

**EXECUTIVE OPERATIONS COMMITTEE IN-PERSON/HYBRID MEETING
CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE**

Thursday, November 24, 2022, 2:00-3:30pm

MINUTES

EOC Present:

In Person

Rob Dobbins	Assurant and EOC Chair
Carmelina Manno	Manulife Financial
Janet Pacini-Thibodeau	Manulife Financial
John Burns	Canadian Premier Life Insurance Company
Peter Thorn	TD Insurance

Virtual:

Karyn Kasperski	RBC Insurance and Vice Chair
Donald Hinnecke	RBC Insurance and Treasurer
Martin Boyle	BMO Insurance
Asma Desai	Canadian Premier Life Insurance Company
David Self	CIBC Insurance
Casandra Litniansky	CUMIS/The Co-operators
Michelle Costello	CUMIS/The Co-operators
Isabelle Choquette	Desjardins Insurance
Iman Muntazir	RBC Insurance
Brad Kuiper	Scotia Insurance
Aanchal Gulia	Sun Life
Emily Brown	Sun Life
Andrea Stuska	TD Insurance
Fay Coleman	TD Insurance
Fergal Murphy	TD Insurance
Marco DeiCont	Valeyo

Regrets:

Corrine Gagné	Canadian Tire Bank
Farhad Eslah	Canadian Tire Bank
Jonine McGregor	Canadian Tire Bank
Ben Gray	CIBC Insurance
Esther Lee	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
Katia Umutoniwase	Manulife Financial
Sharon Murrell-Foster	Manulife Financial
Ivan Murray	National Bank Insurance
Charles MacLean	RBC Insurance
Fernando Heleno	RBC Insurance
Stacey Hughes-Brooks	RBC Insurance
Aneta Murphy	Scotia Insurance

Tal Zisu	Scotia Insurance
Anaar Jessa	Sun Life
Edward Kuo	Sun Life
Susanne Oleksandriw	Sun Life
Moiria Gill	TD Insurance
Dallas Ewen	The Canada Life Assurance Company
Jacqlyn Marcus	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 at 2:07 p.m.

Item 2: Consent Items

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

- Consultations/Submissions Timetable
- November 11/22 CAFII Response Submission to FSRA on “Proposed 2023-24 Statement of Priorities and Budget
- November 15/22 CAFII Response Submission to BCFSa on Two Follow-up Questions for CAFII Re Inconsistencies Between Principles in Its Draft Insurer Code of Market Conduct and CCIR/CISRO’s “Guidance: Conduct of Insurance Business and Fair Treatment of Customers”
- Regulator and Policy-Maker Visit Plan Recap
- Summary of Board and EOC Action Items
- Board-Approved Schedule of CAFII 2022 Meetings and Events
- Board-Approved Schedule of CAFII 2023 Meetings and Events

Item 3: Financial Management Matters

Item 3 (a): CAFII Financial Statements as at October 31/22

CAFII Treasurer Donald Hinnecke gave an overview of CAFII’s financial statements as at October 31/22, noting that revenue was exceeding expenses by a significant amount both in October and year-to-date, with some of that due to the timing of expenses. However, the Association’s balance sheet is strong and its finances are in good shape.

Item 3 (b): Forecast For CAFII 2022 Fiscal Year as at October 31/22

Treasurer Donald Hinnecke reported that there is an expectation that CAFII’s fiscal year surplus will be greater than \$100K, after outstanding invoices are settled, due to lower-than-budgeted expenses especially around travel and receptions/events that did not occur, along with the \$90K contingency provision for legal fees which was also not spent.

Item 3 (c): Proposed CAFII 2023 Operating Budget

Brendan Wycks reported that development of the Proposed CAFII 2023 Operating Budget had taken more time than anticipated, but the process was now in its final stages. EOC members would be given an opportunity to provide feedback on the Proposed Budget, via email and on an assent basis, by Monday, November 28, with a deadline for feedback of Wednesday, November 30, so that the budget document could then be circulated to CAFII Board members on that date, prior to the upcoming Board meeting on December 6/22.

Keith Martin noted that the Proposed CAFII 2023 Operating Budget called for no member dues increase and a fairly sizeable fiscal year deficit, which would be largely due to some one-time expenses, including a provision for the hiring of a new staff person to succeed Brendan Wycks, who is retiring at the end of 2023, in order to overlap with him for orientation purposes, resulting in additional salary and benefits being paid for three to six months; and the intention for CAFII representatives to go on two Regulator and Policy-Maker Visits Tours in 2023, one to Western Canada in the spring, and the other to Atlantic Canada in the fall.

[Action Item: Distribute Proposed CAFII 2023 Operating Budget to EOC Members via email by Monday, November 28/22, for a review and approval/assent process by November 30/22, so that it can then be disseminated to Board Members prior to December 6/22 Board Meeting; K. Martin, B. Wycks, D. Hinnecke, November 28/22.]

