

CAFII Priorities by Committee – June 18, 2014

Executive Operations Committee

Membership: As per CAFII Bylaw 6.01. Sub-committees may strike taskforces drawing on expertise of other individuals associated with member companies.

Mandate	Activities	Issues of Interest
Recommend budget and priorities to Board	Draft and review Financial Reports Develop, monitor and report on performance against Balanced Scorecard	
Keep environment open to key products	Be aware of current and emerging issues (Regulatory Update). Develop responses to regulatory initiatives. Forward to board for approval as necessary. Oversight of Distribution and Market Conduct Policy Committee (DMC)	Regulation of ISI International regulation of creditor products Market Conduct Regulation Electronic Commerce Provincial Insurance Act Reviews
Keep environment flexible /efficient	Identify barriers to efficient operations. Oversight of Licensing Efficiency Issues Committee (LEIC)	Quebec Distribution Guide Licensing Irritants Provincial Insurance Councils and CISRO issues, including LLQP Electronic licensing Multi-jurisdictional licensing/mutual recognition
Develop communication plans and tools	Oversight of Media and Communications Strategy Committee (MAC)	Communications strategy, CAFII Branding Advocacy Strategy Website
Build relationships with key stakeholders	Connect with regulators and policy-makers. Manage and conduct regulator visits. (Manage Regulator and Policy-Maker Visit Plan) Approve attendees at regulator and policy-maker meetings, review meeting notes and manage follow-up actions Oversight of Networking and Events committee	
Other items	Continuance under new Canada Not for Profit Corporations Act Changes to CAFII Management structure – development of Executive Director role	Articles of Continuance to be filed by October 17, 2014 Executive Director hired effective December 2012; oversight of establishment of ED's role, its evolution and effectiveness

Distribution and Market Conduct Policy Committee (DMC)

Membership: The committee will have 4 permanent members including 2 co-chairs all of whom are members of the EOC.

1) Sue Manson, CIBC, Chair 2) Eleanore Fang, TD 3) Emily Brown, BMO 4) Brian Wise, Assurant Solutions

5) Andre Duval, DFS 6) Rose Beckford, ScotiaLife Financial 7) Ex Officio: Jennifer Hines, RBC; Brendan Wycks, Executive Director **Mandate:** Oversee development of CAFII policy positions as directed by EOC. Oversee taskforces as required. Activities: Draft CAFII submissions; Manage and interpret industry research projects as approved by EOC. **DMC priorities closely linked with Balanced Scorecard.**

Item	Description	Activities Completed/Industry Developments	Status/Next Steps
Regulation of ISI	Quebec <ul style="list-style-type: none"> DWR (review of Insurance Act) 	<ul style="list-style-type: none"> CAFII members met with Eric Stevenson November 15/12 and with AMF staff executives on June 7/13 and April 8/14. Insurance Act Overhaul/Re-write formally announced by Quebec Government on April 30/13 New government elected in Quebec on April 7/14. AMF advised on April 8/14 that overhaul of Insurance Act and Distribution Act will proceed ahead in due course 	<ul style="list-style-type: none"> Active/Monitor ongoing
	Quebec <ul style="list-style-type: none"> Review of Distribution Guide Sound Commercial Practices Guideline 	<ul style="list-style-type: none"> CAFII input provided on Guide (e.g. signature, remuneration) through letter sent to AMF June 2012, meeting with Eric Stevenson on November 15/12 and follow-up letter sent to AMF in Dec 2012 AMF advised on April 8/14 that a new iteration of draft DG will be released for consultation in due course, in conjunction with Distribution Act overhaul AMF advised on April 8/14 that a self-assessment questionnaire re compliance with Guideline, released in June/13, would be sent in May 2014 to entities licensed in Quebec, with several months provided for completing and submitting it 	<ul style="list-style-type: none"> Active EOC involvement and oversight Met with AMF in Quebec City on June 7/13 DMC proposes information session on the Guide, for CAFII member staff, once Guide is finalized DMC to review its IAIS ICPs Impact Matrix in comparison with Sound Commercial Practices Guideline self-assessment questionnaire
International Regulation of Creditor Insurance	PPI IAIS Core Principles	<ul style="list-style-type: none"> CAFII Project 	<ul style="list-style-type: none"> Active/Monitor ongoing Board approval received on June 11/13 to secure draft communication of project outcomes Post-Implementation Review

