

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

Tuesday, September 14, 2021, 2:00-4:00pm

MINUTES

EOC Present:	Rob Dobbins	Assurant and EOC Chair
	Karyn Kasperski	RBC Insurance and EOC Vice Chair
	Tony Pergola	ScotiaLife Financial and CAFII Treasurer
	Anuraj Bains	CIBC Insurance
	Sharon Apt	The Canada Life Assurance Company
	Martin Boyle	BMO Insurance
	Emily Brown	Sun Life
	Isabelle Choquette	Desjardins Insurance
	Michelle Costello	CUMIS/The Co-operators
	Marco DeiCont	valeyo
	Penelope Cordogiannis	RBC Insurance
	Dallas Ewen	The Canada Life Assurance Company
	Corrine Gagné	Canadian Tire Financial Services
	Ben Gray	CIBC Insurance
	Aanchal Gulia	Sun Life
	Fernando Heleno	RBC Insurance
	Anaar Jessa	Sun Life
	Brad Kuiper	ScotiaLife Financial
	Charles MacLean	RBC Insurance
	Carmelina Manno	Manulife Financial
	Jonine McGregor	Canadian Tire Financial Services
	Anita Mukherjee	RBC Insurance
	Andrea Stuska	TD Insurance
	Peter Thorn	TD Insurance
	Fergal Murphy	TD Insurance
	Fay Coleman	TD Insurance
	Esther Lee	CIBC Insurance
	Stacey Hughes-Brooks	RBC Insurance
Regrets:	Nathalie Baron	Desjardins Insurance
	Caroline Cardinal	National Bank Insurance
	Farhad Eslah	Canadian Tire Financial Services
	Moiria Gill	TD Insurance
	Edward Kuo	Sun Life
	John Lewsen	BMO Insurance
	Casandra Litniansky	CUMIS/The Co-operators
	Aneta Murphy	ScotiaLife Financial
	Marie Nadeau	National Bank Insurance
	Susanne Oleksandriw	Sun Life
	Diane Quigley	CUMIS/The Co-operators
	Vivek Sahni	RBC Insurance

Monika Spudas	Manulife Financial
Shawna Sykes	The Co-operators
Mindy Taratelli	ScotiaLife Financial
Katia Umutoniwase	Manulife Financial

Also Present: Brendan Wycks, *CAFII Co-Executive Director*
Keith Martin, *CAFII Co-Executive Director*
Jake Becker, *CAFII Association Coordinator*

1. Welcome, Call to Order, and Priority Matters

1. a) Call to Order

EOC Chair and Board Secretary Rob Dobbins called the meeting to order at 2.02pm.

1. b) Current Status of CAFII EOC Subcommittee Memberships; and Next Steps Needed

Rob Dobbins thanked CAFII EOC members for their efforts in proposing new candidates for various CAFII Committees and Working Groups, noting that most Committees and Working Groups now had a Chair and Vice-Chair. Mr. Dobbins asked EOC members to continue to try and identify candidates for the various CAFII Committees and Working Groups. Anita Mukherjee, Chair of the Media Advocacy Committee, noted that the Media Advocacy Committee needed some new members and that there was a vacancy for the Committee's Vice-Chair.

2. Consent Items

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

- a. Consultations/Submissions Timetable
- b. Regulatory Update
- c. August 11/21 CAFII Submission In Response to FSRA Follow-up Consultation on Revised UDAP Rule
- d. Regulator and Policy-Maker Visit Plan
- e. Summary of Board and EOC Action Items
- f. Board-Approved Schedule of CAFII 2021 Meetings and Events

3. Financial Management Matters

3. a) CAFII Financial Statements as at July 31/21

Because of vacation schedules, it was noted that this EOC meeting does not have the latest (end of August, 2021) financials available. CAFII Treasurer updated the EOC on the Association's finances, noting that year to date revenue was \$558K, and expenses were \$426K, for a surplus of \$131K, which was a favourable variance to budget of \$45K. Additional revenue is due to new members and associates having joined the Association; expenses are lower than budgeted partly due to some lower fees such as for audit fees, along with the timing of some expenses like legal fees. The balance sheet is healthy, and the collection of the second installment of membership fees has taken place. The operating ratio is very healthy at 61%, and over the range that the Association targets of 25-50%.

3. b) Forecast for CAFII 2021 Fiscal Year as at July 31/21

Mr. Pergola noted that the forecast was for the Association to conclude 2021 in a very healthy financial position, with a healthy surplus forecast and an operating ratio of 60%.

