

CAFII Board of Directors Meeting

Date: Tuesday, October 2, 2018
Location: BMO Financial Group, Executive Dining Rooms
14th Floor, 129 rue Saint Jacques
Montreal, QC
Chair: N. Benson

Time: 2:20 – 4:00 p.m.
Dial-in: 416-477-0921; 514-447-8925 or 1-888-543-2449
Participant: 1500# | Host: 1501#
Zoom URL: <https://zoom.us/j/858650258>

Agenda

Item	Presenter	Document	Action
1. Call to Order, Meeting Confirmation, & Governance Matters <i>2:20 p.m.</i> 1.1. Welcome To Visitors: S. Bourdeau and D. Abrams, Fasken 1.2. Approval of Agenda 1.3. Debrief on Industry Issues Dialogue with AMF Staff Executives; and CAFII Approach to AMF's Development of Regulations In Support of Bill 141 1.4. Debrief on September 14/18 CAFII Meeting with FCAC's Brigitte Goulard	N. Benson	✓ ✓	Approval Approval Discussion Discussion
2. Consent Items <i>2:45 p.m.</i> 2.1. Draft Board Meeting Minutes, June 5, 2018 2.2. Summary of Board & EOC Action Items 2.3. Regulatory Update 2.4. Consultations/Submissions Timetable 2.5. Regulator and Policy-Maker Visit Plan 2.6. Committee Reports Addressing CAFII Priorities	N. Benson	✓ ✓ ✓ ✓ ✓	Approval Receipt Receipt Receipt Receipt
3. Financial <i>2:50 p.m.</i> 3.1. Financial Statements as at August 31, 2018	T. Pergola	✓	Approval
4. Regulatory <i>2:55 p.m.</i> 4.1 FSRA Fee Rule – Life and Health Insurance Process; and Upcoming 90 Day Public Consultation 4.2 FSCO Initiatives Related To Life and Health Insurance 4.3 FCNB Plans To Introduce An RIA Licensing Regime in New Brunswick 4.4 Possible CAFII Initiative(s) Stemming From Australian Royal Commission	B. Wycks K. Martin B. Wycks K. Martin/B. Wycks	✓ ✓ 	Update Update Update Discussion
5. Strategy <i>3:15 p.m.</i> 5.1 2018 Credit Protection Insurance Research Project 5.2 Travel Medical Insurance Leave-Behinds And Other Communications Initiatives 5.3 2018 CAFII Research Budget 5.4 Report On CAFII Website Metrics; and Recommendation On Next Website Video 5.5 "Proud Member of CAFII" Website Badge 5.6 CAFII Initiation Member, Returning Member, and Associate Prospects	D. Quigley/K. Martin K. Martin K. Martin K. Martin B. Wycks/K. Martin	✓ (3) ✓ (2) ✓ ✓	Update Update Update Discussion Update Update
6. Other Business <i>3:35 p.m.</i> 6.1 CAFII Meeting With CCIR Travel Insurance Working Group, October 24/18 6.2 CAFII Annual Stakeholder Meeting With CCIR, October 25/18 6.3 Next CAFII Board Meeting: November 27/18 In Toronto, Including Opportunity To Have Mark White, CEO, FSRA, Visit For Informal Dialogue In Last Half Hour Of Meeting			
7. In-Camera Session <i>3:45 p.m.</i> 7.1 Renewal of CAFII Contract With Managing Matters 7.2 New CAFII EOC Chair 7.3 CAFII Board Vice-Chair	N. Benson		Discussion

**Report on 14 September 2018 CAFII Meeting with
Financial Consumer Agency of Canada (FCAC) Deputy Commissioner Brigitte Goulard**

Background

On 12 June, 2018 CAFII reserved a table for an Economic Club of Canada luncheon address by FCAC Commissioner Lucie Tedesco on "Strengthening Financial Consumer Protection: What has to be the driving force."

After the meeting, CAFII Co-Executive Directors Brendan Wycks and Keith Martin spoke to Lucie Tedesco and FCAC Deputy Commissioner Brigitte Goulard about comments made by Ms. Tedesco about FCAC plans to undertake follow-up "deep dive" investigations with the Big 6 banks on subjects of interest to the FCAC, including two areas for potential mis-selling which had been identified in the FCAC's report on domestic banks' sales practices: creditor insurance, and mobile mortgage specialists. Ms. Tedesco and Ms. Goulard quickly indicated that they would be interested in meeting with the CAFII Board of Directors in-person to discuss these deep dive reviews.

