

Draft EOC Meeting Minutes

April 24, 2024

**EXECUTIVE OPERATIONS COMMITTEE IN-PERSON/VIRTUAL (HYBRID) MEETING
 CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE**

Tuesday, April 23, 2024, 2:00-4:00pm

Minutes

In-Person/Virtually	Rob Dobbins Jennifer Russell Martin Boyle Tejal Harri-Morar Moushami Dullabh Rebecca Saburi David Parkatti Afzal Baig John Juba Kevin Szweras Lauren Ross Isabelle Choquette Archie Sachdeva Suzie Blanchard Jonathan Poulin Christine Suaza Fernando Heleno Shannon Dowe Prithipal Rajasekaran John Burns Andrea Stuska Fay Coleman Fergal Murphy Peter Thorn Shahnoor Khimjee Dallas Ewen Jason Beauchamp Marco DeiCont	Assurant and EOC Chair Assurant Canada BMO Insurance BMO Insurance BMO Insurance BMO Insurance Canadian Western Bank Chubb Life Insurance Company of Canada Chubb Life Insurance Company of Canada CIBC Insurance CIBC Insurance Desjardins Insurance Manulife Financial Manulife Financial National Bank Insurance RBC Insurance RBC Insurance RBC Insurance Scotia Insurance Securian Canada TD Insurance TD Insurance TD Insurance TD Insurance TD Insurance The Canada Life Assurance Company The Canada Life Assurance Company Valeyo
Regrets:	Karyn Kasperski Donald Hinnecke Fernando Heleno Cynthia Golubic Catherine Latulippe David Self	RBC Insurance and EOC Vice Chair RBC Insurance and Treasurer RBC Insurance Canadian Tire Bank Canadian Tire Bank CIBC Insurance

Michelle Costello	CUMIS/The Co-operators
Cassandra Litniansky	CUMIS/The Co-operators
Diane Quigley	CUMIS/The Co-operators
Almas Satwat	CUMIS/The Co-operators
Nathalie Baron	Desjardins Insurance
Pierre-Olivier Cyr	Desjardins Insurance.
Carmelina Manno	Manulife Financial
Katia Umutoniwase	Manulife Financial
Janet Pacini-Thibodeau	Manulife Financial
Sharon Murrell-Foster	Manulife Financial
Ivan Murray	National Bank Insurance
Charles MacLean	RBC Insurance
Stacey Hughes-Brooks	RBC Insurance
Sushil Masih	RBC Insurance
Alfonso Movilla	Scotia Insurance
Brad Kuiper	Scotia Insurance
Mais El-Magraby	Scotia Insurance
Sean Kradjian	Scotia Insurance
Asma Desai	Securian Canada
Lindsey Leclair	Securian Canada
Moira Gill	TD Insurance
Catherine Laspina	The Canada Life Assurance Company
Jacqlyn Marcus	Valeyo

Also Present: Keith Martin, *Executive Director*
Robyn Jennings, *Research Analyst*
Shanay Smith, *Operations Manager*
Troy Woodland, *Association Coordinator*

Item 1: Welcome, Call to Order, and Priority Matters

Item 1 (a): Call to Order

The meeting was chaired by EOC Chair Rob Dobbins, who called the meeting to order.

Item 1 (b): Welcome to New CAFII EOC Members: David Parkatti, Canadian Western Bank; and Archie Sachdeva, Manulife

EOC Chair Rob Dobbins welcomed two new EOC members, David Parkatti (Canadian Western Bank) and Archie Sachdeva (Manulife), who then introduced themselves.

Item 2: Consent Items

The following Consent Items that do not require any discussion or decisions were tabled:

- a. Consultations/Submissions Timetable
- b. March 2024 and April 2024 Regulatory Update
- c. Regulator and Policy-Maker Visit and Communication Recap

- d. Summary of Board and EOC Action Items
- e. Board-Approved Schedule of CAFII 2024 Meetings and Events
- f. List of CAFII Member Company Primary Contacts for Specifying Invitees to May 28/24 CAFII Annual Members and Associates Luncheon

Item 3: Financial Management Matters

Item 3 (a): CAFII Financial Statements as at March 31/24

CAFII Executive Director Keith Martin, on behalf of the CAFII Treasurer Donald Hinnecke, provided an update to the EOC on CAFII's financial statements as at March 31/24. He noted that the balance sheet was healthy, and the Association has a strong cash flow position. He also noted that thanks to CAFII, it has a significant surplus, which it is investing prudently, resulting in investment income while ensuring liquidity and adequate cash flow.

Item 3 (b): CAFII Forecast as at March 31/24

CAFII Executive Director Keith Martin, on behalf of CAFII Treasurer Donald Hinnecke, reported that revenue is higher than projected. This is due to the net gain of one new associate (two new associates, Fasken Law Firm and CWP Consultants, have joined, and one associate left, Norton Rose) and a new initiation member, Canadian Western Bank (CWB). While revenue is above budget, the Annual Members' Luncheon will be more expensive than anticipated, likely \$5000 above the budgeted cost. Other CAFII events do not have any anticipated expense changes that will negatively impact the forecast. Finally, the current forecast is for an operating ratio of 59% relative to the budget of 49%, which is above the usual objective of 25-50%. In a nutshell, CAFII has a healthy balance sheet and is managing expenses effectively.

