

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

Tuesday, May 17, 2022, 2:00-3:30pm

MINUTES

EOC Present:

Rob Dobbins	Assurant, EOC Chair
Karyn Kasperski	RBC Insurance, EOC Vice-Chair
Tony Pergola	ScotiaLife Financial, CAFII Treasurer
Martin Boyle	BMO Insurance
Asma Desai	Canadian Premier Life Insurance Company
John Burns	Canadian Premier Life Insurance Company
Anuraj Bains	CIBC Insurance
Mandy Rutten	CIBC Insurance (Guest)
Casandra Litniansky	CUMIS/The Co-operators
Michelle Costello	CUMIS/The Co-operators
Robert Huang	CUMIS/The Co-operators
Isabelle Choquette	Desjardins Insurance
Penelope Cordogiannis	RBC Insurance
Brad Kuiper	ScotiaLife Financial
Anaar Jessa	Sun Life
Edward Kuo	Sun Life
Emily Brown	Sun Life
Andrea Stuska	TD Insurance
Fay Coleman	TD Insurance
Fergal Murphy	TD Insurance
Moiria Gill	TD Insurance
Dallas Ewen	The Canada Life Assurance Company
Iman Muntazir	The Canada Life Assurance Company
Jacqlyn Marcus	Valeyo

Regrets:

Corrine Gagné	Canadian Tire Financial Services
Farhad Eslah	Canadian Tire Financial Services
Jonine McGregor	Canadian Tire Financial Services
Ben Gray	CIBC Insurance
David Self	CIBC Insurance
Esther Lee	CIBC Insurance
Almas Satwat	CUMIS/The Co-operators
Diane Quigley	CUMIS/The Co-operators
Nathalie Baron	Desjardins Insurance
Afsheen Aslam	Manulife Financial
Carmelina Manno	Manulife Financial
Katia Umutoniwase	Manulife Financial
Caroline Cardinal	National Bank Insurance
Ivan Murray	National Bank Insurance
Marie Nadeau	National Bank Insurance
Charles MacLean	RBC Insurance

Fernando Heleno	RBC Insurance
Stacey Hughes-Brooks	RBC Insurance
Aneta Murphy	ScotiaLife Financial
Mindy Tarantelli	ScotiaLife Financial
Aanchal Gulia	Sun Life
Susanne Oleksandriw	Sun Life
Peter Thorn	TD Insurance
Marco DeiCont	Valeyo

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 Member: Iman Muntazir, Canada Life

EOC Chair Rob Dobbins welcomed new EOC member Iman Muntazir from Canada Life. Ms. Muntazir introduced herself to EOC members and said that she looked forward to actively participating in the EOC.

Item 1 (c): Need for Successor CAFII Treasurer

Rob Dobbins noted that CAFII was looking for a successor CAFII Treasurer, and he encouraged members to see if there were appropriate candidates within their organizations. Brendan Wycks noted that RBC Insurance had indicated that its Director of Finance, Donald Hinnecke, had expressed an interest, and CAFII would be following up with him.

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. April 29/22 CAFII Response Submission to FSRA Consultation on “Principles-Based Regulation”
- d. May 3/22 CAFII Response Submission to FSRA Consultation on “Principles of Conduct for Insurance Intermediaries”
- e. Regulator and Policy-Maker Visit Plan Recap
- f. Summary of Board and EOC Action Items
- g. Board-Approved Schedule of CAFII 2022 Meetings and Events

Item 3: Financial Management Matters

Item 3 (a): CAFII Financial Statements as at April 30/22

CAFII Treasurer Tony Pergola noted that as at April 30, 2022, revenues were \$332K, expenses were \$212K, for a surplus of \$120K, which is a positive variance to budget of \$127K. The variance is entirely from the expense line, and is largely a result of the timing of expenses, although there are savings from travel not having occurred yet, and as well budgeted legal expenses having not occurred thus far. The financial reserves as a percentage of annual operating expenses were at 61%, which is higher than CAFII's target of 25 to 50%.

Item 3 (b): Forecast For CAFII 2022 Fiscal Year as at April 30/22

Treasurer Tony Pergola reported that CAFII's revenue forecast for 2022 is \$996K, and expenses are forecast to be \$1,022K, for a forecasted deficit of \$26K, which is on target with the 2022 budget. The end-of-year financial reserves as a percentage of annual operating expenses should come in at 47%. CAFII will wind down its Restricted Fund by the end of 2022 and will move the \$12K residual funds therein into its General Fund.