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Item	Description	Activities Completed/Industry Developments	Status/Next Steps
		<ul style="list-style-type: none"> Subcommittee working on matrix of impact of Insurance Core Principles (ICPs) and international regulations 	<ul style="list-style-type: none"> Presentation by Chryst Lemon on latest developments in US, at Annual Members' Luncheon in February 2014 EOC Input obtained Active
Industry Complaint Statistics		<ul style="list-style-type: none"> Subcommittee working on compilation of Industry Complaint Statistics 	<ul style="list-style-type: none"> EOC Input obtained DMC Subctte. met on June 4 and 25/13 S. Manson and R. Beckford met in Spring 2014 to reactivate this initiative
Consultations	FSCO life insurance product suitability review	<ul style="list-style-type: none"> FSCO has held consultation meetings with CAFII on this initiative in July and September 2013; and April 2014 	<ul style="list-style-type: none"> Having provided significant input through two meetings, CAFII was consulted on final draft of survey of life agents, and on final report from Suitability Review. CAFII had follow-up meeting with FSCO on April 9/13 to discuss Interim Report of product suitability review, based on results of life agent survey. Release of final Report delayed until after provincial election on June 12/14.
	E-commerce	<ul style="list-style-type: none"> CCIR and AMF – upcoming consultations 	<ul style="list-style-type: none"> CAFII submitted response to CCIR E-Commerce Position Paper in July 2013 CCIR Final E-Commerce Position Paper released November 15/13; final CCIR recommendations in harmony with CAFII positions, as stated in submission
	Provincial Insurance Acts	<ul style="list-style-type: none"> Manitoba Saskatchewan 	<ul style="list-style-type: none"> Draft ISI Regulations released on June 3/13; Licensing Committee is dealing with this matter. Watch

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Item	Description	Activities Completed/Industry Developments	Status/Next Steps
		<ul style="list-style-type: none"> Ontario 	<ul style="list-style-type: none"> Watch
Comparison of creditor insurance on mortgages with term life and individual disability insurance project	Survey member companies, update analysis and research	<ul style="list-style-type: none"> Comparison of creditor insurance on mortgages with term life and individual disability insurance: pricing, approval rates, claim approval rates, etc. 	<ul style="list-style-type: none"> Active Last conducted in late 2009/early 2010 on 2008 data Board approved the engagement of Towers Watson as actuarial consultant to this project in early March 2014. Ongoing progress monitoring meetings being held every two weeks. Survey of CAFII members to be distributed in early July 2014, with 6 to 8 weeks allowed for completion.
Regulatory concerns about travel Insurance	<p>-Consumer confusion around coverage; complex application forms and medical questionnaires</p> <p>-redundancy of coverage (employer-sponsored benefits plans; through a credit card; and privately purchased) and sales agents not informing consumers of possible duplication</p>		<p>DMC to conduct internal policy positions development work on travel insurance issues in summer 2014. Greg Grant, Rosemary Pulla, and Isabelle Choquette volunteered to join DMC for this project.</p> <p>B. Wycks reached out to relevant industry Associations with proposal to form a pan-industry project group on travel insurance issues – with representation from CAFII, THIA, and CLHIA – as per regulators' behest and as endorsed by CAFII Board of Directors on April 8/14. B. Wycks, J. Lewsen, and G. Grant liaising with CLHIA and THIA, and providing regular progress reports to EOC and Board.</p>

AMF Distribution Guide Task Force

(Task Force of Distribution and Market Conduct Policy Committee)

Members: Emily Brown, Brian Wise, Rose Beckford, Moira Gill, Sue Manson, Brendan Wycks

Purpose: Recommend changes to the AMF Distribution Guide based on the Mutual Fund Guide, customized for exclusion disclosure

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Licensing Efficiency Issues Committee (LEIC)

Membership – 1 Chair who is a member of EOC and three members from representative companies.

