

### **Summary of CAFII's March 24 2025 Meeting with the Insurance Council of British Columbia**

On March 24, 2025, CAFII met with the Insurance Council of British Columbia again to discuss the Insurance Council's intention to review the training materials of those offering products covered by the incoming Restricted Insurance Agency (RIA) regime. The Insurance Council made it clear that they are fairly unwilling to budge on their plans to move forward with their proposed RIA regime and licensing requirements. CAFII's Research Analyst, Robyn Jennings, attended the meeting; her summary has been included below.

The meeting with the Insurance Council began with a presentation by the Council on the RIA Regime Education Program. Ugie Ifesi, Director of Licensing at the Insurance Council, explained that the aim of the program is to protect the public by understanding risks, educating representatives on their roles and responsibilities, and ensuring transparency in regulatory requirements through a standardized educational program. A standardized educational program would, in theory, provide representatives with educational information about products offered and regulatory expectations on areas like disclosure, responsibilities, etc. U. Ifesi acknowledged that the licensed individuals may have different levels of sophistication. Therefore, it wants to adopt an approach that acknowledges these differences. It is also aware that this is a new regulatory regime. He explained that it knows the accreditation program is a tested approach to standardized education programs, regardless of the sector or areas of education.

U. Ifesi explained that the Council feels that RIA representatives have gaps in product and regulatory knowledge. In BC, the government has given the Council the authority to make rules regarding qualifications and educational requirements for RIA representatives. For this reason, the Council feels it can set standards for businesses' educational requirements. CAFII's Executive Director, Keith Martin, asked if the Council received any comments from the other jurisdictions (Alberta, Manitoba, and Saskatchewan) it consulted expressing concern around the existing regimes, noting that these seemed to be working well as is. U. Ifesi said that they had received a few comments, including comments about how the education of RIA representatives could be improved. He added that some of these jurisdictions have expressed interest in hearing more about the Insurance Council's proposed regime.

After a moment of silence, U. Ifesi continued, explaining that the qualification program for accreditation is an evaluation of the various training programs offered by businesses with corporate licenses to ensure their representatives meet the standards set by the performance framework.

The purpose of the accreditation framework for BC's RIA regime is to ensure that representatives receive foundational training about the products and services they are offering. This is to ensure consistency across different licenses given to various businesses.

U. Ifesi went on to explain the differences between accreditation and attestation. Accreditation, for the Council, means that the training program meets the performance requirements while removing the ambiguity of different providers having a different understanding of the requirements. He did not define attestation under the Council, but he did explain that the Council is less concerned with businesses providing attestation regarding their representatives' training. Under the proposed RIA regime, accreditation materials would include an application designed to understand course contents and focus on the policies, procedures, and learning outcomes. The goal is to ensure the evaluations are unbiased and flexible. By assessing the delivery method, the Council aims to identify ways to reduce barriers and improve stability.

U. Ifesi stated that the Council is looking at an accreditation period of 4 years, after which the program will be reassessed to ensure businesses meet the established standards.

Once the RIA regime regulation is published, there should be about a 15-month transitional period before the Council can accept agency license applications. Businesses can obtain licenses before or after the training is approved, but the Council wants to make it clear that they want to launch the accreditation program at least 4 months after the regulation is published. When it comes to accreditation approval, the Council wants to process training materials quickly. However, the time required for review will depend on the completeness of the materials submitted and whether the course provider seeks accreditation for multiple insurance types. Regardless, to facilitate this, the Council's goal is to release simple steps and processes to ensure that businesses and course providers can easily understand the accreditation structure. K. Martin commented that, for CAFII members, which are large companies, in most cases, the course provider is the company itself. He then asked if the Council is saying that CAFII members will need to go through a process of approving the provider or is this unnecessary when the company itself is providing the training? U. Ifesi said that when the company is providing the training, the council will still need to see those training materials; companies have to demonstrate what they are doing in terms of the ways in which they are providing educational training. It doesn't matter if it is the company that makes the submission; the Council's intention is to make sure there is alignment between different companies to ensure everyone is following the same structure.

EOC Chair Karyn Kasperski asked what the Council's service-level turn-around times were for reviewing training materials that larger companies may submit. U. Ifesi replied that the goal is to review the materials as quickly as possible. He then asked what K. Kasperksi thought a responsible amount of time is, to which she responded two business days. U. Ifesi seemed surprised by this and asked if she meant to provide the information if it was received completed. K. Kasperksi clarified that what is complete is up for debate, but once the information has been received, the business should have a decision in two business days. U. Ifesi said the Council will consider two business days as a turn-around time. He did not, however, give a definitive answer as to the Council's expected deliverable timeline.

