

EXECUTIVE OPERATIONS COMMITTEE
CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE
Tuesday, May 16, 2023, 2:00-3:30 pm EST —Virtual-Only Meeting
MINUTES

EOC Present:	Rob Dobbins	Assurant and EOC Chair
	Karyn Kasperski	RBC Insurance and Vice Chair
	Donald Hinnecke	RBC Insurance and Treasurer
	Jennifer Russell	Assurant
	Martin Boyle	BMO Insurance
	Tejal Harri-Morar	BMO Insurance
	Farhad Eslah	Canadian Tire Bank
	Catherine Latulippe	Canadian Tire Bank
	Afzal Baig	Chubb Life Insurance Company of Canada
	John Juba	Chubb Life Insurance Company of Canada
	David Self	CIBC Insurance
	Ibrahim Idowu	CIBC Insurance
	Konstance Allain	CIBC Insurance
	Lauren Ross	CIBC Insurance
	Casandra Litniansky	CUMIS/The Co-operators
	Michelle Costello	CUMIS/The Co-operators
	Isabelle Choquette	Desjardins Insurance
	Carmelina Manno	Manulife
	Janet Pacini-Thibodeau	Manulife
	Katia Umutoniwase	Manulife
	Sharon Murrell-Foster	Manulife
	Jonathan Poulin	National Bank Insurance
	Fernando Heleno	RBC Insurance
	Iman Muntazir	RBC Insurance
	Alfonso Movilla	Scotia Insurance
	Sean Kradjian	Scotia Insurance
	Brad Kuiper	Scotia Insurance
	John Burns	Securian Canada
	Fay Coleman	TD Insurance
	Peter Thorn	TD Insurance
	Dallas Ewen	The Canada Life Assurance Company
	Catherine Laspina	The Canada Life Assurance Company
	Jason Beauchamp	The Canada Life Assurance Company
	Jacqlyn Marcus	Valeyo
	Marco DeiCont	Valeyo
Regrets:	Cynthia Golubic	Canadian Tire Bank
	Doug Weir	CIBC Insurance
	Almas Satwat	CUMIS/The Co-operators
	Diane Quigley	CUMIS/The Co-operators
	Jawid Kargger	CUMIS/The Co-operators

Nathalie Baron	Desjardins Insurance
Pierre-Olivier Cyr	Desjardins Insurance
Suzie Blanchard	Manulife
Ivan Murray	National Bank Insurance
Shannon Dowe	RBC Insurance
Charles MacLean	RBC Insurance
Stacey Hughes-Brooks	RBC Insurance
Andrea Stuska	TD Insurance
Fergal Murphy	TD Insurance
Moira Gill	TD Insurance
Deliska Beauregard	Securian Canada
Asma Desai	Securian Canada

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

EOC Chair Rob Dobbins called the meeting to order.

Item 1 (a): Call to Order and Welcome to New EOC Members

EOC Chair Rob Dobbins welcomed the following new EOC members, each of whom he invited to introduce themselves: Jason Beauchamp, Canada Life Assurance; Catherine Laspina, Canada Life Assurance; Catherine Latulippe, Canadian Tire Bank; Jonathan Poulin, National Bank Insurance; Sean Kradjian, Scotia Insurance; and Alfonso Movilla, Scotia Insurance.

Item 2: Consent Items

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

- Consultations/Submissions Timetable
- May 2023 Regulatory Update
- Regulator and Policy-Maker Visit Plan Recap
- Summary of Board and EOC Action Items
- Board-Approved Schedule of CAFII 2023 Meetings and Events

Item 3: Financial Management Matters

Item 3 (a): CAFII Financial Statements as at April 30/23

CAFII Treasurer Donald Hinnecke provided an update on CAFII's financial position, based on the Association's financial statements as at April 30, 2023, noting that CAFII was in a very strong financial position. Revenue was above budget due to new member Chubb Life Insurance Company of Canada, while expenses were in line with the budget. For the month of April, revenues came in at \$80K versus a budget of \$77K.

Mr. Hinnecke noted that due to the collection of the entire year's member dues at the beginning of the year, CAFII was intending to take out a short term cashable GIC in order to secure a higher interest yield from cash that was not needed in the short-term.

Item 3 (b): Forecast for CAFII 2023 Fiscal Year as at April 30/23

CAFII Treasurer Donald Hinnecke reported that in terms of Accounts Receivable, all 2023 member dues had now been received. At this time, the forecast for the 2023 fiscal year was in line with the Board-approved Operating Budget and the Association's financial reserves as a percentage of annual operating expenses were still expected to fall within the target range of 25% to 50% by the end of the year.