3. c) Critical Path for Development of 2022 CAFII Operating Budget

Brendan Wycks provided an overview of the critical path for the development of the 2022 operating budget, noting that Committee chairs had been asked for their input into the 2022 budget they required. Overall, the Association is moving in a positive direction relative to the Strategic Plan and there are no major changes expected for 2022. However, it was also noted that in 2021 webinars were held in response to the inability to have in-person meetings and receptions with speakers, and that when in-person events are reinstated, the Board had indicated that the webinars held value and should still continue; there will be an additional Association Management Company expenses with our provider Managing Matters to help CAFII organize these additional events. As well, a 2022 budget allocation will be made for a 25th Anniversary CAFII celebration, an occasion which occurs in the 2022 calendar year and one which the Association, pandemic-situation permitting, plans to celebrate.

4. Committee Updates

4.a. Research & Education

4.a.i) CAFII Board Approval of Deloitte Canada Proposal for a Thought Leadership Paper on Trends, Consumer Demands/Expectations, and Best Practices in Digitization of Insurance; Subsequent Steps Taken; and Next Steps

Andrea Stuska and Keith Martin gave an overview of the project around a thought leadership paper on trends around digitization in insurance, noting that much progress had been made in moving forward on the process and expected outputs for the project. The Research & Education Committee has been closely involved in the development of the project and would be engaged as the project moves forward.

4. b) Media Advocacy

4.b i) Outcomes of September 7/21 Media Advocacy Committee Meeting

Anita Mukherjee and Keith Martin provided an overview of a recent meeting of the Media Advocacy Committee, noting that while there have been tremendous advances made at CAFII around our website and media presence, the Committee needed new members and was actively seeking this through the identification of candidates by EOC members.

4. c) Marketing Conduct & Licensing

4.c. i.) Draft CAFII Response to CCIR/CISRO Consultation on Draft Incentives Management Guidance

Brendan Wycks noted that CAFII had made a detailed submission to CCIR/CISRO on its consultation on incentive management guidance. This was a “pre-consultation” submission and a public consultation would follow in due course.

4.c.ii.) FSRA Consultation on “Enforcement Proceedings and Investigations”

CAFII provided a very targeted, specific submission on the importance of not “naming and shaming” companies that self-report to the regulator a finding of non-compliance.

4. C. iii. Opportunity for CAFII to Become A Signatory to an Ontario Chamber of Commerce-Sponsored “Industry Associations Coalition Letter” Advocating That Ontario Not Introduce Its Own Provincial Privacy Legislation

CAFII EOC members were asked to provide input on whether to become a signatory to an Ontario Chamber of Commerce letter advocating that Ontario not introduce its own privacy legislation, as the existing legislation and regulatory oversight in Ontario and Canada was already meeting the objective of such an initiative. It was agreed that the EOC’s views would be solicited outside of this meeting due to time constraints.

[Action Item: Seek EOC approval to sign the Ontario Chamber of Commerce letter; K. Martin, B. Wycks, October-November 2021.]

4. d) Travel Insurance Experts

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

Brendan Wycks provided an overview of some of the recent subjects discussed by the CLHIA, THIA, and CAFII at the weekly calls on the impact of COVID-19 on the travel insurance industry. It was noted that there was discussion of the disbursement of the Quebec indemnity funds, as well as the issue of the reopening of the U.S. border to Canadians.

4. e) Networking & Events

4. e. i.) September 29/21 CAFII Webinar on “Climate Science, Our Changing Planet, and Implications for Life Insurance” With Two Co-Presenters from RGA Reinsurance Company

Networking and Events Chair Carmolina Manno, and Brendan Wycks, provided an overview of an upcoming 29 September, 2021 webinar on climate change and its impact on life insurance, with presenters from RGA Reinsurance Company.