Subsequently, the FCAC indicated that the timing was not right for the plans for deep dives to be a key presentation item at its September 2018 meeting with CAFII, as that initiative was not yet sufficiently advanced to warrant particular focus and discussion. However, FCAC Deputy Commissioner Brigitte Goulard indicated that the Agency would still like to have an in-person meeting with CAFII to discuss areas of mutual interest. Upon further discussion, for scheduling reasons Ms. Goulard offered to come on her own and present on some of the major issues that FCAC is involved in that are of potential interest to CAFII members, and a meeting was set up from 12.30pm to 2.30pm on 14 September, 2018.

Attendees at the 14 September, 2018 FCAC and CAFII Meeting

Present In-Person

From FCAC:

Brigitte Goulard, Deputy Commissioner

From CAFII:

Nicole Benson, Canadian Premier Life (Board Chair)
Chris Lobbezoo, RBC Insurance
Chris Knight, TD Insurance
Sandra Rondzik, CIBC Insurance
Zack Fuerstenberg, Scotia Life Financial (representing CAFII Director Bob Grant)
Louie Georgakis, Canada Life (representing CAFII Director David Fear)
Gillian Noble, BMO Insurance (representing CAFII Director Peter McCarthy)

Pete Thorn, TD Insurance (EOC Chair)
Moiria Gill, TD Insurance
Scott Kirby, TD Insurance
Sue Manson, CIBC Insurance
Dominique Julien, CIBC Insurance
Brad Kuiper, Scotia Life Financial
Charles MacLean, RBC Insurance
Martin Boyle, BMO Insurance
John Lewsen, BMO Insurance

Rob Dobbins, Assurant Canada
Brendan Wycks, Co-Executive Director, CAFII
Keith Martin, Co-Executive Director, CAFII
Natalie Hill, Administrative Co-ordinator, CAFII

Present By Teleconference and Webinar Link

Anuraj Bains, CIBC Insurance
Darren MacLennan, CIBC Insurance
Louise Nash, CIBC Insurance
Wally Thompson, Manulife Insurance
Charles Blaquiére, Canadian Premier Life
Diane Quigley, CUMIS Services Inc.

Meeting Summary

Nicole Benson, CAFII Board Chair, welcomed Brigitte Goulard and thanked her for attending today's meeting. CAFII representatives participating introduced themselves and Ms. Benson asked CAFII Co-Executive Director Keith Martin to start off the meeting with an update on CAFII's strategic priorities.

Highlighting from a Powerpoint presentation, Mr. Martin noted that CAFII's traditional focus on regulator and policy-maker relationship-building, communications, and advocacy would remain the top priority of the Association, but would be supplemented and reinforced by other activities.

The Association has committed to meeting with regulators and policy-makers in their own locales at least once every 18 months, and we have executed on this through a June and October 2017 Western Canada tour, a May 2018 Atlantic Canada tour, as well as in-person meetings with Quebec and Ontario regulator and policy-maker authorities.

CAFII has also committed to commissioning an ongoing stream of evidence-based, third party professional research that will allow us to share information and insights gained through independent research findings. We will also share these research findings publicly -- including on our website and with the media -- an approach we have already taken with our recently-published consumer research results on travel medical insurance.

Mr. Martin also outlined CAFII's recent efforts to engage with media (mostly trade press) and showed examples of recent articles published about CAFII initiatives.

Mr. Martin reviewed CAFII's new consumer-focused website, including the section developed to share relevant, easy-to-read information about CAFII members' products, and he highlighted several examples of the website's visually pleasing and easy-to-navigate nature.

Mr. Martin stressed that CAFII and its members support the importance of the fair treatment of consumers, and are committed to consumer financial literacy. He highlighted several of CAFII's recent FTC-related assertions and commitments made in formal regulatory consultation submissions.

Ms. Benson then turned the floor over to FCAC Deputy Commissioner Brigitte Goulard, who used a pre-circulated Powerpoint presentation as a guide for highlighting key messages for the CAFII audience.

Ms. Goulard advised that the FCAC's recent report on its review of the Big 6 domestic banks' sales practices – the purpose of which was to look at “what are the drivers of sales practices?” -- did not find a “smoking gun” or evidence of any systemic mis-selling, but it did find much evidence of a strong sales culture in the banks which could lead to improper sales practices.

She stated that the FCAC's report was evidence-based and included a review of 4,500 customer complaints, 26 hours of sales calls, interviews with 660 bank staff, 135,000 pages of bank documentation, and 30 visits to branches. She said that some bank employees felt enormous pressure to sell and were very stressed by these expectations, and said some of them were nearly reduced to tears in their interviews with FCAC personnel, reflecting the pressure they were under.

