

Anonymized Results Of CAFII Member Responses To Confidential Poll Re  
 “AMF Letter of Inquiry Re Selling Spousal Coverage Under Creditor Protection Insurance”: December 2018  
 Number of Respondent Members: N=8  
 (CCBPI = Credit Card Balance Protection Insurance)

Question	Do you offer business creditor coverage in Quebec which includes spousal coverage?	If yes, for how long?	Has your company recently received an AMF letter of inquiry about such spousal coverage?	If yes, what does the letter say?	Do you offer business creditor coverage, which includes spousal coverage, in other provinces?	If yes, for how long?	If yes, has your company ever received a regulatory inquiry from a province/territory other than Quebec on this matter?	View expressed on whether this issue warrants a CAFII Association-level response?
Member #1 (raised the issue)	Yes	20+ years	Yes	Offering spousal coverage is not in accordance with the Regulation as creditor doesn't hold pecuniary interest in spouse's life or health. Submit Action Plan to AMF by January 30/19	Yes, across Canada	20+ years	No	Implied that a CAFII-level response is warranted
Member #2	Yes, but it doesn't include spousal coverage. See Note 1.	N/A	No (N/A)	N/A	N/A	N/A	No (N/A)	Not addressed
Member #3	Not a business creditor coverage, but yes re a consumer CCBPI coverage for credit card holders and their spouses	20+ years	Yes	See Note 2.	No, but yes re same consumer CCBPI for credit card holders, including spouses, offered across Canada	20+ years	No, not to best of our knowledge	Not addressed
Member #4	No	N/A	N/A	N/A	No, only offer a term life product on small business loans, for single applicants only	N/A	No	Not addressed
Member #5	Yes, but it doesn't include spousal coverage. See Note 3.	N/A	No (N/A)	N/A	N/A	N/A	No (N/A)	Not addressed
Member #6	Yes	7 years	Yes	Very similar to AMF letter to Member raising the issue.	Yes	7 years	No	Yes implied.

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Member #7	Not a business creditor coverage, but yes re a consumer CCBPI coverage for credit card holders and their spouses through both (i) our CAFII Member FI client; and (ii) our own firm	(i): 25+ years; (ii) 1 year	Yes, received an AMF letter of inquiry last week re our consumer CCBPI coverage for spouses for both (i) and (ii)	Very similar to AMF letter sent to Member which raised the issue. But because we offer consumer CCBPI coverage to a spouse who is a supplementary credit card holder, AMF says that spouses do not have a pecuniary relationship with the creditor.	Yes, the same consumer CCBPI, including spousal coverage, offered in all jurisdictions (in Alberta, also offer this product through ATB Financial)	(i): 25+ years; (ii) 1 year; and ATB: 20 years	No, not to best of our knowledge	Yes: "We think an Association-level response would be appropriate"
Member #8	Not a business creditor coverage, but we distribute a consumer CCBPI coverage for credit card holders and their spouses (secondary cardholders)	Current coverage offering: 5 years; previous iteration: 25+ years	No, but our underwriter of this consumer CCBPI coverage has received an AMF letter of inquiry about the product	N/A	Yes, we distribute the same consumer CCBPI product, including spousal coverage, in all jurisdictions	Current coverage offering: 5 years; previous iteration: 25+ years	No, not to best of our knowledge	Not addressed
Member #9	Not a business creditor coverage, but yes re a consumer CCBPI coverage for credit card holders and their spouses	10+ years	Yes	Same as Members #1 and #3. Deadline for a response is same January 30, 2019	Yes, the same consumer CCBPI coverage for credit card holders and their spouses in all jurisdictions across Canada	10+ years	No, not to best of our knowledge	Yes, we believe that a CAFII-level response is warranted

1. Member #2: We offer business creditor life insurance in Quebec but it doesn't include spousal coverage. An eligibility condition is that an applicant be "liable for the credit facility, in whole or in part, either directly or as a guarantor or endorser." This is consistent with the Regulation.

2. Member #3: Letter is labeled “Distribution Without a Representative: Coverage Offered to Persons Other Than Debtors.” It says that our CCBPI products, offered other than through a representative, do not comply with Section 76 of the Regulation because they are offered to a spouse when the spouse is not a debtor, and the creditor has no pecuniary interest in the life or health of such non-debtor spouses. Letter asks for an Action Plan, including a timeline for implementing a strategy to make our products compliant for both new business and in-force certificates and for revising relevant documentation. Also asks for the total number of in-force certificates for each product and the number of certificates that include coverage for non-debtor spouses.
3. Member #5: We offer business creditor life insurance in Quebec but it doesn’t include spousal coverage. An eligibility condition is that an applicant must be one of the following: sole proprietor, partner, guarantor, shareholder with at least 10% voting rights, or a key employee.