The presentation concluded with a Q&A period.

EOC Member Rebecca Saburi asked U. Ifesi could provide an example or explanation as to how the application process will look. Will it be an application form with multiple questions? Will it be submitted by email? U. Ifesi provided a convoluted answer. He explained that what the Council is trying to do depends on current systems; if the regulation is released now, it will be incorporated into the Council's current system. If it drops in a few months, it may follow a different channel. He then explained that what the Council wants to do is have an application with an email address where it will be submitted. The application itself will cover what the business is trying to do. Parts of the application will have the performance evaluation rubric so that businesses can determine if they meet the necessary requirements for the desired insurance type training. Then, businesses will be required to include the necessary documentation to prove that they are meeting the requirements. The second piece is that certain persons will be contacted to determine that representatives have the proper support during their training. U. Ifesi explained that, right now, there is a link where applicants can submit their documents. He concluded his explanation by stating that this is a simplified process when compared to other RIA regimes.

EOC Member and the Vice-Chair of the Market Conduct & Licensing Regime, Fay Coleman, asked if the training is expected to be in a set structure and format as dictated by the Council. No, U. Ifesi stated, and he then explained that how companies structure their training is up to them; the Council only cares about the content. It wants to ensure that all content is consistent between various organizations.

K. Kasperski asked what the cost of the assessment would be when it comes to reviewing the training materials. U. Ifesi explained that, at the moment, no amount has been identified. There will be a fee, but it depends on what the Council determines is appropriate. He added that, even if the Council takes a bit longer deciding a cost, the regime will still be released so that stakeholders can provide comments. K. Kasperski then asked whether, while training programs are being evaluated by the Council, that business can still operate as normal in BC. The response was that yes, businesses can continue to operate in BC during assessment.

K. Martin commented that some of the way U. Ifesi and the Council have discussed the training sounds like a traditional licensed approach in terms of courses and material requirements. Many CAFII members embed FTC and disclosure requirements into their processes and scripts. He explained that, as the Council structures their thinking about this, they take into account that some representatives are not simply taking a training course but are being prompted and supported by technology throughout the application process. U. Ifesi said that the Council is aware of this and wants companies that utilize this form of training to inform the Council. That way, the Council can know where the company is meeting the requirements even if it is through non-traditional means.

EOC Member Joanna Dybel asked about the accreditation cycle, which the Council has stated will be on a four-year cycle. U. Ifesi clarified that, every four years, the Council will reach out to see if anything within an organization's training has changed. Part of this derives from the fact that products and industry change; therefore, the Council felt four years was an appropriate amount of time to reflect potential change. If a company says that nothing has changed, then the Council will be satisfied. J. Dybel asked if things do change within the four years and the organization has amended the training accordingly, can that organization show this at the four-year mark? U. Ifesi said that the company needs to tell the Council when that happens.

EOC Member Rob Dobbins commented that the area of performance indicators is an area of concern for many. He asked, on this topic, what was used as the template to create the performance indicators. U. Ifesi asked for clarification of his question. R. Dobbins explained that the questions the Council has chosen as the performance indicators resemble more closely questions belonging to a fully-licensed individual. This begs questions around providing advice and recommendations, but these are not a part of what a representative operating under a corporate license would offer the customer.

The issue is that the current performance requirements appear to align with the requirements for a fully licensed representative who can provide advice. U. Ifesi responded by saying that the Council looked at the performance requirements broadly to recognize the different businesses and products being sold. The Council is more than happy to have another conversation about which of the performance indicators would not be applicable or relevant to CAFII members. What the Council agrees on, which is something that CAFII has expressed, is that the representative selling has to have a basic level of education. U. Ifesi said that the Council has never shut the door on CAFII's feedback or input; it wants to understand better what the issues are according to CAFII members and how they can find a middle ground. U. Ifesi added that CAFII and its members have made many comments, which the Council has taken into consideration. Simply put, this will continue to be an ongoing conversation. R. Dobbins

commented that many of the comments CAFII members have made do not seem to be showing up in the proposed regulation, so keeping the door open is definitely good to hear. He added that even terminology is impactful; U. Ifesi used the word sales, but CAFII members do not use that word; they say offered. U. Ifesi thanked R. Dobbins and said that the Council is very intentional with the language it uses.

