

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

Tuesday, July 26, 2022, 2:00-3:30pm

MINUTES

EOC Present:

Karyn Kasperski	RBC Insurance and Vice Chair
Donald Hinnecke	RBC Insurance and Treasurer
Martin Boyle	BMO Insurance
Asma Desai	Canadian Premier Life Insurance Company
John Burns	Canadian Premier Life Insurance Company
David Self	CIBC Insurance
Cassandra Litniansky	CUMIS/The Co-operators
Michelle Costello	CUMIS/The Co-operators
Robert Huang	CUMIS/The Co-operators
Isabelle Choquette	Desjardins Insurance
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
Tal Zisu	ScotiaLife Financial
Emily Brown	Sun Life
Andrea Stuska	TD Insurance
Fay Coleman	TD Insurance
Fergal Murphy	TD Insurance
Moira Gill	TD Insurance
Peter Thorn	TD Insurance
Dallas Ewen	The Canada Life Assurance Company
Iman Muntazir	The Canada Life Assurance Company

Regrets:

Rob Dobbins	Assurant and EOC Chair
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
Nathalie Baron	Desjardins Insurance
Caroline Cardinal	National Bank Insurance
Ivan Murray	National Bank Insurance
Marie Nadeau	National Bank Insurance
Stacey Hughes-Brooks	RBC Insurance
Aanchal Gulia	Sun Life
Anaar Jessa	Sun Life

Edward Kuo	Sun Life
Susanne Oleksandriw	Sun Life
Jacqlyn Marcus	Valeyo
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

As EOC Chair Rob Dobbins was unable to attend this meeting, EOC Vice Chair Karyn Kasperski chaired the meeting and called the meeting to order.

Item 1 (b): Welcome to New EOC Member: Tal Zisu, ScotiaLife Financial

EOC Vice Chair Karyn Kasperski welcomed new EOC member Tal Zisu, ScotiaLife Financial, who then took a few moments to introduce himself to the EOC.

Item 2: Consent Items

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

- Consultations/Submissions Timetable
- Regulator and Policy-Maker Visit Plan Recap
- Summary of Board and EOC Action Items
- Board-Approved Schedule of CAFII 2022 Meetings and Events

Item 3: Financial Management Matters

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

Treasurer Donald Hinnecke outlined the highlights of the CAFII financial statements as at June 30, 2022, noting that revenues were a bit lower than expected as two Associates had not yet paid their 2022 dues, with one (Dog & Pony Studios) not expected to renew.

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

Treasurer Donald Hinnecke reported that the forecast for the end of the 2022 fiscal year had recently been modified, as there were some budgeted expenses which no longer expects to incur, including for travel, some events, and for legal fees. The anticipated level of financial reserves as a percentage of annual operating expenses, as at the end of 2022, was expected to be 65%, which is very healthy and above the guideline of 25 to 50% followed by the Association.

Item 3 (c): Issuance of CAFII Member 2022 Second Instalment Dues Invoices; and CAFII Associate 2022 Dues Payments as at July 22/22

Brendan Wycks reported that CAFII had now issued the 2022 second instalment dues invoices to Member companies.

Item 3 (d): Recommendation from CAFII Management, Supported by Treasurer, That CAFII Member Dues Be Consolidated Into One Invoice/Payment Starting in 2023

K. Martin tabled a recommendation from CAFII management, and supported by Treasurer D. Hinnecke, for the consideration of EOC members, that CAFII members not be invoiced twice per year, but rather just once. The EOC will be asked at its September 20, 2022 meeting to endorse this recommendation, which would then be brought to the October 11/22 Board meeting for approval. The reason for this recommendation is to avoid the administrative burden, both for CAFII members and for staff/management, of following up twice to get the invoices settled.

[Action Item: Bring recommendation re consolidating into one annual invoice/payment back to EOC at September 20/22 meeting, for final consideration and proposed endorsement; K. Martin, B. Wycks, September 16/22.]

Item 4: Committee Updates

Item 4 (a): Marketing Conduct & Licensing

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

It was noted that Market Conduct & Licensing Committee had carefully reviewed OSFI's proposed updated Guideline B-10, which significantly increased the amount of reporting required for regulated entities in relation to third party risk. CAFII's Co-Executive Directors met with three OSFI staff executives on 13 July, 2022 to get clarification on certain issues related to the updated Guideline, and compared notes with the CLHIA on 30 June, 2022. While the Committee had many concerns with the proposed Guideline, it was also felt that the document was directed more at the corporate level as opposed to having specific credit protection insurance relevance; and, as such, it was viewed as out-of-scope for CAFII. However, CAFII will keep a monitoring brief on this file and will continue to consult on it with the CBA and the CLHIA. CAFII has also subsequently learned that the deadline for a submission on this Guideline has been extended to 30 September, 2022.

ii. FCNB's July 4/22 Communication of June 23/22 Adoption (Final Versions) of Rule INS-001: Insurance Intermediaries Licensing and Obligations (Pending Ministerial Approval); and Rule INS-002: Insurance Fees (Pending Ministerial Approval)

B. Wycks reported that while there were some elements of these two FCNB rules that were modified due to CAFII's (and other Associations') submissions, the final versions of these rules were largely unchanged from the version that was distributed to industry in late 2021 for consultation input.

iii. BC Ministry of Finance Consultation on "Proposed Introduction of A Restricted Licensing Regime for The Sale of Some Insurance in BC" (Submission Deadline: October 3/22)

B. Wycks reported that on June 28/22, CAFII received the BC Ministry of Finance's proposal around developing a new Restricted Insurance Agent (RIA) licensing regime in British Columbia, and will be making a response submission by the deadline of October 3/22.