Ms. Goulard indicated that creditor insurance was identified as one of the banks' “higher risk” products, practices, and channels, along with cross-selling, third party sellers, and mobile mortgage specialists. She elaborated that these four products, practices, and channels had been identified as being particularly “risky” for potential mis-selling and unfair treatment of consumers and some of them will be further investigated by the Agency. However, unlike the UK's Financial Conduct Authority (FCA), the U.K. equivalent to the FCAC, the FCAC does not have the authority to levy fines as punishment for mis-selling; the FCAC is limited to investigating and reporting on such practices. She also noted that the FCAC does not oversee travel insurance sales as part of its oversight responsibilities for domestic banks.

Ms. Goulard said that she felt that creditor insurance products could be of benefit to consumers, and that she was hoping to help our members by pointing out some of the risks and vulnerabilities that exist due to some of the banks' related sales practices.

Noting that creditor insurance products are “sold, not bought,” Ms. Goulard said that the issue was about the suitability of the products for specific customers—i.e. of selling the appropriate products to the right customers, and of ensuring that there is explicit consent every time a sale is made. “I'm here to tell you that you've got a lot of work to do especially re training of your sales staff,” Ms. Goulard said. Consumers need to know what they are buying, and they should not be pressured into purchasing a product. She said that CAFII members and other sellers of creditor insurance need to know the consumer's needs, goals, and financial situation, and sales must be made on the basis of clear information. “The lack of those questions being asked leads to the potential for those products not being sold to the right people,” she said.

Ms. Goulard noted that as part of the recent FCAC review, she had listened to many hours of recorded calls of bank contact centre staff's sales efforts; and that while the scripts themselves were generally quite good, the sales people often did not seem to fully understand the products they were selling and did not know what to do when the customer asked a question that the script did not cover. “Things that we heard on the recorded calls indicate that staff didn't understand the product and didn't have the consumers' best interests at heart. The scripts have to go a bit further and the education has to be deeper, so that the staff can answer correctly/appropriately when a consumer's questions force them to go ‘off script.’”

She stated that some of the telephone sales calls she listened to included pitches to customers who seemed to have limited English or French language skills and who may not have understood clearly what the bank employee was telling them.

Referring to what she had heard in several instances on the recorded calls, Ms. Goulard strongly criticized the use of the 30-day “free look period” as a sales lever/inducement to get reluctant customers to try out creditor insurance coverage for a month because they could always cancel within the first 30 days if they changed their minds about the coverage, no questions asked. She asserted that insurance coverage cannot be reviewed or “trialed” in the same manner as certain consumer goods (e.g. a mattress) and it should not be sold on that basis, stressing that this was not an appropriate sales technique.

Mr. Martin noted that the 30-day free look period was typically regarded as a consumer-friendly feature, as it allowed the customer ample time to consider what they had purchased, review the documentation, do further research on the product, and, at the end of the free look period, cancel the coverage if they changed their mind about it.

Ms. Goulard also spoke in some detail about selling creditor insurance on a credit card (balance protection insurance) to consumers who have a history of always paying off their balance in full every month. “What is the value of that?,” she asked. She further stated that students, people with low incomes, unemployed people etc. might not be suitable for this type of creditor insurance. CAFII members need to understand their customers better and filter the products being offered, so that only appropriate products are being offered to the customer in question, she emphasized.

Ms. Goulard also noted that CAFII had stated in a recent regulatory submission to FSCO that a needs assessment was not necessary for some creditor insurance products because the “need” was already established/occasioned by the consumer’s taking on a new debt obligation, such as a mortgage, and the offering of creditor insurance coverage was associated with and incidental to that new debt obligation. Mr. Wycks detailed CAFII’s reasoning for that assertion. Moira Gill also made insightful comments to explain the challenges of a full needs analysis on a creditor insurance product, including the fact that federally regulated financial institutions offering Authorized Insurance Products are not permitted to offer advice in connection with those products.

Transitioning to more broadly focused, overarching information which she wanted to highlight, Ms. Goulard indicated that in the FCAC’s assessment, the tone at the top of the Big 6 banks was undeniably customer-centric, but that the sales culture among middle management did not reflect what top management wanted to achieve—i.e. the message was getting diluted as it moved its way down the ranks. “The further down we went into the organization, the more a conflict started to emerge and become evident re having to meet sales objectives versus consumers’ best interests,” she stated.

Ms. Goulard said that creditor insurance products are vulnerable to criticism and at risk of negative media attention; she said she was trying to share information with CAFII members to help them avoid a potentially difficult and negative situation.