Chair: Moira Gill, TD 2) Rose Beckford, ScotiaLife Financial 3) Brian Wise, Assurant Solutions 4) ? 5) Ex Officio: Greg Grant, CIBC; Brendan Wycks, Executive Director

Mandate: Identify and manage licensing efficiency issues for restricted and individual licensing processes. **LEIC priorities closely linked with Balanced Scorecard.**

Priorities	Issues	Currently Active issues	Status/Next Steps
Licensing operation issues Streamlining and harmonizing licensing requirements (training, CE, other)	Request for restricted certificates for third parties in Alberta		CAFII letter to the Council (2011). Council responded that they did not support the request. Committee decision to address the issue with the Council again when time was opportune. J. Abram indicated to B. Wycks on November 21/13 that AIC is interested in creating a forum for Representation for Restricted Licence Holders in Alberta. Window of opportunity for this in 2014, in conjunction with plans to fold near-dormant Adjusters Council into General Council. CAFII had preliminary consultation meeting with J. Abram about this on December 12/13 and further discussion during liaison lunch on March 17/14. This development may present a tandem opportunity to push for restricted certificates for third parties.
	CISRO project to redesign LLQP – project completion target date is 2015, for implementation at beginning of 2016		CAFII attended CISRO's quarterly LLQP Stakeholder Information Sessions on January 17/13, April 9/13, and October 30/13; and had one-on-one meetings with LLQP Committee on February 10 and May 28/2014. Thereafter, CISRO requested a letter of support from CAFII for its LLQP modernization initiative, which CAFII delivered on February 21/14. CAFII Board has authorized EOC to take further action in support of LLQP modernization, as requested by G. Matier, Insurance Council of BC.
	Licensing process -streamlining and harmonization		Identification of issues ongoing. CAFII representatives met with Invest New Brunswick on June 4/14 re licensing crisis in that province. Opportunity expected for CAFII to present to CISRO on "Multi-jurisdictional Licensing Challenges" on September 29 or 30/14.

CAFIL Priorities by Committee – June 18, 2014

ISI regime implementation	Manitoba – issues to be resolved with implementing regulations		<p>-Included in Insurance Act Spring 2012 Letter sent in August 2012 -CAFIL response to draft ISI Regulation sent in early July 2013. On October 8/13, Board supported recommendation that CAFIL seek a meeting with the Minister re imperative of harmonization of Manitoba's ISI Regime with other provinces -CAFIL response submission on second draft of ISI Regulation sent on January 10, 2014 -In late February 2014, S. Moore, Deputy Superintendent, communicated to CAFIL that Manitoba's Draft ISI Regulation would be amended to address nearly all of the concerns expressed by CAFIL and other industry stakeholders; and he subsequently confirmed that in writing -S. Moore advised in February 2014 that Draft ISI Regulation will be amended to address nearly all of concerns expressed by CAFIL and other industry stakeholders; and confirmed same in writing. -CAFIL met with Superintendent of Insurance and with Finance Minister Jennifer Howard on April 29/14. Imperatives of harmonization of provincial ISI regimes and of providing adequate lead time for implementation stressed in productive meeting; and in immediately prior pre-meeting with Superintendent of Insurance and Executive Director of Insurance Council.</p>
Provincial Insurance Councils and CISRO issues	Opportunities to have restricted licensees represented or otherwise participate on Council discussed with Saskatchewan, Alberta.		<p>Legal assistance engaged and analysis of options underway. Meeting with AIC Jan 2012. Meetings with Sask. held Meeting with Manitoba held Meeting with G. Matier, BC, on May 28/14</p>

