

CAFII Priorities by Committee – May 22, 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; progress/update reports on both to be provided at EOC and Board meetings.**

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 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
International Regulation of Creditor Insurance	PPI	<ul style="list-style-type: none"> B. Wycks reported on US and UK developments 	<ul style="list-style-type: none"> Active/Monitor ongoing
	IAIS Core Principles	<ul style="list-style-type: none"> CAFII Project 	<ul style="list-style-type: none"> 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"> ▪ Presentation by Chrys Lemon on latest developments in US, at Annual Members' Luncheon in February 2014
		<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"> ▪ 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 ▪ To be reactivated
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 	<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
	E-commerce	<ul style="list-style-type: none"> ▪ CCIR and AMF – upcoming consultations 	<ul style="list-style-type: none"> ▪ Active with Release of CCIR E-Commerce Position Paper on May 23/13 ▪ CAFII submitted detailed response to CCIR E-Commerce Position Paper in July 2013 ▪ CCIR Final E-Commerce Position Paper released November 15/13; CAFII analysis indicates that final CCIR recommendations in harmony with CAFII positions, as stated in submission

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	Provincial Insurance Acts	<ul style="list-style-type: none"> Manitoba Saskatchewan Ontario 	<ul style="list-style-type: none"> Draft ISI Regulations released on June 3/13; Licensing Committee is dealing with this matter. Watch 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 DMC secured Board approval for refresh of this study, using 2013 data; to be conducted in 2014. Avalon proposal and draft survey brought to EOC at September 24, 2013 meeting. Due to concerns, committee advised to negotiate with Avalon for better terms and also to “shop” the Study Board approved the engagement of Towers Watson as actuarial consultant to this project in early March 2014. Survey of CAFII members to be distributed in late May or early June 2014. Ongoing progress monitoring meetings being held every two weeks.

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

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) Greg Grant, CIBC 5) Ex Officio: Jennifer Hines, RBC; Brendan Wycks, Executive Director

Mandate: Identify and manage licensing efficiency issues for restricted and individual licensing processes. **LEIC priorities closely linked with Balanced Scorecard; progress/update reports on both to be provided at EOC and Board meetings.**

Priorities	Issues	Currently active issues	Status
Licensing operation issues Streamlining and harmonizing licensing requirements (training, CE, other)	Request for restricted certificates for third parties in Alberta	v	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 early 2015		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 meeting with LLQP Committee on February 10/14. Thereafter, CISRO requested a letter of support from CAFII for its LLQP modernization initiative, which CAFII delivered on February 21/14. CAFII has further meeting booked with LLQP Committee for May 28/14 in Toronto.

CAFIL Priorities by Committee – May 22, 2014

	Licensing process -streamlining and harmonization		Identification of issues ongoing
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>

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Provincial Insurance Councils and CISRO issues	Opportunities to have restricted licensees represented or otherwise participate on Council discussed with Saskatchewan and Alberta. Committee identified a need for an analysis of options for BC, Alberta & Saskatchewan. Council representation needed.		<p>Legal assistance engaged and analysis of options underway. Meeting with AIC Jan 2012. Meetings with Sask. held Meeting with Manitoba held</p> <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>
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 -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 -CAFII viewpoints on licensing and harmonization communicated, as related relevant commentary, in February 2014 letter of support for CISRO's LLQP modernization initiative -Based on suggestion made by J. Abram at March 17/14 liaison lunch, B. Wycks contacted R. Fullan, Chair of CISRO. As a</p>

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			result, CAFII likely to be offered opportunity to make a presentation to CISRO on multi-jurisdictional licensing and other compliance challenges faced by national contact centres, at meeting in Fredericton on September 29-30/14
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>B. Wycks reached out to relevant industry Associations with proposal to form a pan-industry project group on travel insurance application forms – with representation from CAFII, THIA, and CLHIA – as per wish expressed by J. Abram, Alberta Insurance Council CEO, on March 17/14; and earlier by C. Rogers, CCIR Chair, in CAFII/CCIR liaison meeting on October 30/13; and as endorsed by CAFII Board of Directors on April 8/14. B. Wycks and J. Lewsen liaising with CLHIA and THIA, and providing regular progress reports to EOC.</p>

Media and Communications Strategy 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: Jennifer Hines, RBC

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 closely linked with Balanced Scorecard; progress/update reports on both to be provided at EOC and Board meetings.**

