

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

**Tuesday, March 21, 2023, 2:00-3:30pm 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
Afzal Baig	Chubb Life Insurance Company of Canada
John Juba	Chubb Life Insurance Company of Canada
Doug Weir	CIBC Insurance
Konstance Allain	CIBC Insurance
Michelle Costello	CUMIS/The Co-operators
Isabelle Choquette	Desjardins Insurance
Suzie Blanchard	Manulife Financial
Carmelina Manno	Manulife Financial
Janet Pacini-Thibodeau	Manulife Financial
Katia Umutoniwase	Manulife Financial
Sharon Murrell-Foster	Manulife Financial
Shannon Dowe	RBC Insurance
Charles MacLean	RBC Insurance
Iman Muntazir	RBC Insurance
John Burns	Securian Canada
Deliska Beauregard	Securian Canada
Brad Kuiper	Scotia Insurance
Andrea Stuska	TD Insurance
Fergal Murphy	TD Insurance
Peter Thorn	TD Insurance
Jacqlyn Marcus	Valeyo
Marco DeiCont	Valeyo

**Regrets:**

Farhad Eslah	Canadian Tire Bank
Cynthia Golubic	Canadian Tire Bank
Jonine McGregor	Canadian Tire Bank
David Self	CIBC Insurance
Ibrahim Idowu	CIBC Insurance
Almas Satwat	CUMIS/The Co-operators
Casandra Litniansky	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
Ivan Murray	National Bank Insurance

Fernando Heleno	RBC Insurance
Stacey Hughes-Brooks	RBC Insurance
Asma Desai	Securian Canada
Fay Coleman	TD Insurance
Moira Gill	TD Insurance
Dallas Ewen	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 and Welcome to New EOC Members**

EOC Chair Rob Dobbins called the meeting to order and welcomed new EOC member John Juba, from Chubb Life Insurance Company of Canada, who then introduced himself to fellow EOC members.

#### **Item 2: Consent Items**

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

- Consultations/Submissions Timetable
- CAFII Response Submission to FSRA Consultation on “Proposed Rule 2022 – 001: Assessments and Fees” (Submission Deadline: February 27/23)
- March 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 2022 Audited Financial Statements and Independent Auditor’s Report Thereon**

CAFII Treasurer Donald Hinnecke provided an overview of the KPMG-prepared CAFII 2022 Audited Financial Statements and Independent Auditor’s Report Thereon, noting that no problematic issues had been raised and KPMG had delivered a clean audit opinion. The EOC endorsed the audited financial statements and auditor’s report thereon, for presentation to the Board for approval at its next meeting on April 4/23.

#### **Item 3 (b): Update on KPMG Audit of CAFII 2022 Fiscal Year Financial Statements**

Brendan Wycks reported that the audit process had worked very smoothly this year, and was now essentially complete. The audited financial statements and auditor’s report thereon would be presented to the Board for approval at its upcoming 4 April, 2023 Board meeting, and subsequent presentation to the membership for ratification at the Annual Meeting of Members on 6 June, 2023.

### **Item 3 (c): CAFII Financial Statements as at February 28/23**

CAFII Treasurer Donald Hinnecke reported that CAFII's financial position as at 28 February, 2023 was very strong, with overall financial reserves of \$669K at the present time. The residual amount of \$12K which had been sitting in a project-specific Restricted Account has now been collapsed into the Association's general account, he advised.

### **Item 3 (d): Forecast For CAFII 2023 Fiscal Year as at February 28/23**

Treasurer Donald Hinnecke advised that the forecast for CAFII's 2023 fiscal year as at February 28, 2023 was in line with expectations, with revenues slightly higher due to Chubb Life Insurance Company of Canada joining the Association, and with expenses a bit lower than budgeted including for legal fees.

## **Item 4: Committee Updates**

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

#### **i. Outcomes of February 24/23 CAFII Virtual Meeting with FCNB Staff Executives Re Questions and Clarification Issues Around Compliance with Rule INS-001; Next Steps Completed; and Possible Further Next Steps**

Keith Martin reported that CAFII was following up with FCNB on some remaining concerns around the implementation of Rule INS-001, and that as well CAFII was contemplating a letter to the New Brunswick Minister of Finance about concerns around Section 46 of the Rule, which requires customers of credit protection insurance and other forms of incidentally-offered insurance to be told that they might wish to consult with an individually licensed insurance agent.

It was noted that the FCNB had indicated that an option to inform customers of this was to include it in the written fulfilment materials that are distributed to customers, so long as they receive that information within the free review period (the period during which a customer can cancel the policy without penalty and a full refund of any premiums paid). Members asked CAFII to request an extension of the deadline to implement Rule INS-001, preferably 90 days from the date by which CAFII and FCNB have settled all outstanding issues to both organizations' mutual satisfaction.

#### **ii. Outcomes of February 28/23 CAFII Meeting with CCIR/CISRO FTCWG on Final Version of CCIR/CISRO 'Incentive Management Guidance'**

Keith Martin reported that this meeting had included about six in-person representatives from the CCIR/CISRO side, and four representatives from CAFII. After the meeting, there was a 45 minutes of in-person socializing that was open and collegial, with the CCIR/CISRO representatives staying around to engage in conversation.

### **Item 4 (b): Quebec/AMF Issues**

#### **i. Insights Gained from March 1/23 CAFII Quebec/AMF Issues Committee Meeting**

Jennifer Russell, Chair of the Quebec/AMF Issues Committee, reported that the meetings of the Committee were robust and filled with information, with the latest March 1/23 meeting focused on the requirements created by Quebec's Bill 96, the Charter of the French Language.