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			<p>Active: CAFII Concept Proposal For A Saskatchewan Insurance Councils' Restricted Insurance Agents Advisory Committee submitted to R. Fullan on October 10/13.</p> <p>Active: In a meeting with B. Wycks on November 21/13, J. Abram, CEO, indicated that AIC would be open to a CAFII proposal re representation for restricted licence holders.</p> <p>2014 is opportune for discussions re establishing a "Restricted Licence Holder Council." CAFII advanced discussion with AIC on this issue on December 12/13 and March 17/14. CAFII to provide submission to AIC based on updated options analysis developed by Stikeman Elliott</p> <p>Under Consideration: G. Matier indicated that he is always receptive to nominations of well-qualified candidates from the banks-in-insurance sector to serve as non-voting members of the Insurance Council</p>
Electronic licensing	Promote use of electronic licensing systems by provincial regulators; possible use of "business numbers" to link		<p>-Letter of support sent to CISRO May 2012</p> <p>-Alberta Insurance Council readying to launch Canadian Insurance Participant Registry (CIPR) later in 2014; will be a significant leap forward towards a national electronic licensing system</p>
Multi-jurisdictional licensing/ mutual recognition	Trade Agreements - promote mutual recognition (Ontario – Quebec, New West Partnership)		<p>-Attended trade agreement update meeting May 2012</p> <p>-CAFII viewpoints on licensing and harmonization communicated, as related relevant commentary, in February 2014 letter of support for CISRO's LLQP modernization initiative</p> <p>-CAFII expecting invitation from CISRO to make presentation on multi-jurisdictional licensing and other compliance challenges faced by national contact centres, at meeting in Fredericton on September 29-30/14</p>

Media and Communications Committee (MAC)

Membership: The committee will have 4 permanent members including 2 co-chairs, all of whom are members of EOC. EOC Chair is ex-officio member.

Co-Chairs: 1) John Lewsen, BMO 2) Moira Gill, TD

Members: 3) Paul Yeung, RBC 4) Greg Grant, CIBC 5) Charles Blaquiere, Canadian Premier 6) Ex Officio: Greg Grant, CIBC

Resources: Leya Duigu, Brendan Wycks

Mandate: Identify key stakeholders and develop, recommend and implement communications strategy. Oversee CAFII branding. Oversight of Media Response Task Force.

Areas of Interest: Underserved Market: Creditor Insurance (value proposition, disclosure); Counter broker lobby messages. **MAC priorities integrated within Balanced Scorecard.**

Initiatives	Explanation	Resp	Next Steps/Status
-Develop a Communications Strategy	-Update Communications Strategy: CAFII-branded “Regulatory Value Added Strategy” for website and regulator communication. Most materials exist but materials should be reviewed and recommendations made as to how to package and brand materials. Include concept of sending targeted messages to regulators when an issue is in the media.	ED	-2014 External Communications Strategy approved by Board on October 8/13 and December 4/13. Completed. -Communications Strategy Tactical Implementation Plan approved by Board on April 8/14, with suggestions for minor tweaks in presentation only. Completed.
<i>Media: Improve, Consolidate, and Confirm “Readiness” to Respond to Media Requests</i>			
Key Messages/Story Scenarios/Stock Answers (High Priority)	Complete Key Messages/Stock Answers/Story Scenarios with strong emphasis on “human touch” aspects of how CAFII members meet consumer needs	ED	In progress. To be completed in Q3 and Q4 2014.
Short articles on case for Creditor Insurance and Alternate Distribution (High Priority)	Develop series of short articles on Creditor Insurance and Alternate Distribution, with emphasis on human interest angle, for use on web site, in Media Kit, and in “pen control” media opportunities, etc.	ED	In progress. To be completed in Q3 and Q4 2014.
Media Kit (High Priority)	Develop “About Creditor Insurance” Media Kit, using existing web site content and other resources		To be completed in Q3 and Q4 2014.