In her occasional liaison and information-sharing meetings with provincial insurance regulators, Ms. Goulard continued, some of them often express concern to her about creditor insurance products, particularly the regulators from Ontario, British Columbia, and Alberta.

Ms. Goulard said that if three or four disgruntled employees could inspire weeks of CBC News coverage on bank sales practices, then imagine what damage could be caused if someone surreptitiously recorded a contact centre employee using inappropriate sales techniques to sell a creditor insurance product, and then leaked the recording to a regulator or the media. With the ease of recording phone conversations, that was a risk that we should be very concerned about, she said.

She added that after the FCAC's report on domestic banks' sales practices came out in May 2018, the FCAC received numerous media calls asking for its executives to do interviews specifically on creditor insurance products. Commissioner Lucie Tedesco, Ms. Goulard, and other FCAC officials declined those media requests and did not discuss creditor insurance any further at that time. "As an Agency, we need to do a more in-depth study on creditor insurance to be able to talk to the media with authority about it," she said.

Ms. Goulard said that controls to mitigate the risks associated with creditor insurance being mis-sold are under-developed among the Big 6 banks. She recommended some mitigating actions which she said CAFII members could take to reduce creditor insurance's vulnerability to and risk of major negative media coverage: modifying the compensation structure, investing in enhanced training, reviewing our practices around clawbacks of commissions/bonuses for cancelled sales, and examining non-financial compensation. "Clawbacks are a good practice, in our view; they just need to be well-structured and managed," she said.

Sandra Rondzik asked if instead of clawbacks for cancelled sales, should agents just not be compensated for a certain period of time after a sale, until it was clear that the sale had not been cancelled. Ms. Goulard replied that taking that alternate approach could be a very worthwhile initiative.

Ms. Goulard asserted that non-financial compensation is very important and has a big impact upon staff behaviour vis a vis consumers. Some employees felt that if they were not making adequate sales, they would be passed over for recognition or promotions.

Ms. Goulard also said that the branch manager was critically important to a culture of appropriate sales practices, but that branch managers were typically stretched very thin and under their own tremendous pressures due to their multiple responsibilities; so it's hard for them to monitor compliance.

She also opined that the volume/percentage of contact centre telephone calls in this area being monitored by the banks is relatively small.

Ms. Goulard said that "know your customer" was a process that the wealth management side of the financial services business had to go through perhaps 25 years ago; and that this was now becoming a top priority for the banks' sales teams.

"There is value to creditor insurance products for certain customers" she said, adding that she felt a certain affinity for CAFII members' businesses because she once worked on creditor insurance products herself at Canada Trust, and that she was once a CAFII EOC member; but that there was a strong, duty-bound onus on CAFII members to better identify and target the right products for the right customers.

On the issue of inappropriate selling of creditor insurance products, Mr. Wycks said that on the rare, isolated occasions when provincial insurance regulators have raised concerns about the potential mis-selling of creditor insurance, they typically were not concerned about the banks and credit unions, but rather about other entities that offer this type of product such as payday lenders and car dealerships. Ms. Goulard said that she was concerned with some practices of payday lenders, but that the FCAC's concerns in this area included actions by CAFII members.

Mr. Lobbezoo said that single premium insurance products sometimes raise concerns around whether consumers understand the product, and he asked whether there were broader concerns with creditor insurance products; and Ms. Goulard said yes, there were.

Ms. Goulard said that governance of the Big 6 domestic banks was also an issue identified in the FCAC's Report, although progress has been made by the banks in recent years in this area. She said that often the board and senior management of banks do not understand what is really happening in the business. Governance frameworks do not manage sales practices risk effectively, she asserted.

Ms. Goulard stated that the Big 6 banks do a very good job of resolving first level consumer complaints within a reasonable period of time. However, she asserted, the banks should also be tracking complaints at the branch level, in addition to escalated/second level complaints.

She noted that complaints should be reviewed and reported on with the intention of understanding their root cause, but the banks are currently allocating only very limited resources for that purpose. She said that Human Resources should be better integrated into the business, noting that at Wells Fargo, HR had been firing employees for years for improper practices, but this had not been reported to the board and senior management—and if it had been, the illegal practices at Wells Fargo might have been caught and stopped much earlier.

Ms. Goulard indicated that going forward, the FCAC will be expecting federally regulated financial institutions to do a better job of reporting complaints to them, including analyses of their root causes.

In response to a question from Mr. Wycks, Ms. Goulard noted that the UK's FCA has an effective assessment tool called **Five Conduct Questions** that it asks banks to respond to each year, and she felt that this was an excellent and worthwhile instrument for Canada's banks to explore. She noted that in the FCAC's view, among Canada's banks, "controls have not kept pace with the shift to a significantly greater focus on sales and advice."

