

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

**Tuesday, June 28, 2022, 2:00-3:30pm**

**MINUTES**

**EOC Present:**

Rob Dobbins	Assurant (Chair)
Karyn Kasperski	RBC Insurance (Vice Chair)
Donald Hinnecke	RBC Insurance (Treasurer)
Martin Boyle	BMO Insurance
Asma Desai	Canadian Premier Life Insurance Company
John Burns	Canadian Premier Life Insurance Company
Anuraj Bains	CIBC Insurance
David Self	CIBC Insurance
Casandra Litniansky	CUMIS/The Co-operators
Michelle Costello	CUMIS/The Co-operators
Carmelina Manno	Manulife Financial
Janet Pacini-Thibodeau	Manulife Financial
Katia Umutoniwase	Manulife Financial
Charles MacLean	RBC Insurance
Fernando Heleno	RBC Insurance
Brad Kuiper	ScotiaLife Financial
Fay Coleman	TD Insurance
Andrea Stuska	TD Insurance
Jacqlyn Marcus	Valeyo
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
Robert Huang	CUMIS/The Co-operators
Isabelle Choquette	Desjardins Insurance
Nathalie Baron	Desjardins Insurance
Afsheen Aslam	Manulife Financial
Caroline Cardinal	National Bank Insurance
Ivan Murray	National Bank Insurance
Marie Nadeau	National Bank Insurance
Stacey Hughes-Brooks	RBC Insurance
Aneta Murphy	ScotiaLife Financial
Emily Brown	Sun Life
Aanchal Gulia	Sun Life
Anaar Jessa	Sun Life
Edward Kuo	Sun Life

Susanne Oleksandriw	Sun Life
Fergal Murphy	TD Insurance
Moirra Gill	TD Insurance
Peter Thorn	TD Insurance
Dallas Ewen	The Canada Life Assurance Company
Iman Muntazir	The Canada Life Assurance Company

**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 CAFII Treasurer: Donald Hinnecke, RBC Insurance**

EOC Chair Rob Dobbins welcomed new EOC member and CAFII Treasurer Donald Hinnecke from RBC Insurance. Mr. Hinnecke introduced himself to EOC members and said that he looked forward to actively participating in the EOC and serving as CAFII's Treasurer.

### **Item 1 (c): Welcome to Other New EOC Member: Janet Pacini-Thibodeau, Manulife**

New EOC member Janet Pacini-Thibodeau from Manulife introduced herself to EOC members and said that she was looking forward to participating in the EOC.

### **Item 1 (d): Reminder Re *In Camera* Session At Conclusion Of Each EOC Meeting**

EOC Chair Rob Dobbins reminded EOC members that at the conclusion of the formal part of the EOC meeting, CAFII staff leave the meeting and a non-minuted, *in camera* discussion among EOC members alone then occurs. An important matter would be raised by CIBC Insurance at today's *in camera* section of the meeting and EOC members were encouraged to be sure to attend that part of the meeting.

## **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. Regulator and Policy-Maker Visit Plan Recap
- d. May 31/22 CAFII Submission to FSRA on "Guidance on Use of Retained Revenues under Regulation 'Money Retained Outside the Consolidated Revenue Fund'" Consultation
- e. Summary of Board and EOC Action Items
- f. Board-Approved Schedule of CAFII 2022 Meetings and Events

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

#### **Item 3 (a): CAFII Financial Statements as at May 31/22**

CAFII Treasurer Donald Hinnecke reported that both the monthly actual amounts for May and the year-to-date actual amounts as at May 31/22 were currently well-aligned with the Board-approved CAFII 2022 Operating Budget, with only small deviations from the budget due to the timing of certain expenses.

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

CAFII Treasurer Donald Hinnecke reported that CAFII was in a strong financial position, with financial reserves currently at 63% of annual operating expenses. The forecast for the 2022 fiscal year as at May 31/22 was aligned with budgeted revenues, although there was a risk that one or two Associates will not renew for 2022. Expenses may be lower than anticipated due to less travel than originally expected in 2022, and due to the possibility that budgeted legal expenses for the year may not be required. Mr. Hinnecke noted that the monies in the CAFII Contingency Fund, which were allocated for a special project which is now long-complete, will be reallocated into the general operating fund by the conclusion of the 2022 fiscal year.