Item 3 (d): Revised Critical Path for Development and Approval of CAFII 2023 Operating Budget

Brendan Wycks provided an update on the Revised Critical Path for Development and Approval of the CAFII 2023 Operating Budget, noting that the intention was to present it to the Board at the December 6, 2022 Board meeting and to seek the Board's approval of the budget, if possible, at that time.

Item 4: Committee Updates

Item 4 (a): Marketing Conduct & Licensing

i. Insights Gained from November 4/22 CAFII Virtual Stakeholder Feedback Session with CCIR on Its Draft 2023-2026 Strategic Plan; and CAFII Written Feedback Submission on CCIR's Draft 2023-2026 Strategic Plan (November 30/22 Submission Deadline)

Keith Martin provided an update on the 4 November, 2022 CAFII virtual stakeholder feedback session with CCIR on its Draft 2023-2026 Strategic Plan, at which there was some surprise at CCIR Chair Robert Bradley's essentially rebutting many of the feedback points which CAFII delivered.

It was also noted that the AMF's Nathalie Sirois responded to the comment that CAFII preferred that provincial jurisdictions not have their own version of a fair treatment of customers guideline, by saying that the comment was no doubt directed at the AMF. In fact, it was a comment made in connection with the BCFS's current consultation on its own proposed Insurer Code of Market Conduct. Keith Martin noted that CAFII intended, in its written submission on the CCIR Strategic Plan due November 30/22, to indicate that our Association understood that there were legitimate reasons for the AMF to have its own version of an FTC Guideline, and to subsequently share that part of the submission specifically with Nathalie Sirois. There was support for that, with one member also suggesting that CAFII management reach out to Ms. Sirois for a meeting.

[Action Item: Reach out to Nathalie Sirois, AMF to clarify for her the intent behind the CAFII comment made in its November 4/22 Virtual Stakeholder Session with CCIR about its Draft 2023-2026 Strategic Plan, and have a virtual meeting to discuss it, if she requests one; K. Martin, December 5/22.]

ii. Ombudsman for Banking Services and Investments' (OBSI) "Organizational Governance Review" Consultation (Deadline: January 31/23): In-Scope or Out-of-Scope for CAFII?

Brendan Wycks reported that CAFII management was seeking EOC guidance as to whether our Association should make a submission on the OBSI's "Organizational Governance Review" consultation, and it was suggested that CAFII reach out to the CBA on this matter to see what type of submission it was planning to make. It was suggested that CAFII management should canvass EOC members about this matter in order to reach a final determination as to whether this OBSI consultation is in-scope or out-of-scope for CAFII.

[Action Item: Reach out to CBA to find out whether it will be making a submission to OBSI on its "Organizational Governance Review" consultation; and then canvas EOC Members to determine and finalize whether this consultation is in-scope or out-of-scope for CAFII; K. Martin, B. Wycks, January 12/23.]

Item 4 (b): Media Advocacy

i. Insights Gained and Next Steps Arising from November 15/22 Media Advocacy Committee In-Person Meeting, Including Proposed CAFII LinkedIn Strategy

Keith Martin reported that two new individuals had recently joined the Media Advocacy Committee, which has a new energy and vibrancy since Jacqlyn Marcus became Chair of the Committee. The Committee had a very successful in-person meeting on 15 November, 2022 and had discussed the proposed new CAFII LinkedIn Strategy.

Keith Martin outlined the Proposed CAFII LinkedIn Strategy, which was endorsed by the EOC.

ii. Recent Operatic Agency Deliverables Re CAFII Website Videos; and Enhancements to FAQs on CAFII Website

Keith Martin updated the EOC on recent Operatic Agency deliverables, including a new video on consumer protections embedded in CPI in Canada, and a restructuring of the FAQs section on the CAFII website.

Item 4 (c): Research & Education

i. Execution of EOC-Approved CAFII 2022 Tracking Study Research on Consumers' Satisfaction with CPI, with Pollara Strategic Insights

Andrea Stuska, Chair of the Research & Education Committee, provided an update on the 2022 Pollara research study. The polling component is now complete, and Pollara is analyzing the results and preparing a report.

Item 4 (d): Networking & Events

i. Insights Gained from November 3/22 CAFII Webinar on "Expert Panel On Travel Insurance As Society Emerges From The COVID-19 Pandemic"

Keith Martin reported that the November 3/22 CAFII webinar on travel insurance was very well-attended and successful, with many positive comments about the value of the session.

ii. Plans for December 1/22 CAFII Webinar: "A Fireside Chat With Blair Morrison, CEO of BCFSa"

Keith Martin reported that everything was in place for a webinar on 1 December, 2022 with Blair Morrison, CEO of the British Columbia Financial Services Authority (BCFSa).

Item 4 (e): Travel Insurance Experts

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

Brendan Wycks reported that the Travel Insurance Experts Committee had not met since the previous EOC meeting.

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

Brendan Wycks provided an update on recent meetings of CAFII, CLHIA, and THIA on travel and travel insurance issues, noting that there was still discussion around an ongoing "Canadian super visa" issue.

