at Momofuku

Members were reminded of tonight's EOC Annual Dinner at Momofuku.

#### February 11, 2014 Annual Members Luncheon

The Annual Members Luncheon and Speaker Forum will be held at The Law Society of Upper Canada, with Chrys Lemon of Washington D.C.-based McIntyre & Lemon PLLC as the speaker.

**Action:** Brendan Wycks to connect with Chrys Lemon on the phone to provide him with background information on CAFII and the expected audience.

## 8. Other Business

### a. EOC Member Appointment and Organizational Issues

Jennifer Hines advised members that RBC is appointing a new EOC member, Derek Blake, who will be joining the group at the next EOC meeting. Derek will also be joining the Distribution and Market Conduct Committee and would be open to joining other committees, if needed.

Moira Gill noted that the Licensing Committee would benefit from the addition of a compliance person to augment the group's expertise.

Members also discussed supplementing the existing committees with non-EOC members to help with some of the workload. During the last Board meeting, Directors discussed why several committees had not spent their 2013 budget provisions, which could be an indication that they were taking on too much with too few people.

The EOC has committed to provide a Balanced Scorecard, measuring the effectiveness of the Executive Director, the Association and T.O Corporate Services. The Board has requested a presentation on this at the next meeting on April 8, 2014. Jennifer Hines is seeking volunteers from the EOC to be involved in this initiative. They will be seeking answers to the following questions: Are we being effective and efficient in the running of the Association? What can we do to be more effective going forward?

**Volunteers: Greg Grant**

**b. CAFII Compliance with Canada Not-For-Profit Corporations Act (CNCA)**

Brendan Wycks will be meeting with Pamela Smith and Leya Duigu this coming Thursday, January 16, to begin the CNCA transition and compliance project. John Lewsen will become involved after the initial review work.

**c. Succession Planning**

The terms of office of Board Chair Marking Cummings and EOC Chair Jennifer Hines will be ending this year and, as a result, the Association needs to begin thinking about potential successors. The Nominating Committee could potentially be made up of Mark Cummings, Rick Lancaster and Rino D'Onofrio, it was suggested.

**d. EOC and Committee Meetings 2014**

**Action:** Leya Duigu to poll members for a new EOC meeting date in June due to the fact that June 24 is the St. Jean Baptise holiday in Quebec.

**Action:** Leya Duigu to poll members for a new MAC meeting date in February due to an existing conflict on February 11, 2014.

**9. Termination**

There being no further business, the meeting terminated at 4:15 p.m. The next CAFII EOC Meeting will be held on February 18, 2014, in Toronto.

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Date

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Chair

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Recording Secretary