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

**i. 2023 Statement of Work Proposal from Operatic Agency Re CAFII Website and Search Engine Optimization Performance Enhancements**

Jacqlyn Marcus, Chair of the Media Advocacy Committee, reported that Operatic Agency's Statement of Work for 2023 had now been submitted to CAFII, and would soon be reviewed at a meeting of the Media Advocacy Committee.

**ii. Posting of Interesting/Credible Content to CAFII's New LinkedIn Page; and Creating a Body of Followers for the LinkedIn Page**

No verbal update was provided on this agenda item, due to time constraints, but the consolidated meeting materials package included a briefing note update.

**Item 4 (d): Research & Education**

**i. 'Deeper Dive Research' to Inform Possible Utilization of Results of CAFII 2022 Tracking Study Research with Pollara Strategic Insights on 'Consumers' Satisfaction with Credit Protection Insurance'**

Research & Education Committee Chair Andrea Stuska was unable to complete her verbal update due to connectivity issues, and it was agreed that a written update would be distributed after the meeting.

**Item 4 (e): Networking & Events**

Keith Martin noted that there are some interesting CAFII webinars coming up, including a 30 March, 2023 webinar on mental health issues in the workplace with two panelists--CAFII Board Member from Securion Canada Nigel Branker, and Paula Allen from Telus Health.

Immediately following the 4 April, 2023 Board meeting, LIMRA/LOMA Vice President and Chief Information Officer Kartik Sakthivel will be the guest speaker at a CAFII Reception event.

On 27 April, 2023, Nicholas Herbert-Young, from the UK's Financial Conduct Authority (FCA) and a long-time participant in the International Association of Insurance Supervisors (IAIS), will be the guest discussant, focusing on international regulatory trends. He was recommended by Mark White, CEO of FSRA and the Chair of the Market Conduct Committee at the IAIS.

**Item 4 (f): Travel Insurance Experts**

**i. 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 reported on some of the matters raised by CLHIA, THIA, and CAFII in their most recent, bi-weekly tripartite industry Association meetings.

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

### **Item 5 (a): Outcomes of March 7/23 CAFII Virtual Meeting with Eric Jacob and Mario Beaudoin, AMF, To Reaffirm 'Unwritten Understanding' Resolution to Credit Card-Embedded Insurance Benefits Impasse Issue**

Keith Martin reported that he and Mario Beaudoin attended the 7 March, 2023 quarterly virtual meeting with Éric Jacob from the AMF and CAFII Board Chair Peter Thompson, which was conducted entirely in French. The meeting was notable for its cordialness, and Éric Jacob reiterated the unwritten understanding through which the AMF and CAFII had recently resolved an impasse issue, namely that the AMF would do nothing about some firms not distributing the Notice of Rescission and the Fact Sheet to holders of credit cards with embedded insurance benefits.

Mr. Martin also noted that Éric Jacob had referenced a letter that CAFII had submitted to the AMF in October 2021 on burden reduction, with respect to which CAFII had noted that it had not yet received a formal response from the AMF. He said he was concerned about that, but felt that the AMF had made some initiatives in this area even if they were not formally announced. Keith Martin responded to Mr. Jacob's observations by indicating that that was certainly the case, and in doing so referenced the AMF's updated, burden-reducing requirement that instead of firms having to supply to the AMF a list of all of their branches that offer credit protection insurance, only the head office location would need to be supplied, a change which had been much appreciated by the industry.

## **Item 6: Governance Matters**

### **Item 6 (a): Proposed 'New CAFII Management Structure' (Post-2023); and Outcomes of Related March 6/23 CAFII Special Purpose Board Meeting**

Rob Dobbins reported that a presentation had been made by Keith Martin to CAFII Board members on 6 March, 2023, which incorporated a proposal that Keith Martin become the sole CAFII Executive Director post-2024, with two new reports (Research Analyst and Operations Manager) reporting to him. The Board voted electronically on a motion to support this management structure and all 15 Board members voted unanimously in favour. Rob Dobbins congratulated Keith Martin for this development and said that CAFII members were excited to work with him to ensure the success of the new model.

Keith Martin thanked Peter Thompson, Rob Dobbins, Karyn Kasperski, and other CAFII members for their support, and noted that the Board had indicated three important priorities that he would be advancing: the importance of seeking bilingual capability in the new hires; the importance of diversity on the management team; and the need to develop a succession plan for the Executive Director position. On the latter point, he said that the new management model would ensure stability and operational continuity for the Association in the event of a departure of the Executive Director, and that in his view the most likely scenario that would unfold if there was a need for a new Executive Director would be that the Association would need to "go to market," as it is difficult to develop succession planning internally within such a small organization. Keith Martin said he would be developing some written observations on this matter and sharing them in due course.

**Item 6 (b): Further Discussion Around Issue of “CAFII Board Diversity”**

EOC Vice Chair Karyn Kasperski reported that the EOC had held several recent *in camera* discussions on diversity in the Association, particularly on the Board; and, as a result, it would be developing some observations to share with the Board at a future Board meeting, with the intention of letting the Board know that this was something which the EOC was discussing, and for the furtherance of which it may, in due course, request a specific mandate from the Board.

**Item 6 (c): Draft Minutes of February 14/23 EOC Meeting**

The draft minutes of the February 14, 2023 EOC meeting were approved.