Item 3 (c): CAFII Member 2022 First Instalment Dues Payments; and CAFII Associate 2022 Dues Payments as at May 13/22

Brendan Wycks reported that CAFII is still collecting its first instalment membership dues payments, with 8 of 10 upper tier members paid up, and 2 of 5 lower tier members paid up. Only one of 10 Associates has pay so far, so there will need to be follow up with them.

Item 4: Committee Updates

Item 4 (a): Marketing Conduct & Licensing

Market Conduct & Licensing Chair Brad Kuiper noted that after a period of unprecedented activity, the volume of simultaneous regulatory consultations was beginning to lighten.

i. FCNB Informal Sounding Board Consultation on Imminent Amendments to Life and Health Sections of New Brunswick Insurance Act (Including CAFII Compliance with FCNB's Confidential/Embargoed Terms of Release) (Submission Deadline: May 20/22)

Brendan Wycks reported that FCNB had agreed to allow CAFII to permit one person per Member company to have access to the confidential documents related to this consultation. CAFII will therefore be arranging to get feedback from that group of member representatives on this consultation pertaining to amendments to the New Brunswick Insurance Act.

ii. FSRA Consultation on "Guidance on Use of Retained Revenues under Regulation 'Money Retained Outside the Consolidated Revenue Fund'" (Submission Deadline: May 31/22)

Keith Martin reported CAFII was preparing a very short, targeted submission to FSRA on its guidance around using money collected from fines and administrative monetary penalties for research.

Item 4 (b): Media Advocacy

i. Proposed Guideline on Members' Utilization of CAFII Videos On Their Own Corporate Websites

Media Advocacy Committee Chair Jacqlyn Marcus noted that CAFII supported members placing CAFII website videos on their own websites, but -- to ensure there was clarity around the process -- a Guideline had been produced around this.

EOC members had some questions around YouTube videos and advertisements, and it was suggested that CAFII regularly scan the videos on its own website to ensure that they remained up-to-date.

It was agreed that the proposed Guideline would be updated to reflect this feedback, and that it would be brought back to the June 28/22 EOC meeting for approval. There was also a request that CAFII inquire of Operatic Agency if it is able to track how many people view the webinars posted on the website.

[Action Item: Regularly scan website videos to ensure that they are up-to-date and don't include broken links; K. Martin, B. Wycks, ongoing.]

Item 4 (c): Research & Education

i. Implementation of Board-Approved Next Steps Re Public Release of Results of Deloitte Canada Thought Leadership Paper on Digitization of CPI: (a) Webinars for Insurance Regulators and Policy-Makers; and Allied Industry Association and CAFII Associate Representatives; (b) Posting of Executive Summary of Research Results on CAFII Website; and (c) Media Release Based on Executive Summary of Research Results

Research & Education Committee Chair Andrea Stuska reported that CAFII is moving forward on the Board-approved direction to publicly release the results of the Deloitte Canada thought leadership paper on the digitization of CPI. Two webinars will be held for allied industry associations (CBA, CLHIA, THIA) and for Associates; and another one for regulators, policy-makers, and government officials, with that webinar to be recorded and posted on the CAFII website. There will also be a posting of the executive summary of the research results, both the powerpoint version and a more visually-pleasing graphic designed version; and there will be a media release on the research findings.

Item 4 (d): Networking & Events

i. Insights Gained from May 3/22 CAFII Webinar On "Principles-Based Regulation (PBR); The Emergence of Rule-Making Authority; and How They Work Together: A Complementary, Harmonious Fit Or 'Dynamic Tension' For Canada's Insurance Regulators?

Keith Martin reported that there was excellent attendance from regulators and policy-makers for CAFII's webinar on principles-based regulation and rule-making authority, with much positive feedback received, including FSRA requesting CAFII's permission to use the recording of the webinar to share internally with FSRA executives and staff.

ii. Results of Survey of CAFII Board, EOC, and Other Committee Members For Input On Topics and Presenters/Panelists for Future CAFII Webinars and In-Person Events

Brendan Wycks recalled that CAFII had asked Board, EOC, and other Committee members for their input on topics and presenters for future CAFII webinars and in-person events. The results of that survey will be carefully analysed and assist in determining the focus of future events.

iii. Plans For Fall 2022 CAFII Webinar with Lesli Martin, Vice-President, Pollara Strategic Insights, as Fireside Chat Discussant on “Consumer Preferences and Product Development Insights Emerging From Recent Research In Financial Services and Relevant Comparator Industries”

Keith Martin reported that CAFII has lined up Pollara Strategic Insights Vice-President Lesli Martin to be a webinar speaker in the fall of 2022, on broad trends in the financial services industry in Canada as the country emerges from the COVID-19 pandemic.

