

***Agenda Item 3(f)(ii)***  
***September 24/19 EOC Teleconference Meeting***

**Concept Proposal For CAFII “Affiliate Membership” Category**  
**CONFIDENTIAL DRAFT ONLY (not for distribution beyond CAFII EOC and Board Members)**

**Eligibility**

Companies/organizations which are distributors and/or underwriters/manufacturers of creditor’s group insurance and/or other forms of life and health insurance sold through alternate distribution channels in Canada; and which support the mission, vision, and values of the Canadian Association of Financial Institutions in Insurance may apply for admission as a “CAFII Initiation Member.”

Affiliate Membership applicants cannot have previously been a Member of CAFII, an Initiation Member of CAFII, or an Affiliate Member of CAFII.

**Term**

CAFII Affiliate Membership status is limited to one membership year, following which the related Affiliate Membership Dues Incentive shall cease, and the Affiliate Member must transition to CAFII Initiation Member status or depart as a Member of the Association.

**Affiliate Membership Dues Incentive**

An applicant approved by the CAFII Board for Affiliate Membership status will pay, for one year only, a discounted level of Member Dues which shall be set by the Association’s Board of Directors annually at its October or late November/early December meeting.

For the balance of 2019 and for 2020, it is recommended that the level of the Affiliate Membership Dues for those calendar/membership years be set at 67% of the lower tier (<\$75 billion of corporate family financial assets) of CAFII Initiation Member Dues.

Affiliate Membership Dues for 2019 and 2020 would therefore be calculated as follows: \$22,000 X .67 = \$14,740 (normally payable in two semi-instalments of \$7,370).

In the case of an Affiliate Membership application received after March 31 in a given year, CAFII may prorate the Affiliate Membership Dues based on the number of months remaining in the year.

**Privileges and Benefits**

The privileges and benefits of CAFII Affiliate Member status shall be the following:

- participation/involvement in the Association’s Executive Operations Committee (EOC) and other committees;
- silent observer status-only at CAFII Board of Directors meetings (an Affiliate Member’s observer representative(s) may be invited to speak at a Board meeting by the Board Chair);
- input to and involvement in CAFII submissions to insurance regulators and policy-makers;

- participation/involvement in CAFII regulator and policy-maker meetings and visits tours; and
- preferred access to CAFII-commissioned research results, etc.

The following limitations on the privileges and benefits of CAFII Affiliate Membership shall apply:

- an Affiliate Member representative may not serve as Chair of the CAFII Executive Operations Committee/Secretary to the Board.

### **Application Process**

CAFII Affiliate Membership applicants must apply using the CAFII Affiliate Membership Application Form and submit the completed Form to CAFII's Co-Executive Directors; and, in addition,

- submit any additional information which may be requested on behalf of the CAFII Board of Directors; and
- undergo a review/vetting process which will include an interview between members of the applicant's senior management team and a CAFII membership review committee.

The CAFII Board of Directors will review and make a determination on all Affiliate Membership applicants, with the benefit of a recommendation from the Association's membership review committee. The decision of the CAFII Board of Directors shall be final.