

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

**Tuesday, January 18, 2022, 2:00-4:00pm**

**MINUTES**

**EOC Present:**

Rob Dobbins	Assurant and EOC Chair
Karyn Kasperski	RBC Insurance and EOC Vice Chair
Anuraj Bains	CIBC Insurance
Sharon Apt	The Canada Life Assurance Company
Martin Boyle	BMO Insurance
Dallas Ewen	The Canada Life Assurance Company
Ben Gray	CIBC Insurance
Charles MacLean	RBC Insurance
Carmelina Manno	Manulife Financial
Tony Pergola	ScotiaLife Financial
Katia Umutoiwase	Manulife Financial
Fay Coleman	TD Insurance
Asma Desai	Canadian Premier Life Insurance Company
Esther Lee	CIBC Insurance
Stacey Hughes-Brooks	RBC Insurance
Fergal Murphy	TD Insurance
Afsheen Aslam	Manulife Financial
Andrea Stuska	TD Insurance
Peter Thorn	TD Insurance
Michelle Costello	CUMIS/The Co-operators
Penelope Cordogiannis	RBC Insurance
Fernando Heleno	RBC Insurance
Anaar Jessa	Sun Life
Edward Kuo	Sun Life
David Self	CIBC Insurance

**Regrets:**

Emily Brown	Sun Life
Isabelle Choquette	Desjardins Insurance
Farhad Eslah	Canadian Tire Bank
Moiria Gill	TD Insurance
Aanchal Gulia	Sun Life
Cassandra Litniansky	CUMIS/The Co-operators
Jonine McGregor	Canadian Tire Bank
Aneta Murphy	ScotiaLife Financial
Diane Quigley	CUMIS/The Co-operators
Vivek Sahni	RBC Insurance
Shawna Sykes	The Co-operators
Mindy Tarantelli	ScotiaLife Financial
Marie Nadeau	National Bank Insurance
Susanne Oleksandriw	Sun Life
Nathalie Baron	Desjardins Insurance

Caroline Cardinal	National Bank Insurance
Marco DeiCont	Valeyo
Corrine Gagné	Canadian Tire Bank
Brad Kuiper	ScotiaLife Financial

**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 and Welcome to New EOC Members (Afsheen Aslam, Manulife; and David Self, CIBC Insurance)**

Rob Dobbins welcomed Afsheen Aslam of Manulife, and David Self of CIBC Insurance, to the EOC. Both Ms. Aslam and Mr. Self briefly introduced themselves.

#### **Item 1 (b): 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 provided an overview of the effort to reinforce the membership of CAFII Committees and Working Groups, including appointing a Chair and Vice-Chair for every Committee. Mr. Dobbins noted that the Association was still searching for a Chair and Vice-Chair of the Media Advocacy Committee.

### **Item 2: Consent Items**

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

- Consultations/Submissions Timetable
- Regulatory Update
- December 8/21 CAFII Response Submission to AMF on "Draft Regulation Respecting Complaint Processing and Dispute Resolution in the Financial Sector"
- December 11/21 CAFII Response Submission to FCAC on "Proposed Guideline on Complaint Handling Procedures for Banks and Authorized Foreign Banks"
- January 6/22 CAFII Response Submission to FCAC on proposed "Guideline on Appropriate Products and Services for Banks and Authorized Foreign Banks"
- Regulator and Policy-Maker Visit Plan
- Summary of Board and EOC Action Items
- Board-Approved Schedule of CAFII 2022 Meetings and Events

### **Item 3: Financial Management Matters**

#### **Item 3 (a): CAFII Financial Statements as at December 31/21 (full 2021 fiscal year)**

CAFII Treasurer Tony Pergola noted that CAFII's Association Management Company (AMC) Managing Matters had recently seen its accountant depart, and while a new accountant is being recruited and trained, there will be delay in developing the December 31, 2021 financial statements. As such, there is no update to provide at this meeting for this month's financial statements.

### **Item 3 (b): Board-Approved CAFII 2022 Operating Budget**

Tony Pergola noted that the Board had approved the proposed 2022 operating budget, and that it operated on the basis of a return to travel and in-person meetings starting in April, 2022. There are three scenarios or versions of the budget, which differ only in allocating different percentage salary increases for the two CAFII Co-Executive Directors (2%, 3%, 4%). There is a 5% increase in 2022 for the management fees for our Association Management Company Managing Matters, based on the term sheet proposal for a three-year contract renewal with it (2022-2024). The proposed operating budget if approved would produce a small deficit in 2022.

### **Item 3 (c): Canadian Premier Life's Acquisition of Sun Life's CPI Business; and Resulting Loss of Sun Life as a CAFII Member After 2022**

Tony Pergola noted that Sun Life had confirmed with CAFII that it was selling its CPI business to Canadian Premier Life, with the deal expected to close later in 2022. Sun Life would remain a CAFII member in 2022, but was not expected to renew its membership in 2023.

### **Item 3 (d): Critical Path With KPMG For CAFII 2021 Fiscal Year Audited Financial Statements**

Brendan Wycks provided an overview of the CAFII 2021 fiscal year audit critical path with auditor KPMG.

