



## **Insurance Council of Saskatchewan Restricted Insurance Agent Advisory Committee**

**Kick-off Meeting – June 17, 2021 – via Microsoft Teams**

### **Agenda**

- 1) Call to Order – 1:00 p.m. SK time (3:00 p.m. EST)**
- 2) Opening Remarks – Executive Director, ICS**
- 3) Introduction of Committee Members & Observers**
- 4) Approve Agenda**
- 5) Review of Mandate/Terms of Reference**
  - a. August 3, 2018 Joint CLHIA/CAFII Submission**
  - b. December 10, 2020 Joint CLHIA/CAFII Submission**
- 6) Confirmation of Chair/Vice-Chair (optional)**
- 7) Committee Logistics**
  - a. Frequency of Meetings**
  - b. Frequency of In-person Meetings (no earlier than 2022)**
- 8) Identification/Prioritization/Timing of Initial Topic List**  
*Members to present possible topics and speak to level of importance*
- 9) Next Meeting – To be determined**
- 10) Adjournment**



August 3, 2018

Mr. Ron Fullan  
Executive Director  
Insurance Council of Saskatchewan  
Suite 310  
2631 – 28<sup>th</sup> Avenue  
Regina, Saskatchewan S4S 6X3

Dear Mr. Fullan,

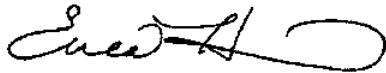
On behalf of the Canadian Life and Health Insurance Association (CLHIA) and the Canadian Association of Financial Institutions in Insurance (CAFII), we are pleased to provide our joint proposal for a Restricted Insurance Agent Advisory Committee (RIA Advisory Committee) of the Saskatchewan Insurance Councils.

As you will recall at our meeting on October 27, 2017, we expressed our support for an RIA Advisory Committee that would ensure the Councils have the benefit of expert information and advice when dealing with issues involving restricted insurance agents. At the time, you had requested that the CLHIA and CAFII develop a joint proposal for consideration.

We have since met with members of CLHIA and CAFII to develop a proposal that sets out the principles upon which we recommend establishing an RIA Advisory Committee. We believe that the RIA Advisory Committee itself may be in the best position to determine how the committee will be managed, but offer some details for consideration in the attached suggested Terms of Reference.

The CLHIA and CAFII appreciate the opportunity to provide this joint proposal for your consideration. We would be pleased to discuss our proposal in more detail at your convenience.

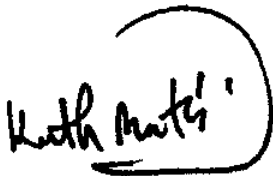
Sincerely,



Assistant Vice President, Distribution  
Canadian Life and Health Insurance Association



Brendan Wycks  
Co-Executive Director  
Canadian Association of Financial Institutions in Insurance



Keith Martin  
Co-Executive Director  
Canadian Association of Financial Institutions in Insurance

## **CLHIA and CAFII's Joint Proposal for a Restricted Insurance Agent Advisory Committee of the Saskatchewan Insurance Councils**

### **Mandate**

The RIA Advisory Committee will provide subject matter expertise to the Saskatchewan Life Council and General Council regarding Restricted Insurance Agents (RIAs). The Advisory Committee may also provide advice regarding the operational efficiency and effectiveness of regulations related to RIAs.

The RIA Advisory Committee will not advocate on behalf of the industry.

### **Scope**

The RIA Advisory Committee will provide the Councils and/or Executive Director with advice and information on RIA-relevant issues, including:

- Information on relevant products and distribution channels;
- The consumer needs for which RIA-distributed products are designed;
- Impact of Council decisions on RIAs;
- The operational efficiency and effectiveness of the Saskatchewan RIA regulatory regime; and
- Any other issues brought forward by the Life and General Councils.

### **Terms of Reference**

Within the first year of its existence, the RIA Advisory Committee will develop its own Terms of Reference for approval by the Life and General Councils. The Terms of Reference would determine how the RIA Advisory Committee will function, including quorum at meetings, agenda development, and minutes, among other things. A suggested Terms of Reference is attached as a "thought-starter" for the RIA Advisory Committee.

### **Membership**

Given the broad interests already represented on the Life and General Councils, we believe the membership of the RIA Advisory Committee should be limited to experts in the products and distribution channels utilized under restricted licenses.

The RIA Advisory Committee members will include:

- at least two (2) restricted insurance agent representatives with distribution expertise in RIA products;
- at least two (2) insurer representatives with expertise in relevant products, distribution channels and practices; and
- the Executive Director of the Insurance Councils or designated staff.

A wide range of products are distributed under restricted insurance agent licenses through a variety of channels. In order to balance the need for relevant subject matter expertise with the need for continuity on the RIA Advisory Committee, the Committee may be augmented by additional subject matter experts, as needed and on an ad hoc basis.

For Committee members and ad hoc subject matter experts, CAFII and CLHIA shall be called upon to propose a list of representative candidates that could be appointed at the pleasure of the Councils. It should be noted, however, that CLHIA and CAFII can only propose representatives from the life and health insurance industry; and there may be a need, at some point, to include representatives from the property and casualty insurance industry. It is recommended that associations representing the P&C industry (e.g., IBC, CADRI) could be called upon to propose those representatives.