Item 4 (e): Travel Insurance Experts

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

Brendan Wycks noted that there had not been recent meetings of this Committee but that they would reconvene soon.

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

Brendan Wycks reported that THIA would be holding an in-person AGM on 15 June, 2022; and that it was also developing, through its internal legal counsel Jill McCutcheon, an updated “licensing landscape” document for the travel insurance industry.

Item 5: Recent and Upcoming Strategic and Regulatory Initiatives

Item 5 (a): Recent Implementation Steps Taken Following Re-Launch of CAFII Working Group on Compliance With AMF’s Expectations Re RADM’s Applicability To Credit Card-Embedded Insurance Benefits, To Strengthen Industry Consensus/Unity Position That Fact Sheet and Notice of Rescission Do Not Need To Be Distributed To Card Holders With Embedded Insurance Benefits At This Time

Keith Martin reported that CAFII recently learned that RSA Canada/Intact intended to distribute the AMF’s Fact Sheet and Notice of Rescission, and that one of its partners was CIBC Insurance.

As a result, that member will not be aligned with the approach most CAFII members are taking on this file, of not distributing these documents at this time. Mandy Rutten of CIBC Insurance joined the meeting as a guest and provided the rationale, explaining that while CIBC Insurance itself would have preferred not to distribute these documents, it was its insurer partner’s decision, as it held the risk. This will be placed on the agenda for the next meeting of the Working Group on *Compliance With AMF’s Expectations Re RADM’s Applicability To Credit Card-Embedded Insurance Benefits*.

Item 5 (b): Insights Gained From April 29/22 CAFII Dialogue Meeting with CLHIA Staff Executives Sarah Hobbs and Devika Prashad on In-Development CLHIA Response Submission to OSFI Consultation on “Culture Risk Management” (Submission Deadline: May 31/22)

Keith Martin reported that the CLHIA, in a meeting with CAFII on the regulatory consultation with OSFI on “Culture Risk Management,” agreed that probably CAFII should not make a submission. CLHIA will argue that this guideline by OSFI is unnecessary, but that if it is still issued there are some recommended changes that CLHIA will propose. It was agreed that CAFII and CLHIA will continue to be in touch about CLHIA’s approach to this consultation.

Item 5 (c): Insights Gained from May 3/22 Virtual Meeting with FSRA Staff Executives Swati Agrawal and Nathan Tam Re Issues of Relevance to FSRA Board's Stakeholder Advisory Committee for the Life and Health Insurance Sector

Keith Martin, as CAFII's representative on FSRA's Stakeholder Advisory Committee for Life and Health Insurance, met with FSRA staff executives Swati Agrawal and Nathan Tam to discuss agenda topics for future meetings of the Committee. FSRA understood CAFII's preoccupations and priorities, including around principles-based regulation as well as harmonization, and the meeting was friendly and cordial.

Item 6: Governance Matters

Item 6 (a): Draft Minutes of April 26/22 EOC Meeting

The draft minutes of the April 26, 2022 EOC meeting were approved as presented.

Item 6 (b): Plans for 2022 Annual Meeting of Members and Immediately Ensuing First Meeting of 2022-23 CAFII Board of Directors on Tuesday, June 7/22, as Hybrid In-Person/Virtual MSTEams Meetings

Brendan Wycks provided an overview of CAFII's intention to hold the 7 June, 2022 Annual Meeting of Members, and ensuing Board meeting, in-person/hybrid at the offices of TD Bank in downtown Toronto. The meeting will also be held on MS Teams and every effort will be made to have an effective hybrid meeting.

Item 6 (c): Plans for Return to In-Person EOC Meetings on September 20/22, Including Possible EOC Annual Appreciation Dinner That Evening At Downtown Toronto Restaurant

It was agreed that there will be further discussion on the possibility of holding the 20 September, 2022 EOC meeting in-person, including holding the annual EOC appreciation dinner afterwards at a nearby restaurant.

Item 6 (d): Progress In Identifying A Fall 2022 Date For CAFII 25th Anniversary Celebration, When Insurance Regulators and Policy-Makers Will Be In Toronto

Brendan Wycks reported that CAFII is investigating whether the CCIR and CISRO may be holding an in-person meeting in Toronto in the fall of 2022, in which case the Association could hold its 25th Anniversary Celebration on the evening in the middle of that two-day meeting, to maximize the attendance of regulators and policy-makers at that CAFII event.