

Agenda Item 5(a)
March 22/22 EOC Meeting

De : Brendan Wycks <brendan.wycks@cafii.com>

Envoyé : 10 mars 2022 18:47

À : Perreault Mélissa <Melissa.Perreault@lautorite.qc.ca>

Cc : Keith Martin <Keith.Martin@cafii.com>; Labonté Karine <Karine.Labonte@lautorite.qc.ca>;

Consultations Particulières OPI 2022 <ConsultationsOPI2022@lautorite.qc.ca>; Payne Evelyn

<Evelyn.Payne@lautorite.qc.ca>

Objet : CAFII Request For Clarification Around Focus/Scope Of Stakeholder Feedback Session On RADM's Efficacy Since 2019 (and Possible Deferral and Rescheduling of Current March 15/22 Meeting)

Bonjour, Mélissa.

Thank you for inviting CAFII, as a key industry stakeholder, to participate in a virtual consultation session with you and AMF staff executive colleagues on March 15, 2022 on *How The Regulation respecting Alternative Distribution Methods (RADM) Has Been Working Since June 2019 Re "Financial Products and Services Offered Via The Internet" (Including Insurance); and How It Could Be Improved*.

Earlier today, however, in a meeting of CAFII member representatives to prepare for the March 15 meeting, we learned from some of those representatives who are also involved in CLHIA/ACCAP initiatives that this current AMF consultation – from which CAFII's invitation to a March 15 virtual feedback session arose – is focused exclusively on the RADM's *Chapter 2: Offer of Financial Products and Services By A Firm Without The Intermediary Of A Natural Person*, and not on any other Chapter of the Regulation.

We ask that you confirm for us, at your earliest convenience, that that is indeed the case.

If our belief that you wish to focus your current industry stakeholder feedback sessions exclusively on Chapter 2 is correct, CAFII will respectfully withdraw its acceptance of the AMF's invitation to offer feedback in a virtual session because doing so would be very much outside of our Association's scope and mandate.

While some of the insurer members among our 15 CAFII member companies may have registered as a firm and may have been selling individual life and health insurance products directly to Quebec consumers digitally via the internet since June 2019, that activity is not what brings them together in common cause with other CAFII members within this Association.

And while CAFII does focus on “alternate distribution channels” – i.e. direct to consumer channels, without the involvement of a licensed representative – our insurance products focus as an Association is almost exclusively upon Credit Protection Insurance (CPI) and Travel Insurance, which are Authorized Insurance Products (under the federal Bank Act) which insurers offer through financial institution distributors (i.e. the *bancassurance* sector in Canada). The insurance products offered through CAFII member bank and credit union distributors fall under the RADM’s *Chapter 3: Offer of Insurance Products Through A Distributor*, which covers an entirely different regulatory regime than the one launched by Chapter 2 in 2019.

Given that the RADM’s Chapter 2 is largely out-of-scope for our Association, it would not be appropriate for CAFII to participate in a formal feedback session with you and your colleagues if that Chapter is indeed the exclusive focus of your current round of industry consultations, particularly when CLHIA/ACCAP is already well-engaged in providing insightful feedback to the AMF from the perspective of the Chapter 2-affected sector of the life and health insurance industry.

If our belief that you are currently focusing exclusively on Chapter 2 is mistaken; and, in fact, you would also be receptive to receiving feedback from CAFII on Chapter 3 at this time, then upon receiving that confirmation news from you, we would request that CAFII’s virtual stakeholder feedback session be deferred and rescheduled for an alternate date approximately one week to 10 days after March 15. That short delay would provide our Association with the additional time needed to consolidate consensus feedback on Chapter 3, given a newly clarified understanding of what the AMF is looking for from CAFII.

We look forward to hearing back at your earliest convenience, Mélissa, on the clarification issues we have raised in this message.

Best regards,

Brendan Wycks, BA, MBA, CAE

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

On Mar 14, 2022, at 10:43 AM, Consultations Particulières OPI 2022
<ConsultationsOPI2022@lautorite.qc.ca> wrote:

Mister Wycks,

Thank you for your detailed e-mail.

Indeed, the current consultations are being held in matters of “products and services offered via the Internet” (Chapter 2 RADM) and not in matters of “distribution without a representative” (DWR: chapter 3 RADM).

Consequently, we will cancel the meeting that was scheduled on March the 15th.

As you know, the Autorité is more generally involved with many stakeholders pursuing the objective to optimize the compliance burden. We already had the chance and will surely have it in the future to hear your comments and preoccupations in matters of DWR.

Best regards,

L'Équipe des consultations particulières sur l'offre par Internet

From: Brendan Wycks <brendan.wycks@cafii.com>

Sent: March-14-22 5:07 PM

To: Consultations Particulières OPI 2022 <ConsultationsOPI2022@lautorite.qc.ca>

Cc: Perreault Mélissa <Melissa.Perreault@lautorite.qc.ca>; Labonté Karine
<Karine.Labonte@lautorite.qc.ca>; Keith Martin <Keith.Martin@cafii.com>

Subject: Re: CAFII Request For Clarification Around Focus/Scope Of Stakeholder Feedback Session On RADM's Efficacy Since 2019 (and Possible Deferral and Rescheduling of Current March 15/22 Meeting)

Merci beaucoup, Mélissa.

Brendan Wycks
Sent from my iPhone