We believe the interests of consumers are well-represented through the Life and General Councils, and the Advisory Committee will always have access to the consumer representative expertise on the Councils.

RIA Advisory Committee members shall not be required to be residents of Saskatchewan.

#### **Chair**

In keeping with the Saskatchewan Life and General Councils' by-laws, the Chair of the RIA Advisory Committee will be appointed by the Life and General Councils.

#### **Membership Rotation**

Consistent with the Saskatchewan Life and General Councils model, RIA Advisory Committee members shall serve a three-year renewable term. This will ensure continuity of expertise while also providing the ability to bring in new members.

In appointing the first committee members, the Councils should consider allowing the initial appointments to fall outside of the rotation rule in order to ensure a staggered membership rotation going forward in support of continuity of expertise.

#### **Frequency of Meetings**

The RIA Advisory Committee will meet as necessary, at the request of the Chair. However, the RIA Advisory Committee shall meet no less than twice per year.

Where a Committee member feels that a meeting should be held to deal with an issue(s), they may request -- in writing to the Chair -- that a meeting of the Advisory Committee be held.

#### **Duration of Committee**

The duration of the RIA Advisory Committee's mandate is indefinite.

## **Review of Committee**

Consistent with the Life and General Councils by-laws, the Life and General Councils, in conjunction with the Executive Director, shall review the Advisory Committee's role and effectiveness on an on-going basis. There may be some benefit in aligning this review process with the Advisory Committee's membership rotation schedule.

## **Transition Items Identified for the RIA Advisory Committee in its Inaugural Year**

The following items have been identified for the RIA Advisory Committee to discuss during its first few meetings:

- Development of a Terms of Reference;
- Development of an appropriate disciplinary process for RIA-specific issues, including a protocol for RIA representation in disciplinary matters;
- Development of a process to address RIA-specific complaints and issues coming forward; and
- Identifying any other items to be managed by the Committee.

## **Suggested Terms of Reference for the Restricted Insurance Agent Advisory Committee of the Saskatchewan Insurance Councils**

Below we have provided a suggested Terms of Reference for the RIA Advisory Committee's consideration.

Conduct of the RIA Advisory Committee's meetings and related procedures shall be as consistent as possible with those followed by the Life and General Councils.

### **Quorum**

Quorum for meetings will be attendance by a simple majority of RIA Advisory Committee members. The Executive Director or a designated staff member shall always be in attendance, but shall not count as quorum.

### **Distance Support**

The RIA Advisory Committee may meet in-person or by teleconference or other electronic means.

### **Agenda**

The Chair of the RIA Advisory Committee shall prepare a meeting agenda. The Chair may request agenda items from members or the Councils.

### **Committee Records**

The Executive Director or a designated staff member shall maintain minutes of the RIA Advisory Committee's meetings.

### **Conflicts of Interest**

Members of the RIA Advisory Committee must be committed to the public interest regarding the insurance industry. If the RIA Advisory Committee is dealing with an issue where a member has a real or perceived conflict, that member shall remove him/herself from deliberations on the issue. The RIA Advisory Committee may wish to supplement its membership with another representative from the roster of *ad hoc* experts, if needed.

### **Remuneration**

Remuneration of RIA Advisory Committee members' committee-related expenses, including travel expenses if any, shall be in accordance with the expense reimbursement policy of the Insurance Councils of Saskatchewan.

### **Amending the Terms of Reference**

The RIA Advisory Committee's members, Executive Director or designated staff member may make recommendations to amend the terms of reference. Amendments will be approved by the Life and General Councils.





December 10, 2020

Mr. Ron Fullan  
Executive Director  
Insurance Councils of  
Saskatchewan  
[Ron.Fullan@skcouncil.sk.ca](mailto:Ron.Fullan@skcouncil.sk.ca)

Ms. April Stadnek  
Director Compliance & Enforcement  
Insurance Councils of  
Saskatchewan  
[April.Stadnek@skcouncil.sk.ca](mailto:April.Stadnek@skcouncil.sk.ca)

Dear Mr. Fullan & Ms. Stadnek,

On behalf of the Canadian Life and Health Insurance Association (CLHIA) and the Canadian Association of Financial Institutions in Insurance (CAFII), we commend you on establishing a Restricted Insurance Agent (RIA) Advisory Committee in your recently adopted Insurance Councils of Saskatchewan (ICS) – Life Insurance Council Bylaws, January 1, 2020 (Bylaws).

We believe the ICS RIA Advisory Committee is a good example of mutually beneficial collaboration involving CLHIA members, CAFII members, and the ICS, and we are enthused to be participating in this inaugural Advisory Committee. In time, other jurisdictions may look to Saskatchewan as an example of an advisory committee model they too can adopt.

We would also like to thank Ms. Stadnek for meeting with the CLHIA on March 3, 2020 and Mr. Fullan for meeting with CAFII by telephone on November 9, 2020 to discuss the next steps to establish the RIA Advisory Committee. We noted the following take-aways during our respective meetings. We would appreciate it if you could confirm that we have captured the complete list of relevant considerations, as set out below.

