



CAFII Board of Directors Meeting Minutes
Tuesday, October 9, 2012
Toronto Dominion Bank Tower
66 Wellington St West, 54th Floor
Toronto, ON

Present: Julie Barker-Merz, BMO Insurance
Mark Cummings, ScotiaLife Financial
Keith Demmings, Assurant Solutions (*teleconference*) *Vice Chair*
Cathy Honor, RBC Insurance Services Inc. *Chair*
Richard Hébert, National Bank Insurance Co. (*teleconference*)
David Minor, TD Insurance
Isaac Sananes, Canadian Premier Life Insurance
Yvonne Ziomecki, AMEX Bank of Canada (*teleconference*)

EOC Present: Rose Beckford, ScotiaLife Financial
Charles Blaquerie, Canadian Premier Life Insurance
Emily Brown, BMO Insurance
Isabelle Choquette, Desjardins Financial Security Life Assurance Co. (*teleconference*)
Wayne Eccles, TD Insurance
Matthew Fabian, BMO Insurance *Treasurer*
Sara Gelgor, ScotiaLife Financial
Moira Gill, TD Insurance
Jeff Gladwish, AMEX Bank of Canada
Greg Grant, CIBC Insurance
Jennifer Hines, RBC Insurance Services
John Lewsen, BMO Insurance *Secretary*
Sue Manson, CIBC Insurance
John Poolman, Assurant Solutions (*teleconference*)
Maria Sanchez-Chung, TD Insurance
Paul Yeung, RBC

Regrets: Andre Duval, Desjardins Financial Security Life Assurance Company
Linda Fiset, Desjardins Financial Security Life Assurance Company
Rick Lancaster, CIBC Insurance

Also: Brendan Wycks, CAFII *Executive Director*
Leya Duigu, T•O Corporate Services *Recording Secretary*
Anne Riley, Lawrie Savage and Associates

1. Call to Order

The meeting was called to order at 2:00 pm. C. Honor acted as chair, J. Hines acted as secretary and L. Duigu acted as recording secretary.

2. Review of CAFII Competition Guidelines

C. Honor 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 was adopted at the start of the meetings to ensure that our activities conform to its principles, which were briefly summarized.

3. Approval of Agenda

On a motion duly made, seconded and unanimously carried.

IT WAS RESOLVED that:

The agenda be approved as presented.

4. Executive Director Recruitment Update

Following the June board meeting an EOC sub committee was convened for the purpose of finding an executive director. There was a comprehensive recruitment process and the final candidate was selected and is in attendance at today's meeting. J. Hines introduced CAFII new Executive Director, Brendan Wycks, and provided a brief overview of his credentials. B. Wycks will join CAFII Monday December 3rd, 2012. As a result Lawrie Savage & Associates will be notified that we will no longer need their services effective November 30th, 2012

C. Honor noted that it's with great sadness that A. Riley who has provided services to CAFII through Lawrie Savage for over 10 years, will no longer supporting CAFII. C. Honor highlighted her many accomplishments over the years she has worked with us which have had an impact not only on CAFII but the industry as well. A. Riley was sincerely thanked for her contribution.

5. Minutes

On a motion duly made, seconded and unanimously carried.

IT WAS RESOLVED that:

The minutes of the meeting of the board held on June 19, 2012 be adopted as amended, and that a copy of these minutes be signed and placed in the minute book of the Corporation.

6. Financial Update

6.1. August Financials

The August 31, 2012 financial statements were included in the meeting package for review. We remain in a strong cash position and deferred revenue is down.

Unrestricted net assets are up and we are within our reserve policy limits. The

statement of operations show we are in a similar position to last year. Additional invoices have been received recently and we expect to be closer to our budget by the end of the year. While the financials show that some member fees are still outstanding it was confirmed that everyone has paid and this will be reflected in the next set of financials.

The 2013 budget planning process has begun and a draft budget will be presented at the next board meeting for approval.

On a motion duly made, seconded and unanimously carried.

IT WAS RESOLVED that:

The August 2012 financial statements be and are hereby approved in the form presented.

7. Regulatory Update

7.1. Lawrie Savage Report

A. Riley presented the regulatory updated included in the meeting materials and additional discussion occurred as follows:

- FCAC. The financial toolkit is good and the Credit Card guide was excellent. They continue to consult with CAFII on information and M. Gill has been instrumental in communicating with them.
- CCIR. The webinar was a success allowing us to reach staff in the different jurisdictions. We will also explore the whether CAFIIs 15th Anniversary celebration can be aligned with the Spring meeting in Toronto. An invitation was received for CAFII to meet with CCIR Executive. Volunteers: D. Minor, C. Honor and tentatively M. Cummings. Executive Director B. Wycks shall also be in attendance.

The Lawrie Savage Regulator report was created by A. Riley and is updated for every meeting. Going forward this can become the CAFII Regulatory report under B. Wycks and a synthesized version could be produced and distributed to regulators.

Action: Communications Mandate to be reviewed at the next meeting with a view to incorporating the role of the Executive Director.

7.2. Regulator Meetings

The regulator meetings document was included in the meeting package for review.

7.3. Reports on Regulator Meetings

7.3.1. SK Insurance Council

This update will also provide an update for the Manitoba and Licensing Committee report. M. Gill reported that representation on council has been a discussion topic for some time. The councils recently confirmed that we should proceed with having our legal council draft the necessary steps. The Superintendent has consistently noted how helpful it has been working with CAFII. Saskatchewan has a new superintendent and we have yet to see a formal announcement about him.

Action: CAFII to confirm the appointment of the SK Superintendant and send a letter of introduction and congratulations.

