

CAFII EOC Meeting Minutes
Thursday, September 24, 2013
Action Items from the Meeting

Agenda Item	Action Item	Responsible	Deadline
5b. Proposed Revised Cheque Signing Authority	Brendan Wycks and Sara Gelgor to vet the Proposed Revised Cheque Signing Authority Policy with Board Chair Mark Cummings as part of the Board meeting script review and meeting preparation discussion.	B. Wycks; S. Gelgor	Before Oct 8 Board meeting
6. Regulatory Update	Brendan Wycks to provide a Regulatory Update Report for future EOC and Board meetings.	B. Wycks	Ongoing
7a. CAFII Priorities by Committee	Committee Chairs to identify their 2014 initiatives and budget requirements as soon as possible, as development of the 2014 Operating Budget will commence in late October.	Committee Chairs	ASAP
7d. Media and Advocacy Committee	Leya Duigu to provide an update on the posting of the consumer testimonials to the CAFII website at the next EOC meeting.	L. Duigu	October 29
7e. Events and Networking Committee	L. Duigu to forward the Draft Schedule of 2014 CAFII Meetings to the EOC.	L. Duigu	ASAP



CAFII EOC Meeting
Tuesday, September 24, 2013
Location: ScotiaLife Financial
100 Yonge Street, 4th Floor
Toronto, ON

Present:	Rose Beckford	ScotiaLife Financial
	Charles Blaquiere	Canadian Premier Life Insurance Co.
	Emily Brown	BMO Insurance
	Andre Duval	Desjardins Financial Security Life Assurance
	Sara Gelgor	ScotiaLife Financial
	Moirra Gill	TD Insurance
	Greg Grant	CIBC Insurance
	Jennifer Hines	RBC Insurance (<i>for part</i>)
	John Lewsen	BMO Insurance
	John Poolman	Assurant Solutions
	Maria Sanchez-Chung	MBNA Bank of Canada (<i>teleconference</i>)
	Paul Yeung	RBC Insurance

Regrets:	Sue Manson	CIBC Insurance
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Also Present:	Pamela Smith	T•O Corporate Services
	Brendan Wycks	CAFII Executive Director

1. Call to Order

The meeting was called to order at 1:05 p.m. Brendan Wycks acted as Chair during the initial absence of Jennifer Hines; and Pamela Smith acted as Recording Secretary. Upon her arrival at the meeting, Jennifer Hines assumed the role of Chair.

2. Approval of Agenda

The agenda was approved as circulated.

3. Minutes and Action Items

The minutes of the EOC meeting held August 22, 2013 were reviewed and approved as circulated. The Action Items from that meeting were reviewed.

4. CAFII Financials

a. Nominees for CAFII Treasurer

Brendan Wycks reported that Matthew Fabian, BMO Insurance, had resigned as CAFII Treasurer due to a change in his employment position at BMO. A new Treasurer is therefore being sought from a member Financial Institution other than BMO, RBC or ScotiaLife. This is an urgent need as the Treasurer needs to be appointed at the next Board meeting scheduled on October 8, 2013.

- b. CAFII Financial Statements as at August 31, 2013
Brendan Wycks referred members to the financial statements as at August 31, 2013, noting among other things:
- Concerning the Balance Sheet, the \$63,550 under accounts receivable reflects membership dues outstanding.
 - Concerning the Statement of Operations, Stikeman Elliott's invoice for its counsel on the Representation for Restricted Insurance Agent Licensees in Saskatchewan initiative has not yet been received; and to date, there has been no spending related to the Avalon Project in 2013. These pending expenses will reduce the current surplus in fiscal 2013.
 - Concerning membership dues, Oliver, Wyman Consulting Limited – in addition to Swiss Reinsurance Company – has advised that it will not be renewing as an Associate member for 2013.

5. Policy Issues and Decision Items

- a. **Project Proposal and Critical Path from Avalon Actuarial for 2013 Study**
Brendan Wycks provided a verbal update based on the proposal from Avalon Actuarial received September 16, 2013.

Sue Manson, Emily Brown and Brendan Wycks have served as a sub-committee overseeing CAFII's renewal of this important comparative research study that is carried out by an independent, third party actuarial firm. They have met with Avalon Actuarial several times and, overall, are not satisfied with the resulting proposal.

EOC members suggested that it may be prudent to shop around for competitive proposals for the project. Key to the awarding of this assignment will be the successful candidate firm's ability to access the Munich Re study for comparative data on individual insurance approvals and claims rates, it was noted.

Based on EOC input, it was agreed that the subcommittee should

- investigate whether there are other actuarial firms qualified for and interested in conducting this study for CAFII;
- go back to Avalon Actuarial and ask it to sharpen its pencil, so that the project can be completed within the \$42,000 budget previously approved by the CAFII Board, regardless of which actuarial firm is selected and regardless of whether critical illness insurance is included as a point of comparison within the study; and
- consult closely with the actuarial firm selected, so that data is gathered and analyzed only for years that are critical to the study; and an efficient method is identified for validating the data from previous iterations of this study.

b. Proposed Revised Cheque Signing Authority

Brendan Wycks explained the Proposed Revised Cheque Signing Authority Policy. He noted that cheques for amounts up to \$500.00 currently require only one signature and are generally signed by Lynn Beauregard, President of TO Corp.

It was suggested that consideration be given to adding the Chair of the Board of Directors to the group of CAFII Officers with signing authority under the new policy.

Action: Brendan Wycks and Sara Gelgor to vet the Proposed Revised Cheque Signing Authority Policy with Board Chair Mark Cummings as part of the Board meeting script review and meeting preparation discussion.