Item 3(c): Outcome of Board Presentation on 2023 CAFII Audit by KPMG

CAFII Executive Director Keith Martin, on behalf of CAFII Treasurer Donald Hinnecke, informed the EOC of the outcome of the Board presentation of the 2023 CAFII audit by KPMG. KPMG reported a clean audit with no issues to raise. The Board passed a motion to accept the audit as presented. The final step in the process is for the audit to be presented to the Annual Meeting of Members on June 4/24.

This item will be on the Agenda for the June 4, 2024, Annual Meeting of Members.

Item 4: Committee and Working Groups

Item 4 (a): Diversity, Equity, and Inclusion

i. Summary of DEI Working Group Members Survey

CAFII Research Analyst Robyn Jennings provided a summary of the DEI Working Group Members Survey. She explained that the DEI survey was sent to all EOC members on April 10/24, with a due date of May 1/24. All members have been asked to nominate someone from within their company to complete the survey and submit it to R. Jennings. All answers received will be anonymized and aggregated. The final results will be presented to the EOC and then the Board.

Item 4 (b): Marketing Conduct & Licensing

i. Upcoming Meeting on April 24/24 with the Insurance Council of British Columbia (ICBC)

CAFII Executive Director Keith Martin informed the EOC of CAFII's upcoming meeting with the Insurance Council of British Columbia (ICBC) on April 24/24. The Insurance Council of BC is introducing a new restricted insurance agent regime. CAFII has been in discussion with them for over a year and a half because the underlying authority giving them permission to proceed has not been published. Approximately a year ago, the Insurance Council of BC said they wanted to include a competency

document within their regime. This document would identify the types of training that organizations, that offer insurance through the RIA regime, would need to have in place to ensure that non-licensed individuals are adequately trained. CAFII argued that this was unnecessary; CAFII's members are large, sophisticated organizations with extensive training programs. The Insurance Council of BC seemed to accept this line of argument, but now they have proposed a new "Restricted Agency Performance Requirements Framework." This framework, which is more detailed than the original document, describes the requirements a non-licensed individual will need to demonstrate in order to offer customers insurance. This is problematic because it is unharmonized, more detailed, overly complicated, and ill-fitted for an RIA regime. K. Martin expressed CAFII's need to respond to this document urgently and try to discourage the Insurance Council of BC away from implementing this framework.

Item 4 (c): Quebec/AMF Issues

i. CAFII Meeting with the AMF on the Cancellation of Spousal Coverages

The Chair of the Quebec/AMF Issues Committee, Jennifer Russell, introduced this item and mentioned the upcoming committee meeting on April 24/24. This meeting will discuss the nuances around cancelling spousal insurance coverage and the implementation of the now final regulation on complaints handling and dispute resolution, which will be in force on July 1, 2025.

CAFII Executive Director Keith Martin updated the EOC on the recent discussions between CAFII and the AMF. He mentioned that he circulated an email to all EOC members containing a draft letter to the AMF to request a moratorium on the deadline for the cancellation of spousal insurance. The letter has not been sent out because the AMF has subsequently reached out to set up a meeting to discuss the issue. A meeting has been set up for April 29/24. EOC Chair and Vice-Chair Rob Dobbins and Karyn Kasperski, Quebec/AMF Committee Chair and Vice-Chair Jennifer Russell and Jason Beauchamp, as well as the CAFII staff, will attend. Four AMF members will attend, including Véronique Martel, Natalie Sirois, and Mario Beaudoin. While it is unclear what the AMF will say, CAFII is ready with its arguments to impress upon the AMF the importance of delaying the deadline and allowing the natural attrition of spousal insurance coverage to continue.

Item 4 (d): Media Advocacy

i. Results of Board Presentation on Media Strategy

CAFII Executive Director Keith Martin explained that, on April 9/24, CAFII's Media Consultant, Wendy Bairos, presented a document to the Board detailing suggested options for CAFII's 2024 media strategy. One such option was setting up one-on-one meetings with Keith Martin and "friendly" journalists to enhance CAFII's profile as an expert resource. The Board was receptive, but cautious, to the options and wanted to continue discussions as well as hear from the EOC before approving anything. CAFII's Media Consultant, Wendy Bairos, will present an updated version of the media strategy options to the Board at the June 4, 2024, Board meeting. Therefore, K. Martin asked all EOC members to consult the document included in the consolidated package so that they can provide their input at the next EOC meeting on May 14/24.

