

acifa

L'association canadienne des
institutions financières en assurance

cafii

The Canadian Association of
Financial Institutions in Insurance

CAFII/ACIFA 14 December 2023 Meeting with Yves Ouellet, President & CEO, l'Autorité des marchés financiers

*CAFII/ACIFA Mandate, Priorities,
and Key Messages*

**Making Insurance Simple and Accessible for Canadians
Rendre l'assurance simple et accessible pour les Canadiens**

ABOUT CAFII/ACIFA: Who We Are

Non-profit industry Association dedicated to development of an open and flexible insurance marketplace.

Established in 1997 to create a voice for financial institutions involved in selling insurance with a focus on credit protection insurance and travel insurance.

CAFII/ACIFA's Membership is Comprised of 8 Financial Institution (Bank and Credit Union CPI Distributors) and 7 Insurers / Underwriters of Credit Protection Insurance

Financial Institutions



Insurers



CAFII/ACIFA's Strategic Focus is on Regulatory and Policy-Making Relationship-Building

CAFII/ACIFA's predominant strategic focus and priority is relationship-building and communications with insurance regulators and policy-makers.

Yves Ouellet
Président-directeur général



CAFII/ACIFA's Regulators and Authorities We Deal With...



Legislative and Regulatory Harmonization is a Key Objective for CAFII/ACIFA



CAFII members have 31 regulators and authorities across the country



Alignment is not harmonization—slightly different regulatory regimes force company resources to have to be utilized on ‘exception management’ rather than on the consumer protection objectives sought



We believe that CCIR and CISRO – as national co-ordinating bodies – can play an enhanced, more aspirational role in promoting and achieving legislative and regulatory harmonization across Canada

Canadians are Underinsured and Uninsured

Inadequate coverage

Half of the Canadian population is neither prepared nor protected



50%

In 2019, half of Canadians
did not own life insurance coverage*

*Source: LIMRA Canadian Life Insurance Ownership Study — 2019 Person-Level Report.

CAFII/ACIFA Members Embrace and Prioritize Fair Treatment of Consumers



GUIDANCE: CONDUCT OF INSURANCE BUSINESS AND FAIR TREATMENT OF CUSTOMERS

CAFII shares regulators' objective of ensuring consumers are well-protected while also having the ability to purchase products through their channel of choice.

In an insurance industry context, it's important to note that part of the overall objective of FTC is to ensure insurers can provide support and meet consumers' expectations throughout the user experience.

Promoting and Supporting Diversity, Equity and Inclusion (DEI) – in Member Companies' Representation and Participation in Our Association – Has Become A New Key Objective for CAFII/ACIFA



CAFII members all have DEI initiatives



CAFII wants to align with the priorities of its members and ensure DEI objectives are a key consideration



This includes ensuring that volunteer leadership pipelines at CAFII take into account DEI

CAFII has created a new DEI Working Group to develop recommendations to our Board of Directors

CAFII/ACIFA Research with Pollara on Credit Protection Insurance, Mortgages and HELOCs—November 2022—Key Findings

Key Takeaways

A strong majority of Canadians who own credit protection insurance (CPI) believe that these products are an affordable, convenient and effective way of protecting themselves and their families in case of certain unexpected events

In addition, most CPI holders do not know what they would do without it should something happen to them and/or their family, further illustrating the importance of these products

CPI holders are highly satisfied with the purchase process overall and are confident in their knowledge of these products (i.e. payout amounts and policy terms)

Consumers since the pandemic are using both in-person and online means to communicate with their financial institutions

CPI holders' expectations of claim payouts are being met by the industry

This indicates that the industry is effective at educating its consumers, open and transparent with consumers at the time of purchase, and consistently delivers on its promises

CAFII/ACIFA and the AMF Have Made Significant Progress on Key Files in 2023

Over 11 meetings have been held between CAFII/ACIFA and the AMF in 2023

Superintendent of Client Services and Distribution Oversight Éric Jacob and CAFII/ACIFA Board Chair Peter Thompson have been speaking quarterly

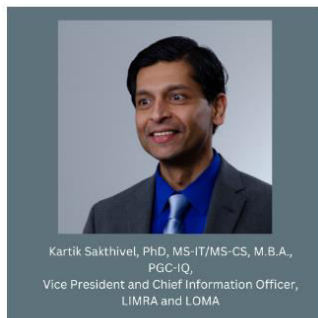


These meetings have resulted in excellent dialogue and much progress has been made on key files

Thank you!

Merci!

CAFII/ACIFA Organizes Regular Webinars and Speaker Events to Which Regulators and Policy-Makers From Across Canada are Invited



April 4, 2023

An Overarching Presentation on Important Transformations Occurring in the Life and Health Insurance Space, by Kartik Sakthivel



March 30, 2023

CAFII Webinar: Mental Health Issues in the Workplace with Paula Allen and Nigel Branker



January 26, 2023

CAFII Webinar: A Virtual Fireside Chat with Dallas Ewen and David Elder on 'Privacy'



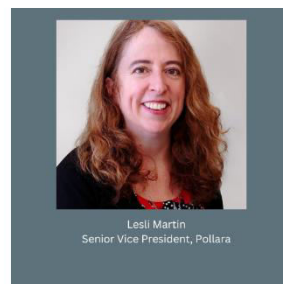
December 1, 2022

CAFII Webinar: A Fireside Chat with Blair Morrison, CEO of the British Columbia Financial Services Authority (BCFSA)



November 3, 2022

CAFII Webinar: Travel Trends and Travel Insurance Implications As Society Emerges From The Covid-19 Pandemic: A Virtual Fireside Chat with Elliott Draga, Sheila Burns, Katia Umutoiwe and David Moorcroft



October 5, 2022

CAFII Webinar: Consumer Preferences and Product Development Insights Emerging From Recent Research In Financial Services and Relevant Comparator Industries



June 29, 2022

CAFII Webinar: Best Practices In The Digitization Of Credit Protection Insurance – Presented By Deloitte



May 3, 2022

CAFII Webinar: Principles-Based Regulation (PBR); The Emergence of Rule-Making Authority, and How They Work Together: A Complementary, Harmonious Fit Or 'Dynamic Tension' For Canada's Insurance Regulators?

Technology is Having a Profound Impact on the Insurance Industry

CAFII believes future of life and health insurance industry will be marked by continued innovation and an increase in consumer demand for electronic commerce and other alternate forms of distribution.

Consumers continue to demand greater access to purchasing through digital channels, which will play an increasingly important role in meeting needs of Canadians.



Insurance is “data-hungry” and highly analytical, and new technology tools could be transformative.

Consumer Expectations are Constantly Evolving and Escalating

Consumers' high expectations for technology-based services, convenience, transparency, speed, regular engagement, and a personalized experience that reflects their needs are defining how products and services are delivered.

Their preferences and expectations are a particular challenge and opportunity for the insurance industry.



CAFII/ACIFA Supports Regulations That Embrace Electronic Commerce

CAFII believes regulatory structures should foster a harmonized, flexible, and open marketplace where consumers are able to choose how and where to purchase coverage.

Regulation should embrace the role of all insurance channels in meeting consumers' insurance needs. **COVID-19 dramatically accelerated a trend towards digital means of interacting with customers.**