Item 5: Recent and Upcoming Strategic and Regulatory Initiatives

Item 5 (a): Insights Gained and Next Steps Arising from November 4/22 One-on-One Virtual Meeting Between CAFII Board Chair Peter Thompson and AMF Superintendent Eric Jacob Re Finding A Solution To Issue Around RADM's Applicability to Credit Card-Embedded Insurance Benefits

Keith Martin reported that a written update had been circulated on the 4 November, 2022 meeting between CAFII Board Chair Peter Thompson and AMF Superintendent Eric Jacob. CAFII is now waiting to see what next steps will be proposed by Mr. Jacob, and EOC members expressed the view that this meeting and the offer of subsequent meetings was a positive development.

Item 5 (b): Insights Gained from November 22/22 AMF 2022 Rendez-Vous Mini-Conference

Keith Martin reported that he had attended the AMF's November 22/22 Rendez-Vous mini-conference in Montreal, at which he noted that there was practically no content on insurance. AMF Superintendent, Client Services and Distribution Oversight Eric Jacob focused his comments at the mini-conference on other issues, including crypto-currency and the regulatory challenges it was creating.

AMF Director Mario Beaudoin had made a point of seeking out Keith Martin at the Rendez-Vous, and he was very friendly and forthcoming in a private 20-minute conversation.

Mr. Beaudoin said that he found it difficult to understand the trends in travel insurance as there are so many different policies, exceptions, limitations etc. and a lack of common definitions. Keith Martin pointed out that different policies and approaches were a sign of a healthy, competitive marketplace.

Mr. Beaudoin then asked if CAFII members had received their letters on their respective performances around claims denial rates, and return of premium to customers, and Keith Martin responded that they had received the letters and thanked Mr. Beaudoin for the extension of the deadline for members to respond.

Mr. Beaudoin said that some CAFII members were performing admirably, others not, and that it was important for the reputation of the industry that outliers make an effort to improve their results. Keith Martin noted that the data provided by industry needed to be interpreted

carefully and with proper context. Mr. Beaudoin said that this was a long-term initiative, and the intention of the AMF was to work with industry cooperatively. He said that the AMF needed to have the information requested in order to properly oversee the industry.

Finally, Mr. Beaudoin said that there was much confusion about Bill 96, the new Quebec Charter of the French language, and how it was to be interpreted and applied in practice.

Item 5 (c): Recently Arisen Quebec/AMF Issues Impacting Upon CAFII Members

-AMF Information Requests Re Debtor Life, Health, Employment (DLHE) Insurance; and

-Quebec Charter of the French Language (Bill 96) Implications for Insurance Contracts (Contracts of Adhesion)

It was noted that there were many issues that needed to be better understood coming out of Quebec, and a suggestion was tabled that a new “CAFII Quebec/AMF Committee” could look at these issues on an ongoing basis. It was agreed that the next step was to develop a draft Terms of Reference for a CAFII Quebec/AMF Committee, circulate it, and secure EOC approval of the Terms of Reference at its next meeting on January 17/23.

[Action Item: Draft Terms of Reference for new CAFII Quebec/AMF Committee and bring forward to January 17/23 EOC Meeting for review and approval; K. Martin, January 13/23.]

Item 5 (d): Planned Timing of and Approach to CAFII Western Canada Insurance Regulators and Policy-Makers Visits Tour in Spring 2023; and CAFII Atlantic Canada Insurance Regulators and Policy-Makers Visits Tour in Fall 2023

This agenda item was deferred to the next EOC meeting on January 17/23.

[Action Item: Bring forward document on “Planned Timing of and Approach to CAFII Western Canada Insurance Regulators and Policy-Makers Visits Tour in Spring 2023; and CAFII Atlantic Canada Insurance Regulators and Policy-Makers Visits Tour in Fall 2023” to January 17/23 EOC Meeting, for review/discussion and approval; B. Wycks, January 13/23.]

Item 6: Governance Matters

Item 6 (a): Board Appointment of New Director from TD Insurance

Brendan Wycks informed the EOC of TD Insurance’s intention to have Valerie Gillis appointed as its new Director on the CAFII Board.

Item 6 (b): Plans for December 6/22 CAFII Board Meeting and Immediately Ensuing Year-End/Holiday Season Reception

Brendan Wycks provided an update on plans for the upcoming CAFII Board meeting on December 6/22 at CIBC’s new ‘CIBC Square’ corporate headquarters, which would be followed by an in-person Holiday Season Reception at the nearby Vantage Venues.

Item 6 (c): Draft Minutes of October 11/22 Board Meeting

The EOC endorsed the draft minutes of the October 11/22 CAFII Board meeting, for presentation to the Board for approval at its next meeting on December 6/22.

Item 6 (d): Draft Minutes of October 25/22 EOC Meeting

The EOC approved the draft minutes of its October 25/22 meeting.