

**CAFII EOC Meeting Minutes  
Tuesday, November 26, 2013  
Action Items from the Meeting**

Agenda Item	Action Item	Responsible	Deadline
3a. EOC Minutes and Action Items	Brendan Wycks' biography to be added to the website.	B. Wycks	December 4
4a. Customer Value Proposition of Creditor's Group Insurance Comparative Project	Sue Manson and the DMC Subcommittee to follow-up on whether CAFII has an existing legal agreement with Avalon Actuarial that would permit the Association to share the Customer Value Proposition of Creditor's Group Insurance survey instrument with other potential suppliers.	S. Manson, DMC	January 9
7b. Licensing Committee	Moira Gill to schedule a meeting with Joanne Abram of the Alberta Insurance Council in December, to discuss Representation for Restricted Licence Holders in that province.	M. Gill	December 7
7c. Events and Networking Committee	<p><u>Holiday Season Reception, December 4</u></p> <ul style="list-style-type: none"> <li>Leya Duigu to continue providing the list of guests to the reception hosts.</li> <li>Leya Duigu to secure a tribute/retirement CAFII gift for Dave Minor, for presentation during the Board meeting.</li> <li>Leya Duigu to notify guests that a photographer will be in attendance at the Holiday Season Reception.</li> </ul> <p><u>2014 Speaker Suggestions</u></p> <ul style="list-style-type: none"> <li>Brendan Wycks to send official invitation to Chrys Lemon confirming his speaking engagement on February 11, 2014.</li> <li>Leya Duigu to confirm the Law Society of Upper Canada as the venue for the Annual Members Luncheon on February 11, 2014 and look into the possibility of getting a tour of the facility for our guest speaker.</li> </ul>	<p>L. Duigu</p> <p>L. Duigu</p> <p>B. Wycks</p> <p>L. Duigu</p>	<p>Ongoing</p> <p>December 3</p> <p>December 3</p> <p>December 19</p> <p>December 6</p>
8b. CNCA Transition	Leya Duigu and Pamela Smith to notify Fasken Martineau of decision to proceed with them based on an amended proposal.	L. Duigu, P. Smith	December 31, 2013

**CAFII EOC Meeting**  
**Tuesday, November 26, 2013**  
**Location: CIBC Insurance**  
**Commerce Court, 199 Bay Street, 4th Floor, Imperial Room**  
**Toronto, ON**

<b>Present:</b>	Rose Beckford	ScotiaLife Financial
	Charles Blaquiere	Canadian Premier Life Insurance Co.
	Andre Duval	Desjardins Financial Security Life Assurance
	Matt Fabian	BMO Insurance <i>(for part)</i>
	Sara Gelgor	ScotiaLife Financial, <i>Chair</i>
	Moira Gill	TD Insurance <i>(for part)</i>
	Maria Sanchez-Chung	TD Insurance <i>(by teleconference)</i>
	Brian Wise	Assurant Solutions <i>(by teleconference)</i>
	Paul Yeung	RBC Insurance <i>(for part)</i>

<b>Regrets:</b>	Emily Brown	BMO Insurance
	Eleanore Fang	TD Insurance
	Greg Grant	CIBC Insurance
	Jennifer Hines	RBC Insurance
	John Lewsen	BMO Insurance
	Sue Manson	CIBC Insurance

<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 1:15 pm. Sara Gelgor acted as Chair and Leya Duigu acted as Recording Secretary.

**2. Approval of Agenda**

Paul Yeung advised that he would have to depart the meeting at 3:00 p.m., so asked that the Events and Networking Committee items be dealt with before then. With that time consideration for management of the meeting to be kept in mind, the agenda was approved as circulated.

**3. Minutes and Action Items**

**a. EOC Minutes and Action Items of October 29, 2013**

**Action:** Brendan Wycks' biography to be added to the CAFII website.

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

At Sara Gelgor's request, Brendan Wycks provided an overview of the Action Items from the October 8, 2013 Board meeting.

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

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

Brendan Wycks provided a verbal update on the progress report document that had been circulated on behalf of the Distribution and Market Conduct Subcommittee leading this project. The subcommittee was seeking EOC approval at that November 26 meeting, so that a recommendation could be put forward to the Board next week.

Following the Board direction received on October 8, 2013, four other firms were approached for competitive quotes and Avalon was asked to revisit its proposal. Three of the four new firms approached decided to submit proposals. Each company was provided with the same information, so the wide variation in pricing in the three proposals received was surprising.