Ms. Goulard noted that Wells Fargo's new internal legal counsel told her at a recent conference that that American bank no longer sets sales targets of any kind. She felt that such an aggressive about-face move might be going overboard—but that managing the risks of mis-selling is necessary to avoid having to make such a strong overboard-type response.

Mr. Wycks noted the FCAC National Financial Literacy leader Jane Rooney had been the guest speaker at CAFII's Annual Members' Luncheon in February 2015, and he appreciated the balanced approach she emphasized between the rights of consumers, on the one hand, and their responsibility to research and understand the products they are purchasing, on the other hand.

Ms. Goulard said that the FCAC continues to stress that important duality; and it has recently developed some videos -- using an avatar/character called Floyd -- on consumers' rights and responsibilities which now appear on the Agency's website.

Mr. Wycks also asked about reports of banks' mis-selling in Australia and whether developments coming out of Australia's *Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry* might have an impact on how the FCAC views Canadian banks. Ms. Goulard replied that she had not been following developments in Australia closely and therefore could not comment.

FCAC's Next Steps and "Deep Dives"

Ms. Goulard advised that the FCAC's Phase 2 of its review of domestic banks' sales practices would involve both

- a review of small and medium-sized banks' sales practices; and
- a mystery shopping exercise with the Big 6 banks and small and medium-sized banks to further the FCAC's knowledge of their sales practices. This mystery shopping will be the FCAC's first use of this investigative technique in 10 years, and it has already talked to several national financial services regulators in other countries to find out how they conducted recent mystery shopping initiatives.

When the FCAC's upcoming mystery shopping initiative is complete, a results report will be made public.

Keith Martin asked when the FCAC's planned "deep dives" at individual financial institutions would be happening. Ms. Goulard replied that the deep dives would occur after the completion of Phase 2 and likely happen sometime in 2019.

Enhancements To The FCAC

Ms. Goulard advised that the FCAC's new Supervision Framework, which was developed through extensive consultation with industry, will launch on October 1/18.

In addition, the FCAC will be significantly expanding its staff resources. In 2014, the FCAC had 89 staff; it currently has 125 staff; and it expects to grow to 180 staff by 2021. Most of the 55 staff to be added over the next three years will work in the Agency's Supervision/Compliance area.

Reference Documents

FCAC Report: "Retail banking sales culture may raise risks for consumers"

<https://www.canada.ca/en/financial-consumer-agency/news/2018/03/retail-banking-sales-culture-may-raise-risks-for-consumers.html>

UK Financial Conduct Authority's 5 Conduct Questions Program

Overview of the FCA 5 Conduct Questions Programme:

<https://www.fca.org.uk/firms/5-conduct-questions-programme>

FCA April 2018 Industry Feedback for Wholesale Banking Supervision

<https://www.fca.org.uk/publication/market-studies/5-conduct-questions-industry-feedback-2017.pdf>

Independent Directors of the Board of Wells Fargo & Company Sales Practices Investigation Report

<https://www08.wellsfargomedia.com/assets/pdf/about/investor-relations/presentations/2017/board-report.pdf>

Lucie Tedesco 12 June 2018 Speech to the Economic Club of Canada on "Strengthening financial consumer protection – what has to be the driving force"

<https://www.canada.ca/en/financial-consumer-agency/news/2018/06/strengthening-financial-consumer-protection--what-has-to-be-the-driving-force.html>

BOARD MEETING
CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

Tuesday, June 5, 2018

**Location : Scotia Plaza, 63rd Floor,
40 King St. West, Toronto, ON**

MINUTES

Board Present: Nicole Benson valeyo (*teleconference*)
Christian Dufour Desjardins Financial Security (*for part*)
David Fear Canadian Life Assurance (*by teleconference*)
Bob Grant ScotiaLife Financial
Chris Lobbezoo RBC Insurance
Peter McCarthy BMO Insurance *Chair*
Sandra Rondzik CIBC Insurance

Regrets: Nick Bilodeau AMEX Bank of Canada
Paul Cosgrove Assurant
Chris Knight TD Insurance
Wally Thompson Manulife
Kelly Tryon CUMIS Services Incorporated

EOC Present: Jason Beauchamp BMO Insurance (*Teleconference*)
Rose Beckford ScotiaLife Financial
Charles Blaquiére Canadian Premier Life
Dominique Julien CIBC Insurance
Scott Kirby TD Insurance
Bradley Kuiper ScotiaLife Financial
John Lewsen BMO Insurance
Sue Manson CIBC Insurance
Tony Pergola ScotiaLife Financial
Diane Quigley CUMIS
Monika Spudas Manulife Financial
Shawna Sykes CUMIS Teleconference
Peter Thorn TD Insurance *Secretary and EOC Chair*

Also Present: Keith Martin CAFII *Co-Executive Director*
Brendan Wycks CAFII *Co-Executive Director*
Natalie Hill Managing Matters Inc. *Recording Secretary*
Jenny Faucher Managing Matters Inc.

