

EOC Intelligence/Information-Sharing Re Internal Work Being Done Or Planned Re FCAC's Development of "Appropriateness Guideline" for Financial Products and Services; and Next Steps in Board-Requested EOC Engagement on This Issue

From: Keith Martin <Keith.Martin@cafii.com>
Sent: November-04-20 4:38 PM
To: EOC Members
Cc: Brendan Wycks <brendan.wycks@cafii.com>
Subject: Board Request for EOC Members To Find Out and Share What Their Organizations are Doing Internally on the Appropriateness Test

Dear EOC Member:

At the 15 October, 2020 Board meeting, the Board agreed on an Action Item calling for EOC members (especially those in banks) to gather internal company information on what their member organization was doing on the FCAC's Appropriateness Guideline; and sharing this with Brendan and me, preferably prior to the November 17/20 EOC meeting, so that we can compile the various inputs into an aggregated, anonymous summary document that we distribute prior to the 17 November EOC meeting, or failing that, during the November 17/20 EOC meeting.

A summary document outlining in more detail the status of this file is attached (*below*).

Many thanks,

--Keith

Keith Martin

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One-Pager on CAFII Board's Directive/Request To The Executive Operations Committee (EOC) on the FCAC's Looming Financial Consumer Protection Framework (FCPF)-Based Financial Products "Appropriateness Guideline"

- The CAFII Board has asked CAFII EOC members to find out what their own organization is doing on this file internally:
 - This includes finding out what different departments within the overall company (e.g. parent bank), which may be more advanced than the Insurance section of the parent bank on how to respond to an Appropriateness Guideline, have done thus far or intend to do on this file
 - This also includes seeing what work internal legal counsel within members' organizations has done thus far or intends to do on the Appropriateness Guideline
- This needs to be reported to the CAFII Co-Executive Directors who, if an EOC member(s) so desires, can present it in an anonymous, aggregated form at the 17 November/20 EOC Meeting
- There may be a need to launch an EOC Working Group on this issue (perhaps as a relaunched CCBPI Industry Best Practices Working Group, but with a special, add-on/sidebar mandate), but that would be contingent upon EOC members bringing to the table and sharing meaningful intelligence at the 17 November/20 EOC meeting, derived from their internal investigations

Excerpt From September 22/20 EOC Meeting Minutes

5.c. Briefing Documents Being Developed For CAFII Board and EOC Members On Federal Financial Consumer Protection Framework (Bill C-86) And Quebec Bills 64 and 53

K. Martin reported that CAFII management has been asked to produce a Briefing Document on the FCAC's intention to develop an "appropriateness test" for financial products, along with a separate Briefing Document on Quebec Bills 64 and 53.

M. Boyle recommended that as part of CAFII's efforts on the FCAC appropriateness test, that the Working Group on CPI Best Practices be resuscitated, with the appropriateness test added to the mandate of the Working Group. It was also noted that CAFII will reach out to the CBA to find out what work it has done on this file.

[Action Item: resuscitate the Working Group on CPI Best Practices and add the FCAC appropriateness test to its mandate; K. Martin, 31 October, 2020.]

Excerpt From October 15/20 CAFII Board Meeting Minutes

Briefing Document on Federal Bill C-86, including Financial Consumer Protection Framework (FCPF); and Related Development of "Appropriateness Guideline"

- B. Wycks and K. Martin summarized the briefing note developed for Board members on Bill C-86, including what we have learned around an appropriateness guideline that the FCAC is preparing. There was discussion about how to proceed, with a desire to get information from the CBA on what it was planning to do. It was also recommended that

the EOC should look at this issue and offer its recommendations on how best to proceed.

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[Action Item: Get EOC engaged in the issue of an FCAC Appropriateness Guideline, B. Wycks/K. Martin, 1 December 2020.]

Excerpt From October 29/20 CAFII EOC Meeting Minutes

5b. CAFII Board Directive/Request For Ongoing EOC Engagement in Monitoring FCAC's Development Of "Appropriateness Guideline" and Related Sharing of Members' Insights

K. Martin summarized the desire of the Board that the CAFII EOC gather information on what their member organizations were doing around the FCAC's looming Appropriateness Guideline, and share this with the CAFII Co-Executive Directors, who, if an EOC member(s) so desires, could present the information in an anonymous, aggregated summary. The EOC should play a leadership role on this issue, and findings should be reported back to the Board. The Board also asked the EOC to find out what work the CBA was doing on this and share this with the Co-Executive Directors.