

**EXECUTIVE OPERATIONS COMMITTEE VIRTUAL MEETING
CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE**

Tuesday, March 22, 2022, 2:00-4:00pm

MINUTES

EOC Present:

Rob Dobbins	Assurant and EOC Chair
Karyn Kasperski	RBC Insurance and Vice Chair
Tony Pergola	ScotiaLife Financial and Treasurer
Martin Boyle	BMO Insurance
Asma Desai	Canadian Premier Life Insurance Company
John Burns	Canadian Premier Life Insurance Company
Anuraj Bains	CIBC Insurance
Ben Gray	CIBC Insurance
David Self	CIBC Insurance
Almas Satwat	CUMIS/The Co-operators
Casandra Litniansky	CUMIS/The Co-operators
Michelle Costello	CUMIS/The Co-operators
Robert Huang	CUMIS/The Co-operators
Afsheen Aslam	Manulife Financial
Carmelina Manno	Manulife Financial
Katia Umutoniwase	Manulife Financial
Marie Nadeau	National Bank Insurance
Charles MacLean	RBC Insurance
Fernando Heleno	RBC Insurance
Penelope Cordogiannis	RBC Insurance
Stacey Hughes-Brooks	RBC Insurance
Brad Kuiper	ScotiaLife Financial
Emily Brown	Sun Life
Fay Coleman	TD Insurance
Fergal Murphy	TD Insurance
Moir Gill	TD Insurance
Peter Thorn	TD Insurance
Dallas Ewen	The Canada Life Assurance Company
Sharon Apt	The Canada Life Assurance Company
Jacqlyn Marcus	Valeyo
Marco DeiCont	Valeyo

Regrets:

Corrine Gagné	Canadian Tire Financial Services
Farhad Eslah	Canadian Tire Financial Services
Jonine McGregor	Canadian Tire Financial Services
Esther Lee	CIBC Insurance
Diane Quigley	CUMIS/The Co-operators
Isabelle Choquette	Desjardins Insurance
Nathalie Baron	Desjardins Insurance
Caroline Cardinal	National Bank Insurance

Ivan Murray	National Bank Insurance
Aneta Murphy	ScotiaLife Financial
Mindy Tarantelli	ScotiaLife Financial
Aanchal Gulia	Sun Life
Anaar Jessa	Sun Life
Edward Kuo	Sun Life
Susanne Oleksandriw	Sun Life
Andrea Stuska	TD Insurance

Also Present:

Brendan Wycks, *Co-Executive Director*
Keith Martin, *Co-Executive Director*
Jake Becker, *Association Coordinator*

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

Item 1 (a): Call to Order

EOC Chair Rob Dobbins called the meeting to order.

Item 1 (b): Welcome to New EOC Members

Rob Dobbins welcomed the following new members to the EOC: John Burns, Canadian Premier Life; Robert Huang, CUMIS/Co-operators; and Jacqlyn Marcus, Valeyo; and Almas Satwat, CUMIS/Co-operators. Each of those new EOC members provided a brief self-introduction.

Item 1 (c): Appointment of Jacqlyn Marcus, Valeyo, as Chair of Media Advocacy Committee

The EOC formally approved the appointment of Jacqlyn Marcus, Valeyo, as the new Chair of the Media Advocacy Committee. Rob Dobbins thanked Ms. Marcus for taking on this leadership role.

Item 1 (d): Members' Contributions to CAFII's Advancement Through Contribution of Volunteer Resources to Committee Chair, Committee Vice-Chair, and Committee Member Roles: Current Status and Next Steps Needed

Rob Dobbins noted that while much progress had been made in filling leadership roles within CAFII, there was still a requirement to find a new Treasurer by June 7/22 when current Treasurer Tony Pergolas will be stepping down after five years of exemplary service in that key volunteer Officer leadership role.

Item 2: Consent Items

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

- a. Consultations/Submissions Timetable
- b. Regulatory Update
- c. February 15/22 CAFII Response Submission to FSRA on "Information Guidance on Complaints Resolution"
- d. February 18/22 CAFII Response Submission to FCNB on "Proposed Rule INS-002: Insurance Fees"
- e. February 18/22 CAFII Response Submission to AMF on "Incentive Management Guideline"

- f. March 1/22 CAFII Response Submission to BCFSa on “Discussion Paper: Information Security Incident Reporting”
- g. Regulator and Policy-Maker Visit Plan Recap
- h. Summary of Board and EOC Action Items
- i. Board-Approved Schedule of CAFII 2022 Meetings and Events

Item 3: Financial Management Matters

Item 3 (a): CAFII 2021 Audited Financial Statements and Independent Auditor’s Report Thereon

Tony Pergola reported that KPMG’s audit of CAFII’s 2021 financial statements had gone smoothly and there was a clean audit opinion. Mr. Pergola gave an overview of the main elements of the audited financial statements, noting that in 2021 revenues were \$956K, expenses were \$834K, leading to a \$122K surplus. CAFII began the year with \$383K in financial reserves and ended the year with a \$505K in financial reserves. The EOC endorsed the audited financial statements, for presentation to the Board for approval at its upcoming April 12, 2022 meeting.

