

***Agenda Item 5(c)***

***April 7/20 Board Teleconference Meeting***

**From:** Keith Martin <Keith.Martin@cafii.com>

**Sent:** March-14-20 2:15 PM

**To:** Duquette, Marc <marc.duquette@nortonrosefulbright.com>; Dupoy, Dominic  
<dominic.dupoy@nortonrosefulbright.com>

**Cc:** Brendan Wycks <brendan.wycks@cafii.com>

**Subject:** FW: AMF Non-Debtor Issue

Hi Marc, Dominic,

The AMF has responded to the insurers who submitted Action Plans based on a run-off or natural attrition, and said that they have until 2025 to eliminate all in-force policies that do not meet their expectations around the spousal issue. After that date, if there are still policies in place that do not meet their expectations, other measures need to be taken. Please see below.

Thanks,

**Keith Martin**

Co-Executive Director / Co-Directeur général

Canadian Association of Financial Institutions in Insurance

L'association canadienne des institutions financières en assurance

**From:** Keith Martin

**Sent:** March 11, 2020 3:13 PM

**To:** 'Emily Brown' <[Emily.Brown@sunlife.com](mailto:Emily.Brown@sunlife.com)>; Brendan Wycks <[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)>

**Cc:** Vikram Malik <[Vikram.Malik@sunlife.com](mailto:Vikram.Malik@sunlife.com)>

**Subject:** RE: AMF Non-Debtor Issue

Hello Emily,

When we met with the AMF they said they would allow industry to become compliant with their expectations through a “run off” or natural attrition, but that this could not “take forever.” We now know that they view “forever” as five years.

The five-year time period is still a significant improvement over an immediate requirement to cancel in-force policies, and gives us the opportunity to continue to discuss this with them and attempt to further delay the expectation of any cancellations of in-force policies. A lot can happen in five years.

Assurant, Canadian Premier Life, and Desjardins have each received the letter as well, and been told that they need to develop a plan to eliminate all non-compliant policies after 2025. I suspect all insurers who submitted an Action Plan received a letter in response last Friday.

If you need further information from me, please let me know.

Thanks,

**Keith Martin**

Co-Executive Director / Co-Directeur général

Canadian Association of Financial Institutions in Insurance

L'association canadienne des institutions financières en assurance

**From:** Emily Brown <[Emily.Brown@sunlife.com](mailto:Emily.Brown@sunlife.com)>

**Sent:** March 11, 2020 3:02 PM

**To:** Brendan Wycks <[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)>; Keith Martin <[Keith.Martin@cafii.com](mailto:Keith.Martin@cafii.com)>

**Cc:** Vikram Malik <[Vikram.Malik@sunlife.com](mailto:Vikram.Malik@sunlife.com)>

**Subject:** AMF Non-Debtor Issue

Hi Brendan/Keith,

Late last week we received a communication from the AMF as it relates to Section 76 – protection offered to persons other than debtors. They were writing related to our prior letters to them dating back to May of last year (as per their required submissions on this topic), “as well as the various exchanges with the industry, including CLHIA, concerning the offering of non-debtor group life, health and employment insurance”.

What was of particular note is their wording under the subhead “Existing certificates”:

“Furthermore, as a result of discussions with certain industry members, we have agreed to allow a maximum time period, until January 1, 2025 for bringing all existing certificates into compliance”.

We wanted to bring this communication to your attention and would appreciate any thoughts you had on it, including whether other CAFII members had received a similar update from the AMF, and if so, that the compliance date of January 1, 2025, is consistent with what they received.

Look forward to your thoughts.

**Emily Brown** | Program Manager, Risk and Compliance, Sponsored Markets

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