- The suggested Terms of Reference document attached to the CLHIA and CAFII's Joint Proposal Letter of August 3, 2018 has been approved by the ICS and is the 'Terms of Reference' referred to in the Bylaws. The document is a 'living document' and could serve as a "thought-starter" for the RIA Advisory Committee.
- Ron Fullan, Executive Director ICS is the administrator referred to in the Bylaws. The administrator or a designated staff member shall maintain minutes and records of the RIA Advisory Committee's meetings.
- The Chair of the RIA Advisory Committee shall be appointed from the industry.
- Committee members shall be appointed at the decision of the ICS. RIA Advisory Committee members shall serve a three-year term, which shall be renewable.

- Year 1 (2021) of the RIA Advisory Committee's operations/activity will be treated as a "learning curve and evaluation year".
- Quarterly meetings might be useful for the first year of the RIA Advisory Committee while the Committee gets set up and establishes its mandate and objectives.
- The transition items identified for the RIA Advisory Committee in its inaugural year will include the following:
  - Development of an appropriate disciplinary process for RIA-specific issues, including a protocol for RIA representation in disciplinary matters;
  - Development of a process to address RIA-specific complaints and issues coming forward; and
  - Identifying any other items to be managed by the Committee.
- The CLHIA and CAFII will have "observer status" at meetings of the RIA Advisory Committee.

In accordance with our discussions and the Bylaws, we have since met with members of CLHIA and CAFII to develop the appended joint list of industry representative nominees for appointment to the RIA Advisory Committee, for your consideration. **Appendix A** is a list of our nominees. **Appendix B** provides capsule biographies for each of our nominees, for background in your appointment deliberations. You will see from the capsule biographies that we have given consideration to the different distribution channels and products offered under an RIA licence in our development of the nominees list, to ensure broad coverage of interests.

The CLHIA and CAFII appreciate the opportunity to provide our list of nominees for your consideration. We would be pleased to discuss any of our nominees in more detail at your convenience.

Sincerely,

*Original signed by*

Brent Mizzen  
Assistant Vice President, Market Conduct Policy and Regulation  
Canadian Life and Health Insurance Association

*Original signed by*

Brendan Wycks  
Co-Executive Director  
Canadian Association of Financial Institutions in Insurance

*Original signed by*

Keith Martin  
Co-Executive Director  
Canadian Association of Financial Institutions in Insurance

## Fullan, Ron (ICS)

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**From:** Gill, Moira <moira.gill@td.com>  
**Sent:** May 21, 2021 2:37 PM  
**To:** Fullan, Ron (ICS)  
**Cc:** Stadnek, April (ICS)  
**Subject:** RE: Saskatchewan Insurance Council - Restricted Insurance Agent Advisory Committee

Ron, I'm very happy to see this coming to fruition!

I'm available any time June 17 or 18, June 21 before 3pm Toronto time and June 24<sup>th</sup> from noon Toronto time on.

I have had a list of topics ready since our first discussions, including how this group can provide expertise in any restricted agent complaints which come before the council, examining any RIA complaint data to identify and provide context for any areas of concern, and discussing new and proposed RAI regimes in other provinces where they may be efficiency improvements or opportunities to encourage harmonization.

But I also have a bigger topic which I think is important.

We have seen so much accelerated change in how consumers interact with financial services and companies adapting to meet that demand well ahead of business plans. In addition through the environment and ESG work that is an increasing part of my mandate, I've watched how the pandemic has exposed social and racial inequalities, including financial literacy and access to financial products and services. Canadians who are most vulnerable are underinsured and the pandemic has exposed the vulnerabilities in their finances. Insurance products which fit a specific and immediate need (debt, for instance) with low face amounts exactly tailored to that need and national distribution systems which coordinate with the transaction which creates the insurance need at the types of initiatives under review in emerging economies and are also relevant in Canada. Is there anything in the RIA model which thwarts this innovation to meet customer needs and the access to these products by the underserved market? Is there anything in the model that promotes these social movements – we should celebrate what is good just as much as examining what could be improved!

Best wishes for a wonderful weekend,  
Moira

Internal

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**From:** Fullan, Ron (ICS) <Ron.Fullan@skcouncil.sk.ca>  
**Sent:** Friday, May 21, 2021 3:58 PM  
**To:** bpeter@firstcanadian.ca; charles.maclean@rbc.com; emily.brown@sunlife.com; greg\_shirley@manulife.ca; Gill, Moira <moira.gill@td.com>; Sharon.Apt@canadalife.com; shawna\_sykes@cooperators.ca  
**Cc:** Brent Mizzen <bmizzen@clhia.ca>; Brendan Wycks <brendan.wycks@cafii.com>; Keith Martin <Keith.Martin@cafii.com>; Stadnek, April (ICS) <April.Stadnek@skcouncil.sk.ca>  
**Subject:** Saskatchewan Insurance Council - Restricted Insurance Agent Advisory Committee

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**TO:** All Nominated Members of the Saskatchewan Insurance Council Restricted Insurance Agent Advisory Committee