5. Recent and Upcoming Strategic and Regulatory Initiatives

5. a) Next Steps in CAFII’s Board-Approved Action Plan for Responding to AMF’s Interpretation on RADM’s Applicability to Credit Card-Embedded Insurance Benefits and Resulting Regulatory Expectations

5. a. i.) Insights Gained from September 10/21 CAFII Get Acquainted and Dialogue Meeting with Eric Jacob, AMF’s New Superintendent, Client Services and Distribution Oversight

It was mentioned that a detailed note had been sent on a 10 September, 2021 meeting with Eric Jacob, the AMF’s new Superintendent, Client Services and Distribution Oversight. The meeting was very successful, with the AMF providing a concession around members not needing to provide consumers with a copy of the Fact Sheet or the Notice of Rescission by the 17 December, 2021 deadline for implementation of the Regulation respecting Alternative Distribution Methods to credit card-embedded insurance products. It was agreed that CAFII would send a thank you letter to the AMF in which it would thank the Superintendent for the meeting and outline in writing CAFII’s understanding of the expectations of the AMF with respect to the 17 December, 2021 deadline. The AMF had indicated that a Working Group would be tasked with developing modified versions of the Fact Sheet and the Notice of Rescission, and at the 5 October, 2021 Board meeting approval for that process would be sought.

5. a. ii.) CAFII Utilization of Norton Rose Legal Arguments/Opinion In Opposition to AMF's Interpretation on RADM's Applicability to Credit Card-Embedded Insurance Benefits

It was noted that the AMF would be sent some of the highlights of the legal arguments developed by Norton Rose around the applicability of the RADM to credit card-embedded insurance coverages.

5. b. iii.) CAFII Working Group on Industry Alignment Around Compliance with AMF's Expectations Re RADM's Applicability to Credit Card-Embedded Insurance Benefits

Karyn Kasperski provided an overview of the activities of the Working Group around the AMF and credit card-embedded insurance benefits, noting that the group had made much progress and members found it to provide very valuable insights.

5. b) AMF Consultation on Draft Regulation Respecting Complaint Processing and Dispute Resolution in the Financial Sector (Submission Deadline: November 8/21)

It was noted that CAFII would be making a submission by the deadline of 8 November, 2021 on a regulation around complaint handling and dispute resolution.

5. c) Implications for CAFII of Just-Released Regulations In Support of Federal Financial Consumer Protection Framework Aspects of Bill C-86

There was a discussion around some various interpretations of the applicability of the just-released federal regulations in relation to Bill C-86, with law firm Torys indicating that some of the clauses of the Regulation were unclear and had potentially significant impacts for the credit protection insurance industry.

5. d) 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

Martin Boyle noted that the Working Group had held many meetings on the FCAC's appropriateness guideline and its application to credit protection insurance, and that the Working Group was developing the arguments that CAFII could make to the FCAC on this issue when the public consultation on this issue was opened.

5. e) CAFII Industry Issues Dialogue With AMF Staff Executives on October 14/21: EOC Input On Possible Topics For Two Short CAFII Presentations To AMF

CAFII is meeting with the AMF on October 14, 2021 and will have the opportunity to make two short presentations, as will the AMF. The EOC was asked what possible topics might be considered, and it was agreed that the EOC's views on this would be solicited outside of this meeting due to time constraints.

[Action Item: Seek EOC input on the possible topics for the 14 October, 2021 two mini presentations to the AMF; K. Martin, B. Wycks, October-November 2021.]

5. f) CLHIA Plans to Liaise with NWT Government on Credit Protection Insurance Licensing Issue

Brendan Wycks noted that the CLHIA indicated that it intended to liaise with the NWT government on a potential credit protection insurance licensing issue, and that CAFII would be monitoring this matter carefully.

5. g) “Summary of Options” In Response to Proposal from CAFII Director Z. Fuerstenberg That CAFII Investigate Development and Launch of an Education/Master Class/Certification Program for Member Company Employees on “CPI Legislative and Regulatory Principles and Environment”

The EOC was asked to provide input on a proposal from CAFII Director Z. Fuerstenberg around a certification or education effort by CAFII. Due to time constraints, it was agreed that input from the EOC would be solicited on this item at a later date.

[Action Item: Seek EOC input on the possible options around CAFII developing a certification program; K. Martin, B. Wycks, October-November 2021.]

6. Governance Matters

6. a) Plans for Next CAFII Board Meeting on October 5/21

Brendan Wycks provided an overview of some of the key issues that CAFII was planning to tackle at the upcoming 5 October, 2021 CAFII Board meeting.

6. b) Decision to Confirm That December 7/21 CAFII Board Meeting Will Be A Virtual-Only Meeting, and Cancel Plans To Also Hold An In-Person Holiday Season Reception Immediately Ensuing

Brendan Wycks confirmed that CAFII had determined that the 7 December, 2021 Board meeting would be virtual only, and had cancelled plans to hold an in-person holiday season reception after that Board meeting.

6. c) Draft Minutes of July 20/21 EOC Meeting

The draft minutes of the 20 July, 2021 EOC meeting were approved.