Item 4: Committee Updates

Item 4 (a): Marketing Conduct & Licensing

i. Insights Gained from May 8/23 CAFII Preliminary Consultation Meeting with Insurance Council of BC Re Contemplated 'Competency Model' Component of Restricted Insurance Agency Licensing Regime To Be Launched In BC

Keith Martin and Brendan Wycks reported that they had held a pre-meeting with Insurance Council of British Columbia representatives Brett Thibault, Director, Governance and Stakeholder Engagement; and Galen Aker, Stakeholder Engagement Specialist, on 26 April, 2023 at which CAFII laid the groundwork for why there were concerns around the Council's proposing a new Restricted Insurance Agency (RIA) licensing regime that would have "competency requirements" for individuals who offer insurance under a corporate RIA licence, noting that such a feature would move a corporate licensing regime in the direction of an individual licensing regime.

CAFII's subsequent 8 May, 2023 virtual dialogue meeting with Insurance Council of BC representatives on the same matter, at which over 15 CAFII member representatives participated, was an open and useful dialogue, with CAFII noting that its members already met the requirements for competency, and that often this was not done by training alone, but also by embedding expectations around documentation, disclosure, and information in the processes used by representatives who offer credit protection insurance and travel insurance to consumers. The Insurance Council of BC clarified that its expectations that a third party training module be developed would be met if a company had an adequate internal training program of its own.

ii. Insights Gained from May 8/23 BCFSa Virtual Update Meeting With CAFII Re BCFSa's Plans For Proceeding With A BC Insurer Code of Market Conduct

Keith Martin recalled that CAFII had requested that BCFSa not develop its own Insurer Code of Market Conduct (fair treatment of customers code), but rather use the existing CCIR/CISRO "Guidance: Conduct of Insurance Business and Fair Treatment of Customers." In the end, BCFSa informed CAFII in a May 8/23 virtual update meeting that it had a statutory obligation (Financial Institutions Amendment Act, 2019) to develop BC's own Insurer Code of Market Conduct, but that it had gone as far as it could to harmonize with the CCIR/CISRO Guidance. The BC-specific Insurer Code of Market Conduct will simply lift the existing language from the CCIR/CISRO Guidance, with small modifications to reflect that BCFSa does not regulate intermediaries, and to add some enforcement language.

Item 4 (b): Quebec/AMF Issues

i. Insights Gained from April 26/23 CAFII Quebec/AMF Issues Committee Meeting

Quebec/AMF Issues Committee Chair Jennifer Russell reported that the Committee has had several productive meetings. She noted that the Committee has focused on Bill 96, the Charter of the French Language, as well as on the AMF's in-development Regulation on Complaints Handling and Dispute Resolution.

ii. AMF Annual Statement of Priorities, 2023-2024

Keith Martin reported that a thorough review of the AMF's Annual Statement of Priorities, 2023-2024 had been included in the associated Briefing Note for this Agenda item in the consolidated package. He advised that the AMF had indicated that it would be looking at the CISRO strategic plan, which could be an opportunity to advance CAFII's position that CISRO play a stronger harmonization role around restricted insurance agent licensing regimes, especially given that AMF Superintendent Éric Jacob currently serves as CISRO Chair.

Item 4 (c): Media Advocacy

A written update from the Media Advocacy Committee was contained in the materials for this agenda item in the consolidated package.

Item 4 (d): Research & Education

i. Next Steps Around Possible Public Release of Results of CAFII 2022 Tracking Study on 'Consumers' Satisfaction with Credit Protection Insurance'

Research & Education Committee Vice-Chair Michelle Costello provided an overview of the status of the CAFII 2022 research tracking study on consumers satisfaction with CPI, noting that a presentation deck for the regulatory meetings would include the research results, with context for the findings around complaints around claims and satisfaction around how those complaints were handled. After that deck is distributed, members will be asked to provide feedback on whether they are comfortable with sharing those findings with regulators.

Item 4 (e): Networking & Events

i. Plans for May 18/23 CAFII Webinar on Quebec's Charter of the French Language with Quebec-Based Legal Experts from Stikeman Elliott and Norton Rose

Keith Martin provided with an update on the upcoming CAFII webinar with two lawyers on Quebec's Charter of the French Language.