6. Regulatory Updates

It was noted that the Regulatory Update Report usually prepared for EOC meetings and Board meetings had not been provided for this particular meeting. Brendan Wycks agreed to resume providing a Regulatory Update Report for each EOC and Board meeting.

Action: Brendan Wycks to provide a Regulatory Update Report for future EOC and Board meetings.

a. CAFII Response to FSCO's Modernizing Disciplinary Hearings for Insurance Agents and Adjusters

Brendan Wycks briefly highlighted CAFII's recent participation in this FSCO initiative.

b. CCIR Review of Third Party Administrators

Brendan Wycks advised that at this time, Sara Gelgor, John Lewsen, and himself were scheduled to meet with Harry James, Chair of CCIR's Agencies Regulation Committee (ARC), and Carol Shevlin on the morning of September 26 for a pre-consultation discussion about the ARC's Review of Third Party Administrators.

c. Regulatory Visits

i. September 6, 2013 Follow-up Meeting with FSCO Re Life Insurance Product Suitability Review

John Lewsen and Brendan Wycks provided a verbal report on CAFII's recent participation in this FSCO regulatory initiative, noting that Sue Manson from CIBC Insurance, Fay Coleman from TD Insurance, and Jason Beauchamp from RBC Insurance had also been involved.

ii. September 9, 2013 Pre-Consultation Discussion with FSCO Re "Modernizing Disciplinary Hearings for Insurance Agents and Adjusters"

Brendan Wycks provided a verbal report on the pre-consultation meeting that he and Sandra Loughead from RBC Insurance had had with Grant Swanson and Jim Fox of FSCO on this initiative.

Mr. Wycks also highlighted from a draft CAFII submission to FSCO on this subject that was due by September 30. Following EOC discussion, it was agreed that Mr. Wycks would refine and forward the document to the EOC for a final opportunity for review and feedback, such that CAFII's submission would be sent by September 30.

iii. Regulatory Visit Plan

- Proposed CAFII Joint Visit to Atlantic Canada Insurance Regulators. Mr. Wycks advised that this meeting will likely occur in Spring 2014, based on feedback recently received from the office of the Nova Scotia Superintendent of Insurance.
- A CAFII delegation met with Saskatchewan Insurance Council Chair Ron Fullan on July 29 in Toronto, to discuss CAFII's imminent proposal for restricted licensee representation in Saskatchewan.
- A half-day FSCO symposium for the life insurance industry is scheduled for the morning of Friday, November 22.
- The agenda for the AMF's 8th Annual Rendez-vous event in November will be posted shortly on the AMF's website.

7. EOC Committee Updates

a. CAFII Priorities by Committee

Action: Committee Chairs to identify their 2014 initiatives and budget requirements as soon as possible, as development of the 2014 Operating Budget will commence in late October.

b. Distribution and Market Conduct Committee

i. CAFII Project Next Steps

John Poolman, Co-Chair of the CAFII Project, provided a verbal update on recent progress, including plans to bring the project to conclusion via resolutions to be approved by the CAFII Board at its October 8, 2013 meeting.

c. Licensing Efficiency Issues Committee

i. Update on CAFII Proposal to Saskatchewan Re Representation for Restricted Licensees

Discussed under Regulatory Visit Plan.

ii. New Brunswick's "Opportunities for Reforming the Licensing Framework for Other-than-Life Insurance Agents and Brokers"

It was noted that certain aspects of this discussion paper relate to life insurance agents. Therefore, New Brunswick is welcoming feedback from CAFII and other life insurance-focused industry Associations. Moira Gill will speak to this matter at the next CAFII Board meeting.

d. Media and Advocacy Committee

An update on the posting of the consumer testimonials to the CAFII website was requested for the next EOC meeting in October.

Action: Leya Duigu to provide an update on the posting of the consumer testimonials to the CAFII website at the October 29, 2013 EOC meeting.

i. Update on New CAFII Logo and Visual Identity Modernization

John Lewsen, Media and Advocacy Committee Co-Chair, advised that the new CAFII logo and visual identity modernization would be presented for approval at the October 8, 2013 Board meeting.

ii. Update on Draft 2014 CAFII External Communications Strategy

Brendan Wycks advised that based on detailed input and feedback from the Media and Advocacy Committee, the Draft 2014 External Communications Strategy was being refined, and would be previewed with Board Chair Mark Cummings for his feedback before going to the Board for approval at its October 8, 2013 meeting.

e. Events and Networking Committee

- The Speaker for the Regulator Reception immediately following the October 8 Board meeting will be former Ontario Cabinet Minister John Wilkinson. This event will be operated under the Chatham House Rule, which will be explained at the Board meeting and at the Speaker Event itself but will not be highlighted in the promotional communications for the event.
- The annual Festive Event (Christmas Party) has been scheduled for December 4, 2013, and will be hosted by BMO Insurance.
- New swag (i.e. pens, blackberry holders, etc.) emblazoned with the new CAFII logo will be ordered for distribution at the Holiday Season event. A budget of \$2,500 was approved for these items.
- P. Yeung and M. Sanchez-Chung requested speaker suggestions for CAFII's 2014 Regulator Receptions and the Annual Members' Luncheon in February.

Action: L. Duigu to forward the Draft Schedule of 2014 CAFII Meetings to the EOC.

8. Termination

There being no further business, the meeting terminated at 2:45 p.m. The next EOC meeting will be held on Tuesday, October 29, 2013 at 1:00 p.m. in Toronto.

Date

Chair

Recording Secretary