1. Call to Order; Welcome and Confirmation of Meeting

The meeting was called to order at 3:15p.m. P. McCarthy acted as Chair; P. Thorn acted as Secretary; and N. Hill acted as Recording Secretary.

CAFII Board Meeting Minutes, June 5, 2018

P. McCarthy welcomed all present to this first meeting of the newly constituted 2018-19 CAFII Board of Directors.

P. McCarthy reminded everyone that the consent agenda approach is a tool used to streamline meeting procedures by grouping routine, non-controversial items together, which are then approved or simply received for the record via a single motion and vote. No discussion or debate is permitted on any item that is part of an approved consent agenda.

Therefore, during the Approval of Agenda phase of the meeting, it will be asked if everyone is comfortable with the Consent section. If a Director wishes to discuss any of the five (5) items which have been placed in the Consent section, it will be moved into the regular section of the agenda and discussed at the appropriate time.

Secretary P. Thorn confirmed that notice of this meeting was sent to all Directors in accordance with the Association's By-Laws.

P. Thorn confirmed that there was a quorum of Directors present at the meeting, noting that five (5) Directors were present in-person; and two (2) Directors were on the phone.

P. McCarthy declared this meeting of the Board of Directors of the Canadian Association of Financial Institutions in Insurance duly convened and properly constituted for the transaction of business.

1.1. Review of CAFII Competition Guidelines

P. McCarthy noted the Competition Guidelines provided in the Board package were adopted at the April 3, 2008 Board of Directors meeting. CAFII's practice has been to highlight the key principles set out in the Competition Guidelines annually, at this first Board meeting in a new CAFII governance year.

To summarize the Competition Guidelines, Directors have committed to avoid

- Making or discussing any agreement on prices, premiums, fees, or products;
- Exchanging cost information (with intent to fix prices or reduce competition);
- Restricting independent dealing with industry suppliers; and
- Precluding, arbitrarily, participation in CAFII in a manner that may limit competition.

1.2. Approval of Agenda

On a motion duly made, seconded and unanimously carried.

IT WAS RESOLVED that:

The meeting Agenda be and is approved as presented.

1.3. Election of 2018-19 Officers

P. McCarthy noted that as this is the first Board meeting following the election of Directors, the Board must now appoint the volunteer Officers of the Association for 2018-19, with those volunteer Officer positions being Chair, Vice-Chair, Secretary, and Treasurer.

Article 7.1 of the CAFII Bylaw specifies that “The Directors shall select annually Officers of the Corporation. Except for the Executive Director, Officers shall hold their position for a period of one year.”

Therefore, Mr. McCarthy advised, the following *2018-19 Slate of CAFII Officers* had been nominated for appointment by the Board:

Chair:	Nicole Benson, Valeyo
Vice-Chair:	<i>Vacant, pending further consideration by the Board</i>
Secretary & EOC Chair:	Pete Thorn, TD Insurance
Treasurer:	Tony Pergola, ScotiaLife Financial

On a motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

The proposed 2018-19 Slate of CAFII Officers is appointed, as presented.

P. McCarthy extended congratulations to all of the newly elected Officers; and, in particular, to the new Board Chair Nicole Benson.

P. McCarthy advised that he had agreed, at Ms. Benson’s request, to continue as Chair for the balance of this meeting as Ms. Benson was unable to attend the meeting in-person.

1.5. CAFII EOC Chair Succession

EOC Chair P. Thorn informed the Board about recent internal decisions at TD Insurance which will cause him to have to step down as EOC Chair in the near future. He mentioned that for the past year, he has served as the EOC Chair, taking over for Eleanore Fang half way through her term.

Mr. Thorn thanked the Board of Directors for the opportunity to serve as Chair of the EOC.

P. McCarthy thanked P. Thorn on behalf of the Board and EOC members for his service as EOC Chair, as well as for agreeing to continue in that role for the next few months until a successor EOC Chair can be identified.

2. Approval/Receipt of Consent Items

P. McCarthy noted that documents have been provided for each of the five (5) Consent Agenda items; and it is presumed that Directors have reviewed them in advance of this meeting.

