

***Agenda Item 4.1(iii)  
October 1/19 Board Meeting***

**From:** Keith Martin <Keith.Martin@cafii.com>

**Sent:** September-23-19 10:57 AM

**Subject:** ACTION PLAN DEADLINE TO AMF ON SPOUSAL INSURANCE DELAYED BY AT LEAST ONE MONTH TO END OF OCTOBER, 2019; POSSIBLY BY TWO MONTHS TO END OF NOVEMBER, 2019

Hello CAFII / ACIFA members,

**ACTION PLAN DEADLINE TO AMF ON SPOUSAL INSURANCE DELAYED BY AT LEAST ONE MONTH TO END OF OCTOBER, 2019; POSSIBLY BY TWO MONTHS TO END OF NOVEMBER, 2019**

I have just gotten off of a 20-minute phone call with Nathalie Sirois of the AMF on the CAFII / ACIFA request for more time for our members to develop action plans on the spousal insurance issue.

The conversation was entirely in French and Ms. Sirois was very open and forthcoming. She asked to call me Keith and for me to call her Nathalie, as opposed to using surnames.

Ms. Sirois said that she was surprised that CAFII indicated in its letter that the AMF request for Action Plans to cancel existing policies was new, as she felt that it was always a requirement and cited the 20 February, 2019 letter in which the AMF indicated that it wanted an Action Plan to bring existing policies into conformity with the existing regulatory framework within "a reasonable timeframe."

I explained to Ms. Sirois that this might be an issue of interpretation, because we did not interpret that statement and other statements to mean that existing policies had to be cancelled. It was the impression of CAFII and its members that cancellation of existing policies was not part of the original expectations.

It is here that I believe there is a "definitional" or "interpretation" issue, because Ms. Sirois said "We are not asking your members to cancel policies, we are asking your members to develop a plan to bring existing policies into conformity with the regulations." She added that this was not unilateral cancellation, it could occur over a delayed time period identified by our members' Action Plans, and it would occur at a time when there was an event that would make it opportune, like renewal, refinancing, or a change in conditions.

I responded that to not offer the coverage on a go-forward basis was entirely different from cancelling coverages that exist. Even if this occurred over a significant time period, I explained that at the end of the day this would involve cancellations and that had legal, class action, and reputational risks that our members needed time to consider and review.

Ms. Sirois said she understood and appreciated these concerns and she wanted to try to accommodate us, but four months delay was too great. She said the AMF could extend the Action Plan deadline by one month, and I indicated that in conversations with our members there was real complexity to responding to this AMF expectation, and that an extension of two months minimum would be much appreciated and would result in better quality responses. She agreed to discuss this with her colleagues and to let me know by end of week, but said that I could communicate immediately with our members that the Action Plans were **delayed, at minimum, to October 30 or November 1, 2019**. She will formally write me a letter communicating the extension by the end of this week with the exact revised date by which the Action Plans will be due.

She also asked me to be in touch with her directly if any new developments came up.

Any questions or concerns, please let me know.

--Keith

**Keith Martin**

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