

February 18, 2022

Corporate Secretary
Financial and Consumer Services Commission
85 Charlotte Street, Suite 300
Saint John, New Brunswick
E2L 2J2
E-mail: secretary@fcnb.ca

Dear Sir or Madam:

Re: CAFII Feedback On FCNB's Proposed Rule INS-002 Insurance Fees

The Canadian Association of Financial Institutions in Insurance (CAFII) appreciates the opportunity to offer feedback comments on FCNB's proposed *Rule INS-002 Insurance Fees*.

Overall, we support the fee amounts and related provisions set out in the proposed Rule. We are pleased to see that there will be no distinction in the fee amounts between resident and non-resident licence applicants.

Our single point of feedback with respect to a recommended amendment relates to Part 4 Refunds.

The way that Clause 4 in Part 4 of the proposed Rule is drafted – with a Refund of a licence application fee being totally dependent on the Superintendent's discretion and determination as to "fair and reasonable" – makes this provision seem vulnerable to subjective and arbitrary decision-making.

We therefore recommend that this Refunds provision should instead state the circumstances in which the Superintendent/FCNB would routinely and automatically provide a Refund of a licence application fee, given that doing so would only be fair and reasonable under those circumstances.

As a key industry stakeholder, CAFII again thanks the FCNB for the opportunity to offer feedback comments on proposed *Rule INS-002 Insurance Fees*. Should you require further information from CAFII or wish to meet with representatives from our Association on this submission or any other matter at any time, please contact Brendan Wycks, CAFII Co-Executive Director, at brendan.wycks@cafii.com or 647-218-8243.

Sincerely,

Rob Dobbins
Board Secretary and Chair, Executive Operations Committee

c.c. David Weir, Senior Technical Advisor, FCNB
Ella-Jane Loomis, Senior Legal Counsel, FCNB

About CAFII

The Canadian Association of Financial Institutions in Insurance (CAFII) is a not-for-profit industry Association dedicated to the development of an open and flexible insurance marketplace. Our Association was established in 1997 to create a voice for financial institutions involved in selling insurance through a variety of distribution channels. Our members provide insurance through client contact centres, agents and brokers, travel agents, direct mail, branches of financial institutions, and the internet.

CAFII believes consumers are best served when they have meaningful choice in the purchase of insurance products and services. Our members offer credit protection, travel, life, health, and property and casualty insurance across Canada. In particular, credit protection insurance and travel insurance are the product lines of primary focus for CAFII as our members' common ground.

CAFII's diverse membership enables our Association to take a broad view of the regulatory regime governing the insurance marketplace. We work with government and regulators (primarily provincial/territorial) to develop a legislative and regulatory framework for the insurance sector which helps ensure that Canadian consumers have access to insurance products that suit their needs. Our aim is to ensure that appropriate standards are in place for the distribution and marketing of all insurance products and services.

CAFII's members include the insurance arms of Canada's major financial institutions – BMO Insurance; CIBC Insurance; Desjardins Insurance; National Bank Insurance; RBC Insurance; ScotiaLife Financial; and TD Insurance – along with major industry players Assurant; Canada Life Assurance; Canadian Premier Life Insurance Company; Canadian Tire Bank; CUMIS Services Incorporated; Manulife (The Manufacturers Life Insurance Company); Sun Life; and Valeyo.