

Agenda Item 4(a)(iii)(1); October 25/22 EOC Meeting

From: Marina Makhnach <Marina.Makhnach@bcfsa.ca>
Date: October 14, 2022 at 1:40:53 PM EDT
To: Keith Martin <keith.martin@cafii.com>
Cc: Saskia Tolsma <Saskia.Tolsma@bcfsa.ca>
Subject: Follow up Questions. BCFSA Insurer Code of Market Conduct Consultation

Dear Keith:

Thank you for taking the time to provide a response to the BCFSA consultation on the Insurer Code of Conduct ("BCFSA Code").

When developing the BCFSA Code, our intention for the Code was for it to be principles-based. This is why we distilled the outcomes and expectations from the CCIR/CISRO's FTC guidance into a set of principles that insurers will be required to adhere to.

During the consultation on the BCFSA Code and supplemental guideline, industry advised BCFSA to adopt the CCIR/CISRO's FTC guidance as its Code citing concerns over harmonization and different approaches to FTC.

Currently we are trying to better understand the inconsistencies between principles included in the BCFSA Code and the CCIR/CISRO FTC Guidance. We would be grateful if CAFII could help us with this by answering the following two questions:

- Please provide specific examples of differences between the principles in BCFSA Code and CCIR/CISRO's FTC guidance that create potential compliance challenges for you.*
- BCFSA and CCIR periodically release guidance to insurers on discreet FTC issues that build on the CCIR/CISRO's FTC principles. Please explain if insurers embed the expectations from additional guidance released by regulators into their compliance regimes? If so, how (process, frequency etc.)?*

To facilitate a response to the first questions, I included a cross reference document that maps out the BCFSA Code to the CCIR/CISRO FTC Guidance. For reference, I also included the BCFSA Code that we were consulting on with the industry.

If you are willing to participate and provide a response, I am hoping to receive a feedback to the two questions by November 15, 2022, if possible.

As always, we are happy to connect and provide clarification or answer any questions you might have.

Thank you,

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