Item 3 (b): Critical Path for KPMG Audit of CAFII 2021 Fiscal Year Financial Statements

Brendan Wycks reported that the audit process for CAFII’s 2021 fiscal year financial statements remained on schedule and the next step was for the Board to approve the Draft Audited Financial Statements and Independent Auditor’s Report Thereon at the upcoming April 12, 2022 Board meeting, after which that document would be formally approved at the 7 June, 2022 Annual Meeting of Members.

Item 3 (c): Dissemination of 2022 Member Renewal Letters and First Instalment Dues Invoices; and 2022 Associate Renewal Letters and Dues Invoices

Brendan Wycks reported that CAFII members had now been sent their 2022 Membership Renewal letter and first instalment dues invoice, and Associates had also been sent their 2022 Renewal letter and dues invoice.

Item 4: Committee Updates

Item 4 (a): Travel Insurance Experts

i. Issues Discussed and Insights Gained from Two Recent Meetings of Travel Insurance Experts Committee

Katia Umutoniwase, Chair of the Travel Insurance Experts Committee, reported that two recent meetings of the Committee had identified that this was a tremendously busy time for the travel insurance sector as COVID restrictions are being lifted and people begin to travel again. There are still issues around airlines not refunding travellers for cancelled trips, leading people to make insurance claims. Travel prices are set to soar due to heightened demand, and the increase in fuel prices which will make flying more expensive. Insurers are dealing on a case-by-case basis with potential claims from Canadians going to Ukraine to support the resistance effort to the Russian invasion there.

ii. Insights Gained From CAFII/CLHIA/THIA BiWeekly Meetings Re Impact Of COVID-19 On Travel Insurance Industry

Brendan Wycks reported that there were fewer developments to report as travel restrictions began to be lifted, and that CLHIA and THIA had not had any recent meetings with Global Affairs Canada on travel-related issues.

Item 4 (b): Networking & Events

Carmelina Manno, Chair of the Networking & Events Committee, reported that CAFII was very active in webinars that have attracted significant interest and positive feedback.

I. Insights Gained from January 31/21 CAFII Webinar on “The Ins and Outs of Life Insurers’ Health and Wellness Incentivization Programs”

Keith Martin reported that the January 31/21 webinar on health and wellness incentivization programs had generated some excellent insights and that there had been strong attendance by insurance regulators and policy-makers at that webinar.

ii. Insights Gained From March 7/22 CAFII Webinar on “Mental Health Issues and Challenges in the Workplace, At Home, and In Society: Coping With The Persistent Pandemic’s Impact”

Keith Martin reported that the webinar on mental health issues was extremely well-received, with excellent commentary and insights, and keen interest and attendance from insurance regulators and policy-makers. These webinars are proving to be an excellent way to enhance CAFII’s profile and to provide an effective way to reach out to regulators, he advised.

iii. Plans For CAFII 25th Anniversary Celebration In 2022, Including Possible Movement from June 7/22 to October 11/22

Brendan Wycks reported that ongoing discussion was happening about the considerable uncertainty existing around holding in-person events in the coming months. While the CAFII 25th anniversary celebration is currently slated for June 7, 2022, there is also the possibility of postponing it to a later date, with one possibility being to hold it after the 11 October, 2022 Board meeting.

Item 4 (c): Marketing Conduct & Licensing

Brad Kuiper, Chair of the Market Conduct & Licensing Committee, reported that CAFII was still working through an unprecedented number of back-to-back-to-back regulatory consultations and submissions.

i. CCIR/CISRO Consultation With Industry Stakeholders On Incentives Management (Submission Deadline: April 4/22)

Keith Martin reported that CAFII was well-advanced on a submission to CCIR/CISRO on incentives management.

ii. FCNB Informal Joint Sounding Board Consultation With CLHIA and CAFII On Imminent Amendments to Life and Health Sections of New Brunswick Insurance Act: David Weir Request For Smaller CAFII Review/Input Group, Given Confidential/Embargoed Terms of Release

Brendan Wycks reported that CAFII is co-ordinating a response with CLHIA to questions from FCNB on imminent amendments to New Brunswick’s Life and Health Sections of the New Brunswick Insurance Act.

iii. FSRA Consultation on Principles-Based Regulation (Submission Deadline: April 29/22)

Keith Martin reported that CAFII will be making a submission in response to a FSRA consultation document on its proposed approach to principles-based regulation.