7.3.2. MB Superintendant and Council

The council in Manitoba is very hands on and is firmly of the opinion that we should only receive a single seat, which raises concerns about the purpose of having representation if this nature. We achieved more in Saskatchewan. Concerns were raised with their licensing regime and a detailed letter was requested from CAFII outlining this for the purpose of presenting the information at the next council meeting.

7.3.3. FSCO

A delegation of CAFII members met with FSCO recently to provide an update and meet the new staff under G. Swanson. Attendees were very impressed with the individuals at the meeting who were engaged and interested in the topics discussed. It was pointed out that FSCO only sees isolated complaints and aren't able to get a sense of the total number or types of complaints that arise. CAFII has committed to following up on a call centre presentation to help them gain a better understanding of how it works. Feedback was provided on CAFII's webinar presentation of The Underserved Market noting that regulators are generally struggling with what it is and how to engage.

Action: CAFII members to follow-up on the note about total number and types of complaints.

Action: M. Gill to follow-up with G. Swanson on his request to arrange a call centre visit for FSCO staff.

8. Committee Reports on addressing CAFII Priorities

8.1. Distribution and Market Conduct Policy Committee

8.1.1. Education Curriculum / Webinars

CAFII's first webinar presentation on The Underserved Market was well attended and received by regulators. Of note was the assistance of CCIR Policy Manager, C. Shevlin, who was instrumental in helping us prepare and providing feedback. CLHIA was also prepared to assist us with delivering the presentation when we encountered technical difficulty with Adobe Connect at the last minute. It would be ideal to see how else we can utilize the software and information by holding

one-on-one meetings or discussion as well as presentations. A list of potential topics was circulated to the CCIR and social media/ecommerce has been highlighted for the next webinar presentation.

8.1.2. UK PPI

The committee was approved for some additional spending at the last board meeting to complete the survey. All members have committed to the process and the next milestone will be to complete the draft survey. The committee intends to present top line results at the December board meeting.

8.2. Media and Advocacy Strategy Committee

The committee had a number of follow-up items from the last meeting and J. Lewsen reported on each as follows.

Executive Director: The committee was tasked with preparing the executive director mandate and recruiting a candidate after the last board meeting in June. As previously noted this has been completed.

Client Testimonials: Each member institution was asked to provide testimonials that can be shared on the CAFII site.

Action: L. Duigu to send a reminder to CAFII members to submit testimonials.

A. Riley developed some potential CAFII tag lines and a handout was distributed with these ideas as it was thought the board would like to participate in brainstorming. The following suggestions were put forward:

- The ‘consumer’ is very important, therefore providing access to Canadian consumers is a theme that should be included. Key words include access, Canadians and options.
- CAFII is one of the only groups to represent all lines through all distribution channels.
- “Insurance access and options for Canadians”
- The Media & Advocacy Committee should review this in more detail to ensure the tag line aligns with CAFII’s mission statement.

Action: The committee to review and follow-up on developing a CAFII tag line with EOC.

CAFII Brochure: The committee was tasked with developing a CAFII brochure. A. Riley has produced materials and information that can be used in a brochure and it was determined that this would be an initiative for the new Executive Director complete. In addition the brochure would become part of the regulator toolkit.

CAFII Branding: The associations branding with regulators was discussed and the proposed CAFII Regulatory report would be a great place to start. In addition new tabs and content shall be added to the website.

Communications Strategy: This strategy was updated earlier this year and this would be an ideal time to refresh it, now that B. Wycks has joined the association. In addition it would be ideal to make it a standing item on the agenda.

Website: The committee to consider getting links to the CAFII website added to external sites such as FCAC.

Action: L. Duigu to circulate website statistics.

Action: Media & Advocacy Committee will continue work on noted initiatives.

8.3. Licensing Efficiency Issues Committee

See above.

8.4. Networking and Event Hosting Committee

TD Insurance was thanked for hosting today's meeting, speaker presentation and reception. Forty-six people have confirmed attendance and our speaker today is Janet Eckker, former Ontario Minister of Finance.

Going forward it is a special year for CAFII and the committee will be working on the 15th Anniversary Celebration for next year.

Members discussed ways of commemorating the occasion such as creating a video about how CAFII serves consumers. Similar examples include the LOMA video entitled The Heart of the Matter, American Council of Life Insurers and the CLHIA fact book.

The February Members luncheon and speaker series is also coming up. Suggested speakers include a presenter that can present about insurance online.

C. Honor thanked the committees and suggested that this would be an ideal time to review the committee hierarchy and work plans, in tandem with the budget planning. Looking forward top of mind thoughts regarding 2013 planning include:

- Ecommerce. As we look forward this is where the industry is going and we cannot afford to take our eyes off it. The regulators are also saying that they aren't educated in this area and would like to be.
- Credit Card Insurance survey. This issue should be raised next year. C. Honor noted that we are happy there will be results forthcoming from the PPI survey, after which we can think about how to address it.
- CAFII Branding. The Communications Strategy can include CAFII's re-branding and website launch, and coordinating the timing with the 15th Anniversary celebrations.

Action: Review of Committee Mandates to be included in the next EOC meeting to ensure the work load is distributed evenly and the right people are working on projects.

9. Other Business

2013 Meeting Calendar: Will be presented at the next board meeting in December.

New Canadian Not-for-Profit Corporations Act: We must transition by October 2014. We discussed completing this will be headed by B. Wycks with the assistance as required by T·O Corporate Services and Faskens. It has been re-prioritized into 2013.

10. Termination

On a motion duly made, seconded and unanimously carried.

IT WAS RESOLVED that:

The meeting be terminated at 3:40 pm. The next meeting of the board is on Tuesday, December 11, 2012 in Toronto , hosted by ScotiaLife Insurance. Motion passed.

Date

Chair

Recording Secretary