#### **Item 3 (c): CAFII Member 2022 First Instalment Dues Payments; and CAFII Associate 2022 Dues Payments as at June 24/22**

Brendan Wycks reported that the Association was still in the process of collecting the first installment dues payments from some Members. Several Associates have also not yet paid up and there was a risk of one or two Associates not renewing.

### **Item 4: Committee Updates**

#### **Item 4 (a): Marketing Conduct & Licensing**

##### **i. Yukon Licensing and Regulatory Affairs Department Informal Consultation with CAFII Licensing Experts Focus Group To Inform Development/Launch of Its Online Licensing Portal**

Brendan Wycks reported that CAFII had arranged for member subject matter experts on licensing to participate in a virtual focus group session on June 29/22 with the Yukon Licensing and Regulatory Affairs Department officials to provide input on its initiative to launch an online licensing portal. The Yukon Government has expressed its appreciation for CAFII's willingness to arrange this virtual meeting.

##### **ii. CISRO Consultation on Improvements to Life Insurance Replacement Declaration (LIRD) Form (Submission Deadline: July 8/22)**

Brendan Wycks reported that after gathering input from member companies, it had been determined that the CISRO consultation on improvements to the Life Insurance Replacement Declaration (LIRD) form was out of scope for CAFII, and our decision to therefore pass on this consultation submission opportunity would be communicated to CISRO.

**iii. OSFI Consultation On Updated Guideline B-10: Third Party Risk Management (Submission Deadline: July 27/22)**

Keith Martin reported that CAFII was in the process of collecting input from members on how best to respond to OSFI's consultation on its updated Guideline B-10: Third-Party Risk Management, and would also be reaching out to the CLHIA to compare notes on the main arguments to be made to OSFI on this Guideline.

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

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

Media Advocacy Chair Jacqlyn Marcus presented and highlighted from a revised/updated Guideline on CAFII members' usage of CAFII videos on their own websites, which reflected feedback from the previous EOC meeting.

The EOC approved updated *Guideline on Members' Utilization of CAFII Videos On Their Own Corporate Websites*.

**ii. Recently Completed and Imminent Operatic Agency Deliverables**

Keith Martin reported that the CAFII video on job loss credit protection insurance (CPI) was now posted on the CAFII website, and the video on consumer protections embedded in CPI in Canada was nearing completion and would soon also be posted. CAFII was also working with Operatic Agency on the production of a video for 2022 on the Deloitte research project on best practices in digitization, he advised.

**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**

Keith Martin reported that the public release of results highlights from the Deloitte Canada thought leadership paper on digitization of CPI was nearly complete, with successful webinars held with insurance regulators and policy-makers on the research findings, and with allied industry Association representatives. The results were now in the process of being posted in summary documents on the website, with a media release to follow.

**ii. Recommended CAFII 2022 Research Project**

Andrea Stuska reported that the Research & Education Committee met on 18 June, 2022, with Media Advocacy Chair Jacqlyn Marcus also in attendance, and had reached consensus on a recommendation to the EOC that CAFII's 2022 research project to be a repeat of the 2018 Pollara consumer research study on consumer attitudes towards CPI. The EOC approved the recommendation.

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

##### **i. Plans for September 13/22 In-Person CAFII Annual Members and Associates Luncheon with Mark White, CEO, FSRA, as Guest Speaker**

Brendan Wycks reported that FSRA CEO Mark White appeared ready to accept CAFII's invitation to him to be the guest speaker at our upcoming 13 September, 2022 in-person CAFII Annual Members and Associates Luncheon.

#### **Item 4 (e): Travel Insurance Experts**

##### **i. Insights Gained From June 15/22 In-Person THIA Annual General Meeting**

Brendan Wycks and Keith Martin reported that they had attended THIA's 2022 AGM which was held in-person on 15 June, 2022. Keith Martin indicated that THIA has faced some revenue and membership challenges over the past few years, which its new President Michael Comacho intended to address as a priority issue this coming year. He also noted that the Chair of the THIA Education Committee, Janet Pacini-Thibodeau (who had just joined the CAFII EOC as a new member) reported at the THIA AGM on recent enhancements to THIA's education and accreditation "TRIP" program, including the launch of a French version of the program.