The subcommittee had discussed and ranked the proposals placing Collins Barrow (\$25K) first and Avalon (\$40) second. Collins Barrow does an annual comparative study on creditor insurance which can support our study in lieu of the Munich Re statistics. Members discussed whether it would be permissible and prudent to provide an alternate provider such as Collins Barrow with a copy of the survey instrument developed by Avalon Actuarial from the last time the project was carried out.

It was suggested and agreed that before proceeding with a recommendation to the Board, the subcommittee needed to

- i. determine whether CAFII has an existing legal agreement with Avalon Actuarial that would permit the Association to share the Customer Value Proposition of Creditor's Group Insurance survey instrument with other potential suppliers;
- ii. probe further into the expertise and bench strength of Collins Barrow's team, as it is believed that the Dion Durrell firm had lost a number of its senior, experienced personnel prior to its acquisition by Collins Barrow.

It was suggested and agreed that if after addressing these questions, the DMC Subcommittee feels that it is in a position to bring forward a recommendation to the Board, then a quick e-mail update to that end should be sent to the EOC.

Action: Sue Manson and the DMC Subcommittee to determine whether CAFII has an existing legal agreement with Avalon Actuarial that would permit the Association to share the Customer Value Proposition of Creditor's Group Insurance survey instrument with other potential suppliers; and probe further into the expertise and bench strength of Collins Barrow's team.

*Moira Gill and Matt Fabian joined the meeting at 1:45 pm*

#### **5. CAFII Financials**

##### **a. Financial Statements as at October 31, 2013**

The bank balance is still quite good and unrestricted net assets are high.

The Statement of Operations shows CAFII at 57% of budgeted expenses with 10 months of the year completed. We are currently under budget and will be entering 2014 with a surplus.

The new treasurer, Raja Rajaram of CIBC Insurance, was appointed at the last board meeting and will be in attendance at the next Board meeting on December 4, 2013.

**b. 2014 Operating Budget**

Matt Fabian has reached out to most of the committees regarding their budgets. Overall, there hasn't been too much change from 2013 to 2014.

Federal Financial Reform, currently under the Licensing Efficiency Issues Committee, has been a placeholder for a number of years at the request of the Board. Looking forward, we should consider possible networking opportunities with federal regulators to prepare us to engage on the next round of federal financial reform.

A number of CAFII EOC members will be attending the CLHIA conference in Ottawa in May, so this might be a good opportunity to meet with Department of Finance and/or FCAC officials.

**6. Regulatory Updates**

Sara Gelgor notified members that there will be a change in the approach to the Board meeting agenda next week. The meeting has been divided into two distinct parts and will be managed through two different agendas, a Consent Agenda and a Discussion Agenda.

The goal of this approach is to dispense quickly with items that should have been read prior to the meeting and therefore require little or no discussion and thereby create ample time to have discussions on topics of more importance.

Typical Consent Agenda items will include those that relate to Regulatory meetings that have been summarized in a written document. It was suggested that the following items were appropriate to be subsumed within a written Regulatory Update or Executive Director's Report, which would be Consent agenda items.

- CCIR "Industry Outreach Meeting" October 30, 2013
- CLHIA Consumer Complaints Officer Section Fall Seminar
- FSCO 6th Annual Symposium for Life and Health Insurance Sector
- LLQP Modernization
- CCIR Final Position Paper – Electronic Commerce in Insurance Products
- Regulatory Visit Plan 2013 and 2014

**7. EOC Committee Updates**

**a. Distribution and Market Conduct Committee**

No additional update.

**b. Licensing Efficiency Issues Committee**

- Manitoba: It is important to find out why Manitoba is not harmonizing with Alberta and Saskatchewan on a few key items in its draft ISI Regulation. With respect to the meeting

request letter to Minister of Finance Stan Struthers that Brendan Wycks has drafted, it was suggested that a phone call be placed to the Minister's Chief of Staff just prior to sending the letter, so that it will be expected and a response can be prioritized.

**Action:** Arising from Brendan Wycks' recent lunch discussion with Joanne Abram when she was in Toronto, Moira Gill to schedule a meeting with Ms. Abram in December, when Moira will be in Edmonton, to discuss Representation for Restricted Licence Holders in Alberta.

#### **c. Events and Networking Committee**

- i. Holiday Season Reception, December 4 (Hosted by BMO Insurance)  
To date, 99 acceptances have been received for this Reception, at which CAFII will be unveiling its new logo and visual identity.