Item 4 (d): Media Advocacy

i. 2022 Scope of Work Proposal From Operatic Agency

Media Advocacy Chair Jacqlyn Marcus provided an update on the proposed 2022 scope of work on the CAFII website with Operatic Agency, noting that one video would be produced in 2022 while other funds in the Board-approved budget in this area would be devoted to improving the French section of the website, producing more FAQs, and continued investment in improving search engine optimization results. The EOC approved the recommended 2022 Scope of Work Proposal From Operatic Agency.

Item 4 (e): Research & Education

i. Next Steps for Deloitte Canada Thought Leadership Paper on Trends, Consumer Demands/Expectations, and Best Practices in Digitization of CPI; Including Possible Public Release of Results

Andrea Stuska, Chair of the Research & Education Committee, provided an update on the Deloitte Canada thought leadership paper research effort, which was now largely complete and which had received positive feedback from CAFII Members. CAFII is now working on a proposed public release of some of the elements of the research results. Ms. Stuska shared the proposed plan for selective release of the research results, which the EOC endorsed and which will now be presented to the Board for approval at its upcoming 12 April, 2022 meeting.

[Action Item: Present plan for public release of selective components of Deloitte thought leadership paper research results to the Board, for approval; A. Stuska, K. Martin, 12 April, 2022.]

Item 5: Recent and Upcoming Strategic and Regulatory Initiatives

Item 5 (a): Insights Gained From CAFII Internal Dialogue and Subsequent Email Exchange With AMF, Which Led To Cancellation Of Scheduled CAFII March 15/22 Feedback/Dialogue Meeting with AMF on RADM's Governance of Insurance Offered/Sold Over The Internet Since 2019

CAFII was planning to attend a consultation meeting with the AMF on the RADM and internet sales of insurance, but upon further discussion with the AMF it was determined that the consultation was limited to Chapter 2 of the RADM, which is related to direct sales of insurance on the internet and not the focus of CAFII's mandate. CAFII is more focused on distribution without a representative, which is the subject of Chapter 3 of the RADM. As a result, it was agreed that the meeting would no longer be held.

Item 5 (b): AMF's Plans For Issuing Feedback Letter To The Industry With Respect To December 17/21 Action Plans Submitted For Bringing Credit Card-Embedded Insurance Benefits Into Compliance With AMF's RADM-Based Expectations

Keith Martin reported that the AMF is planning on issuing a letter to industry on its main observations around the Action Plans submitted by CAFII members to the AMF on December 17/21 on how to bring credit card-embedded insurance benefits into compliance with the RADM.

Item 5 (c): AMF's Consideration of CAFII's January 17/22 Submission on Proposed Wording Modifications To Fact Sheet and Notice of Rescission to Make Them Fit/Suit Credit Card-Embedded Insurance Benefits

Keith Martin reported that CAFII is still waiting for the AMF to provide its response to CAFII's proposed changes to the wording of the Fact Sheet and Notice of Rescission.

Item 5 (d): Insights Gained from February 24/22 CAFII Virtual Consultation Meeting With BCFSa Staff Executives On Authority's "Discussion Paper: Information Security Incident Reporting"

Brendan Wycks reported that CAFII held a very successful dialogue meeting with BCFSa staff on its proposed approach to information security incident reporting, with CAFII emphatically recommending that instead of creating a new reporting requirement, BCFSa should just replicate the existing OSFI incident reporting process.

Item 5 (e): Insights Gained From February 17/22 Meeting With FCAC Staff Executives For Feedback on How CAFII's Submission on "Guideline on Appropriate Products and Services for Banks and Authorized Foreign Banks" Has Resonated With FCAC and Influenced Final Version of the Guideline (Released February 24/22)

Brendan Wycks reported that CAFII had held several successful meetings with FCAC to advance its views on the FCAC's Appropriateness Guideline, and the final version of the FCAC Guideline did include some significant changes that reflected some of the concerns expressed by CAFII.

Item 5 (f): Insights Gained from February 22/22 CAFII Feedback Meeting with Auditor General of Ontario on FSRA's Performance

Keith Martin reported that CAFII's Co-Executive Directors had held a successful meeting on 22 February, 2022 with a representative of the Auditor General of Ontario on FSRA's performance and value-for-money. CAFII was generally laudatory about FSRA's performance, but did mention a concern about annual budget increases that were in excess of the general rate of inflation.

Item 6: Governance Matters

Item 6 (a): Draft Minutes of February 15/22 EOC Meeting

The draft minutes of the February 15, 2022 EOC meeting were approved.

Item 6 (b): EOC Members' Comfort With Return To In-Person EOC Meetings Planned For May 17/22?

There was a discussion about whether members were comfortable with a return to in-person meetings starting with the 17 May, 2022 EOC meeting. There was a variety of views expressed, with a general view being that it was worthwhile to try to hold the meeting in-person, so long as there was an option for virtual attendance as well.