Item 5: Recent and Upcoming Strategic and Regulatory Initiatives

Item 5 (a): Insights Gained from CAFII Liaison Meetings with Insurance Regulators During CLHIA Conference in Montreal, May 3-5/23

Brendan Wycks reported that meetings were held with Joanne Abram, CEO of the Alberta Insurance Council (AIC), and Joseph Fernandez, AIC's new Director of Compliance; as well as a lunch with April Stadnek, Executive Director, Insurance Councils of Saskatchewan, during the CLHIA Conference in Montreal from 3-5 May, 2023. Both meetings were very productive, and the meeting with Joanne Abram was well-attended with about 15 CAFII member representatives participating.

Item 5 (b): Insights Gained from May 11/23 CAFII Special Purpose Virtual Meeting with AMF on Its Definition of Complaints and Related Complaints Handling Regime; and Next Steps Arising

Keith Martin, Rob Dobbins, and Karyn Kasperski all reported that the May 11/23 CAFII special purpose virtual meeting with the AMF around its in-development Regulation respecting Complaints Handling and Dispute Resolution had been very productive, with Louise Gauthier agreeing that there was confusion around how to interpret the Regulation. Ms. Gauthier committed to further communication on the Regulation, especially with respect to what is an escalation and what is a reportable complaint. EOC members noted that it would be important also to address at a future meeting with the AMF the next steps in the file around winding down debtor spousal insurance coverage.

Item 5 (c): Plans for June 8/23 CAFII/AMF Special Purpose Virtual Meeting on AMF Gathering of Industry Statistics on Claims Denials, and Utilization Intentions

Keith Martin reported that CAFII had held a preparatory meeting for the 8 June, 2023 meeting with the AMF on the AMF's intentions with respect to the data it had gathered on debtor life, health, and employment (DLHE) insurance claims denials, and that the initial approach by CAFII on this issue would be to listen and try to better understand how the AMF intended to use these statistics.

Item 5 (d): Insights Gained from Recent Meetings of FSRA's Stakeholder Advisory Committee (SAC) for Life and Health Insurance

Keith Martin reported that two recent meetings of the FSRA Stakeholder Advisory Committee (SAC) for Life and Health Insurance had both focused on FSRA's recent investigation and enforcement activities related to the fact that some life and health insurance MGAs had been found to be deploying concerning sales practices. There were other issues also raised by Committee members, including around technology change, climate change, and the level of regulatory activity that the industry faced.

Item 5 (e): Adjusted Schedule and Resulting Meetings Confirmed for CAFII Western Canada Insurance Regulators and Policy-Makers Visits Tour in Late May and June 2023

Brendan Wycks provided an update on the current plans for two phases of visits to Western Canada to meet with insurance regulators and policy-makers – Saskatchewan and Manitoba in Phase 1; followed by BC and Alberta in Phase 2 -- noting that the plans were now nearly finalized.

Item 6: Governance Matters

Item 6 (a): Implementation of Board-Approved 'New CAFII Management Structure' (Post-2023)

Keith Martin reported that the CAFII Board had approved a proposal from Managing Matters to provide human resources support for the hiring of two new CAFII staff members who would have a significant period of orientation/training overlap with Brendan Wycks prior to his retirement at the end of 2023, and that the hiring plan was moving forward.

Item 6 (b): Outcomes of First Meeting of CAFII Board Diversity Working Group

The Chair of the CAFII Board Diversity Working Group, Tejal Harri-Morar, reported that the Working had held an initial meeting and determined that the name of the Working Group should be updated to CAFII Diversity, Equity, and Inclusion Working Group; and that the first step in carrying out its mandate would be to canvas member companies to learn what policies, procedures, guidance, etc. they already have available around DEI.

Item 6 (c): Plans for June 6/23 CAFII 2023 Annual Meeting of Members; First Meeting of 2023-24 Board of Directors; and Immediately Ensuing Reception Event

Brendan Wycks reported that the Reception following the 6 June, 2023 CAFII Board Meeting will feature a speech from Canadian Bankers Association CEO Anthony Ostler.

Item 6 (d): Change In Date of Next EOC Meeting to Tuesday, June 27/23

Brendan Wycks reported that due to the upcoming CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, the next meeting of the EOC had been pushed back by a week, to Tuesday, June 27, 2023.

Item 6 (e): Draft Minutes of April 4/23 Board Meeting

The EOC endorsed the draft minutes of the April 4, 2023 CAFII Board meeting, for presentation to the Board for approval at its own next meeting on June 6/23.

Item 6 (f): Draft Minutes of April 25/23 EOC Meeting

The EOC approved the draft minutes of its previous meeting held April 25, 2023.