Paul Yeung noted some additional potential invitees, and promised to follow-up with Leya Duigu with their names and contact information. A photographer has been scheduled to attend the event and can take group photos of the Board and EOC prior to the Reception.

**Action:** Leya Duigu to continue providing the list of guests to the reception hosts.

**Action:** Leya Duigu to secure a tribute/retirement CAFII gift for Dave Minor, for presentation during the December 4 Board meeting.

**Action:** Leya Duigu to notify guests that a photographer will be in attendance at the Holiday Season Reception.

- ii. 2014 Speaker Suggestions  
Two speakers have been confirmed for next year thus far:
- iii. Annual Members Luncheon, February 11, 2014  
Chrys Lemon, Partner, McIntyre & Lemon, PLLC. Three potential venues for this event were suggested, and it was decided that it should be held at the Law Society of Upper Canada.
- iv. Board Meeting and Luncheon, April 8, 2014  
The meeting will be held in Montreal with Louis Morisset, President and CEO, Autorité des marchés financiers (AMF). The proposed format will be a luncheon followed by an informal discussion with Louis Morisset; and then the CAFII Board meeting.

**Action:** Brenda Wycks to send an official invitation to Chrys Lemon, confirming his speaking engagement on February 11, 2014.

**Action:** Leya Duigu to confirm the Law Society of Upper Canada for the Annual Members Luncheon on February 11, 2013 and look into options for getting a tour for the guest speaker.

#### **d. Media and Advocacy Strategy Committee**

- i. CAFII External Communications Strategy Update  
Brendan Wycks highlighted the updates that have occurred to the Communications Strategy since the last Board meeting, as set out in the summary document provided.

The revised sections of the Communications Plan will be presented to the Board of Directors for approval on December 4.

Acting Chair Sara Gelgor then facilitated an EOC feedback discussion on the draft Media and Advocacy budget for 2014, which had been prepared by Brendan Wycks. The results of that discussion were as follows:

- Under Enhanced Regulator/Policy-Maker Visit Plan, remove the “Quebec” item since that regulatory visit in 2014 will be in conjunction with the CAFII Board meeting to be held on April 8 in Montreal, and the Board/EOC/AGM Expense section will cover those costs (reduction: \$2,000);
- for Attendance at industry conferences, symposia, and events where regulators and policy-makers to be present, reduce provision to \$1,000 (reduction: \$2,000);
- re “Did You Know?” CAFII video on Creditor Insurance, remove this item altogether (reduction: \$8,000);
- re “Research/monitoring, selective contact, and possible engagement with . . .,” combine the non-FI Creditor Insurance providers and the Consumer Interest Groups lines into one single line item with a provision of \$1,500 (reduction: \$2,500); and
- re Participation in profile-raising & credibility-enhancing opportunities around Consumer Financial Literacy, remove this item altogether (reduction: \$5,000).

Therefore, the total reduction was \$19,500, which adjusted the expenses in the 2014 proposed MAC Budget from \$73,500 to \$54,000, as compared to a 2013 MAC budget of \$32,000.

## **8. Other Business**

### **a. Draft 2014 Schedule of CAFII Meetings**

The 2014 meeting calendar, including committee meeting dates, was included in the meeting package for review.

### **b. CNCA Transition**

Brendan Wycks advised that he, John Lewsen and Leya Duigu had a conference call to discuss CAFII’s compliance with the Canada Non-Profit Corporations Act. Based on the proposals presented, John Lewsen recommended that:

- Pamela Smith be engaged to facilitate CAFII’s CNCA compliance process, in her capacity as Governance Officer of TO Corporate Services; and
- Fasken Martineau DuMoulin LLP be engaged to provide legal counsel on the project; and further clarification be sought on their proposal and the optional items listed.

The CNCA Compliance Working Group will include John Lewsen, Brendan Wycks, Leya Duigu, Pamela Smith, and tentatively Brian Wise.

**Action:** Leya Duigu and Pamela Smith to notify Fasken Martineau DuMoulin LLP of the decision to proceed with them based on an amended proposal.

## 9. Termination

There being no further business, the meeting terminated at 3:50 p.m. The next CAFII EOC Meeting will be held on January 14, 2014, and will be immediately followed by the Annual EOC Dinner at Momofuku restaurant.

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Date

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Chair

\_\_\_\_\_  
Recording Secretary