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

##### **Item 5 (a): Insights Gained from June 6/22 Virtual Meeting of FSRA's Stakeholder Advisory Committee (SAC) for the Life and Health Insurance Sector with the FSRA Board**

Keith Martin reported that at the 6 June, 2022 FSRA SAC meeting for Life and Health Insurance, which Mr. Martin represents CAFII on, FSRA let the SAC know that it was completing a review of MGAs -- which had found that three MGAs had been recruiting non-licensed individuals and engaging them in the sales process. FSRA reported that there were serious concerns with the approach taken by these particular MGAs, with the top earners in these firms sometimes selling little or no life insurance, and instead getting funds from those beneath them in the organization who were generating sales. FSRA reported that real consumer harms could be occurring due to these practices, and that while it was exploring enforcement actions as the regulator, it was still imperative that insurance companies whose products are being sold by these MGAs remember that they are ultimately responsible for the behaviours of all the distribution channels that they sell their products through.

##### **Item 5 (b): Insights Gained from June 7/22 Get Acquainted and Dialogue Lunch with Anthony Ostler, New CEO, Canadian Bankers Association**

Brendan Wycks and Keith Martin reported that they had a collegial Get Acquainted and Dialogue Lunch on 7 June, 2022 with Anthony Osler, new CEO of the Canadian Bankers Association. The lunch was arranged by CAFII media consultant David Moorcroft, who knows Mr. Osler well; CBA Communications VP Aaron Boles also attended. Mr. Osler noted that the CBA was strapped for resources and would be seeking an increase in membership dues. He was also very interested in the CBA enhancing its knowledge of the provincial regulatory environment. A detailed summary of the insights gained at the lunch can be found in the June 2022 CAFII Regulatory Update.

##### **Item 5 (c): Insights Gained From June 8/22 Meeting of CAFII Working Group on Compliance With AMF's Expectations Re RADM's Applicability To Credit Card-Embedded Insurance Benefits**

Keith Martin reported that at the 8 June, 2022 meeting of the CAFII *Working Group on Compliance With AMF's Expectations Re RADM's Applicability To Credit Card-Embedded Insurance Benefits*, the decision

by a member of CAFII to distribute the Fact Sheet and Notice of Rescission to customers with credit card-embedded insurance benefits was discussed. There was also a discussion of some of the operational challenges that members were facing in implementing these AMF expectations, and it was agreed that the Working Group would meet again in September 2022.

**Item 5 (d): Insights Gained from CAFII Attendance at June 9/22 Reception In Honour Of Bryan Davies, FSRA's Founding Board Chair**

Brendan Wycks and Keith Martin noted that they both attended the 9 June, 2022 in-person reception held at FSRA's new offices on Sheppard Avenue in North York, which was intended to honour Bryan Davies, FSRA's founding board chair. Numerous interesting insights were gained at the reception, and these are summarized in the June 2022 CAFII *Regulatory Update*.

**Item 6: Governance Matters**

**Item 6 (a): Proposed Cancellation Of Tentatively Scheduled August 16/22 EOC Meeting**

It was recommended that the tentatively scheduled August 16, 2022 EOC meeting be cancelled; and the EOC approved that recommendation.

**Item 6 (b): Results of EOC Member Survey on Comfort With Return To In-Person/Hybrid EOC Meetings In Fall 2022**

Brendan Wycks summarized the results of a survey on EOC members' comfort with returning to in-person meetings. Two thirds of respondents were comfortable returning to in-person meetings, and 76% said that they would attend the in-person EOC Appreciation Dinner planned for September 2022. On that basis, it was agreed that the 20 September, 2022 EOC meeting would be held in-person, with a virtual attendance option also being available.

**Item 6 (c): Draft Minutes of May 17/22 EOC Meeting**

The draft minutes of the May 17, 2022 EOC meeting were approved.

**Item 6 (d): Draft Minutes of June 7/22 Board Meeting**

The draft minutes of the 7 June, 2022 Board meeting were endorsed by the EOC, for presentation to the Board for approval at its next meeting.