### **Item 3 (e): Dissemination of 2022 First Instalment CAFII Member Dues Invoices**

Brendan Wycks reminded EOC members that the first installment of CAFII members dues invoices would be sent to members in the next few weeks.

## **Item 4: Committee Updates**

### **Item 4 (a): Research & Education**

#### **i. Plans for January 19/22 Presentation of Results of CAFII-Commissioned Deloitte Canada Thought Leadership Paper on Trends, Consumer Demands/Expectations, and Best Practices in Digitization of Insurance**

Research & Education Chair Andrea Stuska, and Keith Martin, reported that Deloitte has now interviewed the majority of CAFII members, received survey results from CAFII members, and has conducted its internal research efforts on the best practices around digitization in insurance with a focus on CPI. Deloitte is planning on presenting its key findings to a special-purpose Board meeting on 19 January, 2022. It was noted that the research effort was going well, and the Research & Education Committee had been receiving regular updates.

### **Item 4 (b): Media Advocacy**

#### **i. Production/Finalization of CAFII Website Videos on Pollara CPI Digitization Research Results; Job Loss CPI; and Consumer Protections Embedded In CPI; and Planned 2022 Initiatives**

Keith Martin reported that CAFII is finalizing the second of three 2021-budgeted website videos, on job loss insurance. A third video on consumer protections embedded in CPI is in the works. CAFII is also working with Operatic Agency on the planned 2022 website enhancements.

### **Item 4 (c): Market Conduct & Licensing**

Brad Kuiper, Chair of the Market Conduct & Licensing Committee, noted that CAFII was facing an unprecedented level of regulatory submissions, which was putting a strain on CAFII volunteer resources.

**i. AMF Consultation on Revised “Sound Commercial Practices Guideline” (Submission Deadline: January 28/22)**

Keith Martin reported that CAFII is finalizing its submission to the AMF on its revised “Sound Commercial Practices Guideline,” which includes many new powers and tools for the AMF around the fair treatment of customers. He noted that the original Guideline was 13 pages, and the new one that CAFII is reviewing is 24 pages, which reflects the greater level of detail in the new document.

**ii. CAFII and CLHIA Collaboration on Joint Response to “New Brunswick Insurance Act Modernization: Questions For Industry” (15 Questions from David Weir, FCNB), with Late January/Early February Target Submission Date**

Brendan Wycks reported that CAFII and CLHIA were collaborating on answering 15 questions that David Weir of New Brunswick has posed to the two Associations. Kate Walker of CLHIA will take the first cut at answering the questions with a CLHIA Committee’s input, and CAFII will then add its feedback to that first cut.

**iii. FCNB Consultation on “Proposed Rule INS-001: Insurance Intermediaries Licensing and Obligations” (Submission Deadline: February 7/22)**

Brendan Wycks reported that CAFII is preparing its response to the FCNB consultation on its changes to the New Brunswick Insurance Act, which will focus on the development of a new NB Restricted Insurance Agent regime.

**iv. AMF Consultation on Draft “Incentive Management Guideline” (Submission Deadline: February 18/22)**

Keith Martin reported that CAFII is preparing its submission to the AMF consultation on a guideline around incentive management.

**v. FCNB Consultation on “Proposed Rule INS-002: Insurance Fees” (Submission Deadline: February 18/22)**

Brendan Wycks reported that CAFII will make a short submission response to FCNB on its consultation around proposed changes to its insurance fees.

**Item 4 (d): Travel Insurance Experts**

**i. Insights Gained From CAFII/CLHIA/THIA Weekly Calls Re Impact Of COVID-19 On Travel Insurance Industry**

Brendan Wycks reported that there have been very few meetings between Global Affairs Canada and CLHIA and THIA, respectively, around COVID-19 and the travel insurance industry in recent months, leading to these tripartite industry Association weekly meetings not being quite as rich in information-sharing as they were in the past.

#### **Item 4 (e): Networking & Events**

##### **i. Insights Gained from November 30/21 CAFII Webinar with Marlena Labieniec, Director of FSRA Innovation Office, on FSRA's Innovation Framework**

Keith Martin recalled that this CAFII webinar was held in response to a request for such a session from FSRA, and that organizing the session was something that FSRA appreciated. The webinar included good regulatory participation, and there were two poll questions conducted which was an interesting innovation that worked well.

Rob Dobbins noted that attendance at this webinar was lower than usual at around 45 attendees, and he encouraged EOC members to participate in these webinar sessions.

##### **ii. Upcoming January 31/22 CAFII Webinar on "The Ins and Outs of Life Insurers' Health and Wellness Incentivization Programs"**

Keith Martin reported that CAFII is organizing an upcoming webinar on January 31/22 with a panel of three experts on the "ins and outs of life insurers' health and wellness incentivization programs."

##### **iii. Possible Topics and Dates For 2022 CAFII Webinars**

Keith Martin reported that CAFII is planning on holding six webinars in 2022. EOC members were encouraged to share ideas and recommendations around topics and speakers.