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Initiatives	Explanation	Resp	Next Steps/Status
Independent consumer research on insurance topics and issues (Medium Priority) <i>The Public and Consumer Interest Groups: Monitoring & Engagement</i>	Formulate plan and budget and obtain approval for increased use of independent consumer research, to provide communications content for media and other audiences	ED	To be completed in Q4 2014.
FAQs on Creditor Insurance for FCAC web site (High Priority)	Develop approved FAQs using existing CAFII content; and provide to FCAC for use on its site	ED	In progress. To be completed in Q3 2014.
Monitoring of Consumer Interest Groups (Ongoing High Priority)	Include intelligence on Consumer Interest Groups' issues and activities in Regulatory Update for EOC and Board meetings	ED	On target and ongoing.
Evergreen/Bring Forward Items For 2015 <i>Media: Improve, Consolidate, and Confirm "Readiness" to Respond to Media Requests</i>			
Media Section on CAFII Web Site <i>Selective Proactive Engagement With Media</i>	Develop a media-focused section on web site, using Media Kit materials and other content	ED	To be brought forward and re-assessed as a possible priority for 2015
Roundtable discussion meeting with "friendly media"	Roundtable with targeted "friendly media" to discuss and educate around Creditor's Group Insurance, the underserved market, and alternate distribution, using Media Kit as a discussion guide	ED	To be brought forward and re-assessed as a possible priority for 2015

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Initiatives	Explanation	Resp	Next Steps/Status
Evergreen/Bring Forward Items For 2015			
<i>The Public and Consumer Interest Groups: Enhanced Consumer-Friendly Web Presence</i>			
Consumer Testimonials	Secure additional Consumer Testimonials from CAFII members and post to CAFII site, and regularly refresh	ED	To be brought forward and re-assessed as a possible priority for 2015
Enhance consumer-friendliness of CAFII's web presence	Engage Search Engine Optimization services to improve CAFII's ranking in search results, and drive consumers with Creditor Insurance inquiries to CAFII site	ED	To be brought forward and re-assessed as a possible priority for 2015
<i>The Public and Consumer Interest Groups: Monitoring & Engagement</i>			
Financial Literacy Month	Obtain approval and execute a plan to increase CAFII's profile/involvement in Financial Literacy Month (November) to raise CAFII's profile with FCAC and/or other regulators	ED	To be brought forward and re-assessed as a possible priority for 2015
Direct Engagement with Consumer Interest Groups	Formulate plan and budget for CAFII to engage directly with one or more key Consumer Interest Groups (eg. seat on Advisory Board of Consumer's Council of Canada)	ED	To be brought forward and re-assessed as a possible priority for 2015

Media Response Taskforce

Membership: Taskforce consists of any two members of the Media and Communications committee plus Executive Director Brendan Wycks.

Purpose: Deal with media issues as they arise. Make recommendation to Board communications committee (Members: to be reconstituted with four Board members: new Board Chair plus three other Directors)

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Networking and Events Committee

Membership: 1 Chair - 2 members; EOC Chair is an ex-officio member

Chair: Paul Yeung, RBC 2) Maria Sanchez –Chung, TD 3) Ex-Officio: Greg Grant, CIBC ; Resources: Leya Duigu, Brendan Wycks

Mandate : Operate CAFII events and receptions to maintain contact with regulators, associate members and other key stakeholders. **Networking and Events Committee priorities closely linked with Balanced Scorecard.**

Priority	Activities	Status
Plan Quarterly Speaker and reception events, and member-only event	-February 2014 Speaker Event (members only)	-Annual Members' Luncheon moved to February 11, 2014, with Chrys Lemon, Partner, McIntyre & Lemon, PLLC, Washington, DC, speaking on "Update On Credit Card Insurance Market In The U.S. Since 2012."
	-April 8, 2014	-Louis Morriset, CEO, and four AMF staff executives spoke informally with CAFII Board/EOC at liaison meeting in Montreal on April 8/14
	-June 2014 AGM/Regulator Reception Event	-Maria Sanchez-Chung secured Brigitte Goulard, newly appointed FCAC Deputy Commissioner, as speaker
	October 2014 Speaker Event	-Carolyn Rogers, CCIR Chair, has accepted CAFII's invitation to be speaker at CAFII's October 7/14 Reception Event
	December 2014 Reception	
Keep current lists of key contacts		
Christmas cards to key contacts?		
Seek out other opportunities to meet with contacts (eg. corporate table)		