R. Saburi asked for clarification around the expectations for attestation – is it at the time of reapplication or each time the training has been completed? U. Ifesi explained that attestation of training will happen when applying for a license. When applying, an organization needs to attest that its representatives have completed the training. That is where the attestation is captured. He did add that it might be something required at the time of renewal as well. K. Martin commented that he has heard different things about the need to demonstrate that a representative has passed the training tests. He asked for confirmation on this issue. U. Ifesi explained that the Council doesn't care about the person or the failing. This is not a traditional form of accreditation; it is about ensuring that there is a process that educates representatives.

K. Martin then asked if the Council determines that there is a gap in training, is there any restriction around the ability to provide business? His response was no, the Council does not want to be a barrier. It will work with organizations if there is a gap or any issues. Now, if the organization does not care or want to fix the issue, then that is a different conversation. Ultimately, though, the Council does not want to interrupt business. K. Kasperski remarked that, though it is nice that the Council says it does not want to interrupt business, it is currently the only regulator introducing such a laborious process with a fee attached. There needs to be more granularity around why the Council is doing this. What is happening in BC that justifies this process that is not occurring in the rest of Canada? U. Ifesi said that BC is currently and has, for many years, required this training for travel insurance representatives; it is not new to BC. The *why* is that the BC government has allowed the Council to ask for and set educational requirements for representatives, which is part of why this regime is being regulated. The Council wanted to look at opportunities to learn and clarify its expectations. The Council welcomes CAFII to talk to other jurisdictions about the gaps in their regimes to see what can be done. For BC, the Council wants to ensure a proactive management of risk. At the end of the day, it feels this is the best approach to deal with the issues it has identified.

The meeting concluded.

As a result of the meeting and coming out of an an internal meeting between CAFII staff and its members, it was agreed that CAFII should set up a special working group to tackle this issue. CAFII's Executive Director, Keith Martin, sent out the following email.

**From:** Keith Martin <keith.martin@cafii.com>  
**To:** 'Karyn Kasperski' <karyn.kasperski@rbc.com>; Burns, John  
<John.Burns@securiancanada.ca>; +26 others  
**Cc:** Lara Doig; Robyn Jennings  
**Date:** Tue 2025-03-25 1:30 PM

**Flagged**  
Hello CAFII Member,

*You are receiving this note because you attended the March 24, 2025, meeting with the Insurance Council of BC on the accreditation of training materials in their RIA regime.*

*Both the performance indicators, which include requirements that are more aligned with what a licensed individual would be expected to know, and the accreditation process, are not aligned with what other RIA regimes require and would be an extra burden for CAFII's members. I have been asked to strike a Working Group on how we can best respond to the Insurance Council of BC, and what should be our next steps.*

*At the upcoming March 25, 2025, meeting of the EOC today, we will invite EOC members who did not attend to let us know if they are interested in being on this Working Group. Meanwhile, if you are interested in participating, please let me know via email, and I will be sure to include you in the Working Group.*

*A meeting will be set up in the near future at which we will begin a discussion of how to move forward on this file.*

*Thanks,*

*--Keith*

**Keith Martin**

*Executive Director / Directeur général*

*Canadian Association of Financial Institutions in Insurance*

*L'association canadienne des institutions financières en assurance*

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A working group has now been set up, and the first meeting will be held on April 14, 2025. The members of the Working Group are:

**Members of the Working Group on the “Accreditation Process” of the Insurance Council of BC**

- Karyn Kasperski, EOC Chair, RBC Insurance (Chair of the Working Group)
- John Burns, EOC Vice Chair, Securian Canada
- Fay Coleman TD Insurance
- Rob Dobbins, Assurant
- Joanna Dybel, Scotiabank
- Lize Fourie, Canada Life
- Deirdre Kennedy, CUMIS
- Wayne Kirsh, Scotiabank
- Brad Kuiper, Scotiabank
- Sara Motamedi, TD Insurance
- Rebecca Saburi, BMO Insurance
- Bessie Paliouras, Manulife

The Agenda for the first meeting is:

**Draft Agenda for the Working Group on the “Accreditation Requirements” of the Insurance Council of BC**

1. Welcome and General Comments (Chair, Karyn Kasperski)
2. General Discussion of the Intentions of this Working Group (All)
3. Discussion of the “Performance Requirements” (All)
4. Discussion of the “Accreditation Process” (All)
5. Discussion of Insurance Council’s Comments that Trial with One Insurance Company was Not Onerous, with Intelligence on This (Keith Martin)
6. Next Steps Including Options Such as Letter to Insurance Council; Meeting with insurance Council; Letter to BC Ministry of Finance; Other Options (All)