#### **Item 5: Recent and Upcoming Strategic and Regulatory Initiatives**

##### **Item 5 (a): Outcomes of December 20/21 CAFII Follow-up Meeting with Eric Jacob and Louise Gauthier, AMF Re Improving Future CAFII/AMF "Industry Issues Dialogue" Meetings**

Keith Martin reported that CAFII held a virtual liaison meeting with the AMF in October 2021 at which the AMF asked some questions that were challenging for CAFII members to answer for confidentiality reasons. CAFII held an informal, constructive meeting with the AMF on 20 December, 2022 to explain the situation and to find ways of more effectively ensuring that the AMF's questions are answered, for example by asking them prior to the meeting so that CAFII can confidentially solicit answers and share them with the AMF in an aggregated, anonymous fashion. The conversation with Eric Jacob and Louise Gauthier was engaged, informal, friendly, and constructive, with Mr. Jacob saying on several occasions that he found the discussion very helpful and useful.

##### **Item 5 (b): CAFII Working Group on Industry Alignment Around Compliance with AMF's Expectations Re RADM's Applicability to Credit Card-Embedded Insurance Benefits**

Keith Martin recalled that for much of 2021, CAFII had a very active Working Group meet regulatory to determine how best to respond to the AMF's expectation that the Regulation respecting Alternative Distribution Methods (RADM) applies to credit cards-embedded insurance benefits. CAFII has now received agreement from the AMF that the Fact Sheet will not need to be distributed to consumers purchasing credit cards with embedded insurance benefits at this time, and has asked CAFII to provide recommended modifications to the Fact Sheet and Notice of Rescission so as to make it accurate and not misleading for customers.

As such, the Working Group's efforts are largely complete, and Chair Karyn Kasperski (RBC Insurance) will be stepping down. The Working Group Chair provided an update on the achievements of the Working Group.

Keith Martin thanked Karyn Kasperski for chairing the Working Group so effectively, and noted that if additional meetings of the Working Group were needed, the new Chair would be Jennifer Russell of Assurant Canada.

**Item 5 (c): CAFII January 17/22 Submission to AMF 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 on January 17/22, CAFII submitted proposed modifications to the Fact Sheet and Notice of Rescission to the AMF. Sister Association THIA (Travel and Health Insurance Association of Canada) separately submitted the same recommended modifications to the AMF. The proposed approach is not to rewrite the documents, but rather to use an asterisk approach to proposed modifications to the document. CAFII and THIA will now wait to hear what is the feedback of the AMF on the recommended changes.

**Item 5 (d): Upcoming January 19/22 CAFII Virtual Meeting with Mario Beaudoin and Charlene Boucher, AMF Re Member Action Plans Submitted CAFII By Members (December 17/21) For Bringing Credit Card-Embedded Insurance Benefits Into Compliance With RADM; and Related Issues**

Keith Martin reported that at a December 10/21 CAFII meeting with Mario Beaudoin and Charlene Boucher of the AMF, they requested a follow-up meeting, which has been scheduled for January 19/22 to discuss challenges which the AMF and the AMF have faced in areas of mutual interest. It is believed that the focus of the meeting will be to review the Action Plans submitted by CAFII members on or before December 17/21 around credit card-embedded insurance benefits.

**Item 5 (e): CAFII Working Group on Industry Alignment Re Interpretation of FCAC's Appropriateness Guideline's Application to Authorized Insurance Products/CPI; and Potential Approaches to Compliance**

**i. Completion of Working Group's mandate; Dissolution; and Accomplishments Highlights**

Martin Boyle provided an overview of the achievements of the CAFII Working Group on the FCAC's Appropriateness Guideline, and said that he felt that the submission on this issue to the FCAC was excellent. CAFII will now wait to hear the FCAC's response to the submission, after which the Working Group may need to reconvene to discuss that response.

**ii. Outcomes of January 15/22 CAFII Virtual Stakeholder Session with FCAC on proposed "Guideline on Appropriate Products and Services for Banks and Authorized Foreign Banks"**

Brendan Wycks reported that CAFII had a virtual meeting with FCAC staff executives on January 15/22 on the Association's submission to the Agency's Appropriateness Guideline. CAFII members who attended the session felt that it was very successful, with Martin Boyle feeling that it provided another venue for CAFII's messages to be communicated to the regulator.

**Item 5 (f): CAFII "Get Acquainted and Dialogue Meeting" with Saskia Tolsma, Vice-President, Stakeholder Engagement, BCFSA**

BCFSA's Vice-President of Stakeholder Engagement has invited CAFII to meet with her, and a meeting is being arranged for late January.

**Item 5 (g): 2022 FSRA “Exchange” Virtual Mini-Conference: Thursday, January 27/22**

Keith Martin reported that FSRA is holding a “virtual mini-conference” on Thursday, January 27/22.

**Item 6: Governance Matters**

**Item 6 (a): Draft Minutes of November 23/21 EOC Meeting.**

The draft minutes of the November 23/21 EOC meeting were approved.

**Item 6 (b): Draft Minutes of December 7/21 Board Meeting**

The EOC endorsed the draft minutes of the December 7/21 CAFII Board meeting, for presentation to the Board for approval at its next meeting.