Item 4 (b): Media Advocacy

i. Results of CAFII Media Release on Appointment of Peter D. Thompson as Board Chair

K. Martin reported that several industry trade press stories had been published on the appointment of Peter D. Thompson as CAFII's new Board Chair, as a results of the Association's related media release.

ii. Results of CAFII Media Release on Highlights of CAFII-Commissioned Research with Deloitte Canada on "Best Practices in the Digitization of CPI"

K. Martin reported that while there were not a lot of industry trade press stories had resulted from CAFII's media release on the Deloitte research results, our media tracking service found that there were extensive media reviews of the story, which is positive and indicates significant media interest in the research results.

iii. Operatic Agency Completion of CAFII Website Video on Consumer Protections Embedded In CPI In Canada

K. Martin reported that the CAFII website video on the consumer protections embedded in credit protection insurance products was now complete and would be posted on the CAFII website shortly.

Item 4 (c): Research & Education

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

A. Stuska reported that CAFII's Research & Education Committee had held several meetings with Pollara Strategic Insights on the development of a questionnaire for a repeat of CAFII's research tracking study on consumers' satisfaction with credit protection insurance.

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

B. Wycks provided an update on plans for an in-person 2022 Annual Members and Associates Luncheon at St. James Cathedral Centre Event Venue in Toronto, with Mark White, CEO of FSRA, being the guest presenter in a fireside chat discussion with K. Martin.

Item 4 (e): Travel Insurance Experts

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

K. Umutoniwase reported that the number of travel insurance issues was decreasing in relation to COVID-19; and, as a result, the Committee has been less active over the past few months.

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

B. Wycks reported that a new issue being tracked in the biweekly meetings of CAFII, CLHIA, and THIA was around the federal government indicating that it may allow visitors to Canada on super-visas to purchase insurance from non-Canadian carriers.

Item 5: Recent and Upcoming Strategic and Regulatory Initiatives

Item 5 (a): CLHIA/ACCAP Confirmation of Plans to Continue to Refrain from Involvement in Issue Around AMF's Expectations Re RADM's Applicability To Credit Card-Embedded Insurance Benefits

K. Martin reported that CAFII had been able to confirm with the CLHIA that they have decided not to engage directly with the AMF on the RADM and credit card-embedded insurance benefits file, and to let CAFII continue to take the lead on this issue.

Item 5 (b): Proposal Re CAFII's Return To Insurance Regulator and Policy-Maker Visit Tours in 2023

On behalf of CAFII management, K. Martin recommended to the EOC that while the next in-person regulator and policy-maker visit tour would normally be to the Atlantic provinces, given that it will have been more than three years since the last such CAFII tour and since the Western Canada province insurance regulator and policy-makers are larger and more significant/influential than their Atlantic Canada counterparts, that the next CAFII tour in the spring of 2023 should be to Western Canada. This will be raised at the next EOC meeting, and if the EOC endorses this recommendation it will be proposed to the CAFII Board at its October 11/22 meeting.

[Action Item: Bring recommendation re the sequencing of a CAFII return to regional Regulator and Policy-Maker Visits Tours in 2023 back to EOC at September 20/22 meeting, for final consideration and proposed endorsement; K. Martin, B. Wycks, September 16/22.]

Item 6: Governance Matters

Item 6 (a): Update Re EOC Member Survey on CAFII Alerts Weekly Digest And Use/Implementation of Results

K. Kasperski reported that EOC member survey results on the CAFII Alerts Weekly Digest had been received and that these would be shared with the EOC in the near future, along with a proposed plan of action.

[Action Item: Bring forward Recommendations for Revisions to CAFII Alerts Weekly Digest based on June/July EOC Member Input Survey to September 20/22 EOC Meeting, for consideration and proposed endorsement; K. Kasperski, R. Dobbins, September 16/22.]

Item 6 (b): Plans for Tuesday, September 20/22 In-Person/Hybrid EOC Meeting; and Immediately Ensuing EOC Annual Appreciation Dinner

B. Wycks reported on plans for a 20 September, 2022 in-person EOC meeting (with a virtual component for those who choose to attend that way), followed by a 2022 EOC Annual Appreciation Dinner to be held at HotHouse At The St. Lawrence Restaurant in Toronto.

Item 6 (c): Plans for Tuesday, October 11/22 CAFII Board Meeting in Montreal; and Related Liaison Lunch and Industry Issues Dialogue with AMF Staff Executives

B. Wycks reported that plans were now firmed up for a 11 October, 2022 liaison lunch and industry issues dialogue with AMF staff executives in Montreal, at the offices of Desjardins. A productive meeting had been held with Eric Jacob, Superintendent of Client Services and Distribution Oversight at the AMF, and his colleague Louise Gauthier, and both were very supportive of the plans for the meeting.

Item 6 (d): Plans for In-Person CAFII 25th Anniversary Celebration in Toronto in October 2022

B. Wycks provided an overview of plans for a CAFII 25th Anniversary Celebration, which was now expected to be held on Wednesday, 19 October, 2022 because CCIR and CISRO have “Regulators Week” meetings in Toronto that coincide with that date, providing an opportunity for good insurance regulator and policy-maker participation in CAFII’s anniversary event. The Anniversary Celebration will be held at the 68th Floor, First Canadian Place, Toronto corporate event space of Bank of Montreal.

Item 6 (e): Draft Minutes of June 28/22 EOC Meeting

The draft minutes of the 28 June, 2022 EOC meeting were approved as circulated.