This item will be on the May 14/24 EOC meeting agenda for further discussion.

ii. Trade Media Pickup of CAFII 2023 Research Project with LIMRA on Insurance Among Canadian Homeowners

CAFII Executive Director Keith Martin reported that there was good media pick-up on the LIMRA research, with four trade press articles (three English and one French) published. CAFII also just released a press release announcing Canadian Western Bank as CAFII's newest member.

Item 4 (e): Research & Education

i. Research & Education 2024 Priorities Recommendations

Research & Education Chair Andrea Stuska explained that the Committee met last week to discuss options for CAFII's 2024 potential research pursuits. These options have been included in the EOC package. After much discussion, the recommendation was that CAFII commission a survey on travel and travel insurance. CAFII has not conducted such a travel study since 2018. This would be a standalone study because the pre- and post-pandemic travel insurance industry really cannot be compared. The next step, following today's conversation, will be for the Research & Education Committee to meet with the Media Advocacy Committee to debrief and move forward with the recommendation.

CAFII Executive Director Keith Martin added that there will be another Research & Education Committee meeting, joined by the Media Advocacy Committee, to discuss any EOC feedback received today.

Kevin Szweras (CIBC Insurance) expressed concerns over the relevancy or necessity of a survey on travel insurance. He explained that travel is of limited interest to CIBC insurance and suggested digging further into the findings from CAFII's LIMRA study.

Based on the feedback received, K. Martin and A. Stuska suggested organizing another meeting between the Research & Education and the Media Advocacy Committees to discuss the next steps.

Item 4 (f): Networking & Events

i. Speaker for Annual Meeting of Members Luncheon May 28/24

CAFII Executive Director Keith Martin reported that Dominic Haines, President and CEO of RGA Life Reinsurance Company of Canada, has been secured as the speaker at the upcoming Annual Meeting of Members Luncheon on May 28/24. The invitation for the Luncheon will be sent to all CAFII members soon.

Item 4 (g) Travel Insurance Experts

No updated was provided for this agenda item.

Item 5: Strategic and Regulatory Initiatives

No update was provided for this agenda item.

Item 6: Governance Matters

Item 6 (a): CAFII Succession Plan

CAFII Executive Director Keith Martin informed the EOC that a succession plan has been in the works for a while now. CAFII is a small organization, so it is important to have safeguards in place to mitigate risk in the event of a staff departure. Working with EOC Chair and Vice Chair, Rob Dobbins and Karyn Kasperski, K. Martin has created a draft succession plan that has been included in the consolidated package for this meeting. For now, he asked all EOC members to consult the draft document included in the consolidated package so that they can provide their feedback at the May 14, 2024 EOC, meeting. The goal is to receive the EOC's feedback in May, edit the succession plan as needed, and present an updated version to the Board at the June 4, 2024 Board meeting.

This item will be on the May 14/24 EOC meeting agenda for further discussion.

Item 6 (b): Results of Board Presentation on CAFII Strategic Plan

CAFII Executive Director Keith Martin updated the EOC on CAFII's strategic plan, which was discussed at the April 9/24 Board meeting. In 2018, CAFII developed a 3–5-year strategic plan. It was reviewed and slightly modified in 2021. The Board's feedback was that it liked CAFII's direction but felt there were items that should be added to the strategic plan. Now, three years later, CAFII is reviewing with the Board if there needs to be another deep dive into the strategic plan. A presentation was made to the Board in April on the strategic plan; it felt that there did not need to be a special-purpose Board meeting on it, but the Board did ask for a 30-minute allocation of time at the June 4, 2024, Board meeting to discuss the Strategic Plan, and also asked the EOC to provide its feedback. K. Martin included the strategic plan in the consolidated package for the EOC to review for a discussion at the May 14/24 EOC meeting.

To summarize, the current key elements of CAFII's strategic plan are:

- Maintain and build regulatory relationships through reactive and proactive efforts.
- Develop a significant research program.
- Assertive communication and networking program with influencers.
- Continue to invest in CAFII's website as an educational tool.
- Develop long-term, proactive regulatory positions.

The mission statement was amended in 2021 to focus more on customers. Another change was for CAFII to more actively engage with the FCAC. CAFII will continue hosting webinars, which have been universally very well received. The plan was also modified in 2021 to include more focus on digitization and on international regulatory trends.

This item will be on the May 14/24 EOC Meeting agenda for further discussion.

Item 6 (c): Draft Minutes of March 26/24 EOC Meeting

The EOC approved the minutes of the March 26/24 CAFII EOC Meeting.

Item 6 (d): Update on One-on-One EOC and CAFII Operating Dialogue and Q&A Sessions with Robyn Jennings and Shanay Smith

CAFII Executive Director Keith Martin updated the EOC on the one-on-one EOC and CAFII Operating Dialogue and Q&A sessions with Robyn Jennings and Shanay Smith. These meetings are intended to raise the profile of both R. Jennings and S. Smith, develop closer working relationships with EOC members and CAFII's new hires, and hear from each EOC member about what they feel is working and what can be improved. Ultimately, this is an opportunity to facilitate working relationships and hear from members on how CAFII can improve its support of member companies.