

AMF

Quebec, 26 September, 2019

BY EMAIL

Mr. Keith Martin  
Co-Director, CAFII

***Re: Credit Protection Group Insurance coverage offered to Québec non-debtor spouses***

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Sir:

This letter is being sent to you by way of follow up to your letter dated 19 September as well as your 23 September 2019 telephone conversation with Madame Nathalie Sirois.

We would first of all like to point out that the expectations of the Autorité des marchés financiers (the "Autorité") with respect to existing in-force certificates has been communicated from the beginning of our work on this file. In effect, the letter sent to your members in December 2018 asked them to produce an Action Plan around their strategy to "render these products in conformity for new policies and for existing certificates." Furthermore, we then subsequently informed your members, in a 19 February 2019 letter, that we would be transmitting a letter to your members to spell out our expectations regarding in-force policies. In that regard, all of your members were informed by letter in February 2019 that "existing certificates can remain in force so long as your strategy contains means by which they will be rendered in conformity, within a reasonable delay."

With respect to the request for an additional delay to submit Action Plans with respect to existing certificates, we will offer your members a peremptory extension to **29 November, 2019**. This is the final extension and the Autorité expects that the Action Plans submitted by that deadline will include a plan to render existing certificates in conformity for each of the targeted products, within a reasonable timeframe. As already mentioned to your members, this could happen, for example, in conjunction with an event such as a renewal of a loan, or at the time that there is a change in the conditions around the use of a credit card. Statistics about the existing in-force certificates for people other than the debtor will permit the Autorité to interpret the Action Plans submitted to us. We invite each of your members to contact us, as necessary, so as to discuss the approaches being considered to ensure that they conform in a satisfactory way with our expectations.

You may, upon reception of this correspondence, inform your members of this extension of the delay for in-force certificates.

Please note that this letter shall not be interpreted in any way as the Autorité renouncing any of its rights and recourses available to it by virtue of all laws and regulations with respect to any violation, past, present, or future, on your part.

With respect,

La directrice de la surveillance prudentielle des assureurs.

Isabelle Berthiaume, CPA, CA

c.c. Mme Nathalie Sirois, directrice principale de la surveillance des assureurs et du contrôle du droit d'exercice, Autorité des marchés financiers