On a motion duly made, seconded and unanimously carried

IT WAS RESOLVED that

The Consent Agenda items be and are approved or received for the record, as indicated in the Action column in the Consent section of the agenda.

And further, it is **RESOLVED** that the minutes of the meeting of the Board of Directors held April 17, 2018 be and are adopted in the form presented, and that a copy of these minutes be signed and placed in the minute book of the Corporation.

3. Financial Update

3.1 Approval of April 30, 2018 Financial Statements

Treasurer T. Pergola reported on the highlights of CAFII's financial statements as at April 30/18 which included

- revenue has been higher than budgeted due to the acquisition of two new Initiation Members; and
- for that reason, the budget is going to be re-forecasted.

On a motion duly made, seconded and unanimously carried

IT WAS RESOLVED that

The April 2018 financial statements be and are approved as presented.

4. Regulatory

4.1. Regulatory Consultations/Submissions Timetable

P. McCarthy noted the majority of CAFII's time and resources are devoted to ensuring that the industry has a voice and remains top-of-mind with a key stakeholder audience of insurance regulators and policy-makers. The Regulatory Consultations/Submissions Timetable is a tool to help us track the activities within this priority area.

4.1.(i) BC Financial Institutions Act Review Preliminary Recommendations Paper

R. Beckford noted that the Market Conduct Committee is putting together a submission on the BC Financial Institutions Act. The purpose of this paper is to ensure that the regulatory framework is efficient and modern. The Market Conduct Committee is in the processes of finalizing CAFII's submission.

S. Rondzik recommended that CAFII should stay away from definitive statements in its submission.

4.1.(ii) Quebec Bills 141 and 150

R. Beckford reported that the clause-by-clause review of Bill 141 was still underway in Quebec's National Assembly. Bill 150 will not move forward for legislative approval, but its financial services sector provisions have been integrated into an amended Bill 141.

4.1.(iii) CCIR/CISRO Guidance: Conduct of Insurance Business and Fair Treatment of Customers

R. Beckford reported that the Market Conduct Committee is busy putting together a submission for CCIR/CISRO on the Conduct of Insurance Business and Fair Treatment of Customers. The focus of CAFII's submission is on harmonization between this Guidance document from CCIR/CISRO as the national co-ordinating body of insurance regulators and existing or in-development similar provincial documents.

4.2. Possible Follow-up To FCAC "Domestic Bank Retail Sales Practices Review"

K. Martin and B. Wycks updated the Board on the possibility that the FCAC might undertake a follow-up to its recently completed "Domestic Bank Retail Sales Practices Review," with a specific focus on creditor insurance.

K. Martin noted that there is a possibility that FCAC will be doing a further dive into creditor insurance. CAFII needs to prepare for this and line up key messages.

B. Grant mentioned that the FCAC's preconceived ideas about creditor insurance are negative. Therefore, CAFII needs to provide the FCAC with evidence-based communications messaging that speaks to the value of creditor insurance to Canadian consumers.

4.3. Possible Legal Research Project Stemming From Australian Royal Commission

B. Wycks updated the Board on the prospect of a special legal research and analysis project related to the implications for Canada of the currently underway Australian *Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry*, which the Board had briefly discussed during the *in camera* session at the end of the previous meeting on April 17.

At its meeting one week ago, the EOC had discussed and unanimously approved a recommendation to the Board that CAFII undertake a special legal research and analysis project on the implications for Canada of the Australian Royal Commission.

N. Benson mentioned that she had been in touch with a few groups in Australia and they are currently focused on their immediate needs locally. There may be future willingness from parties in Australia to meet with us but right now they are in the thick of it.

R. Beckford noted that a similar issue broke in the UK several years ago and a research project was conducted by CAFII.

Following Board discussion of this matter, there was agreement with P. McCarthy's recommendation that while the proposed project would provide good value for the time, energy and resources that would be invested in it, it would be prudent to wait until after the Australian Royal Commission delivers its interim this Fall, sometime after September 30.

K. Martin asked the Board to refer to the meeting materials to review the draft scope and terms document for this project and provide him with feedback on it, in particular on the hypotheses which CAFII would like a lawyer/legal scholar to test.

4.4. Quebec Bill 134

K. Martin updated the Board on Quebec Bill 134, which was initially raised as a possible concern during CAFII's previous Board meeting on April 17. He noted that he had recently had a chance to meet with L. Gauthier and N. Sirois from AMF on this matter. L. Gauthier had agreed to submit CAFII's inquiry to the AMF's legal department for a response. K. Martin will follow up with Ms. Gauthier soon to see where this stands.