Initiatives	Status/Explanation	Resp	Next steps
-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.
<u>Website</u> -collect testimonials, post on site -Refresh CAFII mission statement -expand tabs to include other products & regulators/industry	-Testimonial (written or video)- 1 per member, have 7 or 8 available and determine how to rotate through (value –add to members) -review mission statement to ensure it is in line with branding, -incorporate alternate distribution (underserved market)	ED ED ED	-Email reminder sent w/o Oct 22, 2012; One written and three video testimonials received to date. B. Wycks to follow-up with direct request to all Members -Removed from MAC Priorities, as Mission Statement is solely within Board purview and typically is reviewed as part of Strategic Plan renewal. -Underserved market material drafted, to be approved for website. In process with ED B. Wycks as part of Communications Strategy implementation

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Initiatives	Status/Explanation	Resp	Next steps
<u>CAFII Branding</u> -develop marketing tagline -CAFII newsletter for regulators -CAFII “look” -Acquire soft marketing tools (pads, pens etc),	several tagline options sent to Board -identify differentiating factor, eg advocating for insurance access , choice, all Canadians - include tagline on all submissions, website, swag, and letters to regulators -Insurance regulatory news to be collected and shared with regulators as a value-added service -Develop a font and layout unique to CAFII to be used in letters, submissions and newsletter; assess if new logo needed -Coasters suggested– include tagline and web address on next re-order	J Lewsen ED ED ED	Completed -Completed -Completed and ongoing -Completed -Completed
<u>Media Protocol</u> -Develop and manage protocol for handling media requests -media training for ED	-Protocol revised with arrival of ED	ED	-Completed; revised Media Protocol approved by MAC on January 17/13 -Media Training for ED B. Wycks with Patrick McGee completed on March 26/14, with EOC members J. Lewsen and P. Yeung also participating
-Monitor Media		ED	Ongoing
-Develop List of Friendly media			Paul & Moira have completed list
-Notify communications departments of member firms	-To be done when messaging is reviewed		
-News Release	-Send out notification re new ED		-Completed. Notice sent to all CAFII members. Included in first issue of Regulators’ newsletter and added to web site.
Develop 2-3 likely media response scenarios	-In process in conjunction with Key Message development and media training/media preparedness work	ED	-B. Wycks reviewing material drafted by G. Grant.
Key Message Development - identify issues and develop key messages	-Key message document: develop and review stock messages to be used in communication opportunities	ED	-In process. Key Messages being reviewed and refined by B. Wycks as part of Communications Strategy implementation
-Regulator Kit -develop booklet /brochure	For new regulators. Compile package of information for regulators which can include: -booklet	ED	-Some content developed by RBC intern -To be completed as part of Communications Strategy implementation

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Initiatives	Status/Explanation	Resp	Next steps
-Key Facts sheet	<ul style="list-style-type: none"> - past submissions, -testimonials and -key fact sheet. <p>Booklet - take images from website, testimonials, designed to highlight major issues. Small 10 page booklet that can be given out with business cards.</p> <p>-develop a “Key Facts” sheet to be part of regulator package</p>	<p>ED</p> <p>ED</p> <p>ED</p>	<p>-To be completed as part of Communications Strategy implementation</p> <p>-To be completed as part of Communications Strategy implementation</p>
<p>Manage research to support message (eg. Pollara)</p> <ul style="list-style-type: none"> - develop key messages - manage plan of use of research - determine when and what research must be undertaken or renewed 	<p>-Pollara plan of use available, but in need of review and update</p>	MAC	<p>-Research is a key component of Communications Strategy. Plan of use to be reviewed by ED in light of now approved Communications Strategy</p>
-Industry Statistics	-identify and keep current statistics from LIMRA and CAFII research	ED	-overlapping responsibility with DMC. Referred/delegated to DMC.
<p>Webinars:</p> <ul style="list-style-type: none"> -Develop and offer webinar education -Determine distribution of webinar material 	<ul style="list-style-type: none"> -develop / oversee development of new webinars -review and keep webinars current -track who has seen which webinars -plan number of webinars per year, have list of upcoming webinars -deliver webinars 	ED	<p>-Digital commerce and social media webinar, developed by Davis Yoo and Debbie Dimoff of PwC, delivered to CCIR audience on May 30, 2013.</p> <p>-S. Manson has modernized CAFII presentation on Under-Served Market, with compelling new insights from several independent research sources; will be used for CAFII presentations for CCIR and/or CISRO audiences.</p>

Media Response Taskforce

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

Purpose: Deal with media issues as they arise. Make recommendation to Board communications committee (Members: Mark Cummings, Scotialife Financial; Dave Minor, TD; Rick Lancaster, CIBC; Julie Barker-Merz, BMO)

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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: Jennifer Hines, RBC Resources: Leya Duigu, Brendan Wycks

Mandate : Operate CAFII events and receptions to maintain contact with regulators, associate members and other key stakeholders.

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 has secured Brigitte Goulard, newly appointed FCAC Deputy Commissioner, who is a former CAFII EOC member, having formerly worked for TD Meloche Monnex
	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)		