4.5. Regulator and Policy-Maker Liaison Meetings During 2018 CLHIA Conference

B. Wycks and K. Martin updated the Board on CAFII's meetings with a number of insurance regulators and policy-makers which occurred during the CLHIA Conference in Calgary in early May. Liaison meetings had occurred with

- Janet Sinclair, Executive Director, and Rob Tanaka of the Insurance Council of BC;

- Joanne Abram, Warren Martinson, and Ken Doll of the Alberta Insurance Council;
- Ron Fullan and April Stadnek of the Insurance Councils of Saskatchewan; and
- Barbara Palace Churchill of the Insurance Council of Manitoba.

4.6. Regulator and Policy-Maker Liaison Meetings in Atlantic Canada, May 2018

B. Wycks and K. Martin updated the Board on CAFII's meetings with insurance regulators and policy-makers during a mid-May tour of the four Atlantic Canada provinces.

During the meeting with the FCNB in Fredericton, Angela Mazerolle, Superintendent of Insurance, and David Weir, Deputy Director Insurance, informed CAFII that they were already well-advanced in developing the framework for the introduction of a Restricted Insurance Agent (RIA) licensing regime in their province.

4.7. Proposed CAFII Meeting with FCNB Re Proposed RIA Regime in New Brunswick:

B. Wycks updated the Board on plans to secure an early meeting with Angela Mazerolle, Superintendent of Insurance, and David Weir, Deputy Director, Insurance in New Brunswick with respect to their in-development Restricted Insurance Agent licensing regime for the province.

4.8. CAFII Liaison Meeting with CCIR and CISRO Policy Managers:

K. Martin and B. Wycks updated the Board on their recent liaison meeting with Tony Toy and Adrienne Warner, CCIR Policy Managers, and Joanna Reading, CISRO Policy Manager.

5. Strategy

5.1. 2018 Pollara Travel Health Insurance Research:

5.1(ii). Executive Summary of Pollara Travel Health Insurance Research Results

5.1(iii). Draft Press Release on Pollara Travel Health Insurance Research Results

5.1(iv). Objectives, Benefits, and Risks of Public Release of Pollara Research Results

5.1(v). Critical Path for Pollara Research Results Release

P. McCarthy noted that the first series of items – five of them in total -- all related to the recently completed 2018 CAFII-commissioned Pollara Travel Health Insurance Research; and more specifically to the issue of what should be CAFII's plan for the public release of the results.

K. Martin walked through each of items under agenda item 5.1. He noted that S. Manson had led the research and had provided a brief review of it at the previous Board meeting on April 17.

The 2018 Pollara research results were very strong with about 8 in 10 consumers saying that their experience with travel medical insurance has been positive. The more exposed a Canadian is to the travel medical insurance industry, the higher their level of satisfaction with the product.

Ninety eight percent of claims were reported to be paid out, with only 2% denied. The 2018 Pollara research results were largely consistent with the previous 2015 iteration of this research.

The Board expressed support for Mr. Martin's recommendation that the 2018 Pollara travel medical research results be published on the CAFII website and that a summary Media Release be issued. Mr. Martin pointed out

that currently there are many negative stories about travel medical insurance on the internet, and this would give CAFII the opportunity to begin to populate the records with objective, evidence-based favourable stories.

There was also strong support for S. Rondzik's recommendation that the 2018 Pollara research results should be shared with insurance regulators first; and that assuming all goes well with that, CAFII can then prepare and plan for a Media Release.

In ensuing Board discussion, there was unanimous support for P. McCarthy's recommendation that CAFII should pursue similar third party commissioned research on creditors group insurance as an immediate and high priority. It was noted that having current, independent, evidence-based data available would likely be very opportune and valuable for upcoming meetings and consultations with regulators such as the FCAC, CCIR, CISRO, and individual provincial/territorial insurance regulators and policy-makers.

5.2. Status of OneMain Solutions Canada Application for CAFII Initiation Membership

B. Wycks provided an update on the status of OneMain Solutions Canada's application for CAFII Initiation Membership. He noted that at the last Board meeting, there was consideration of On Main Solutions' application. It was decided that there needed to be further engagement and CAFII would request more information from OneMain Solutions Canada.

After CAFII's request for more information, OneMain Solution's parent company office in the US had independently decided to do a strategic review and that resulted in OneMain Solutions Canada putting its application for CAFII Initiation Member status on hold.

5.3. Other CAFII Initiation Member, Returning Member, and Associate Prospects

B. Wycks and K. Martin updated the Board on the status of other CAFII Initiation Member, Returning Member, and Associate prospects. Those prospects included HSBC Canada as and Sun Life Financial as Initiation Member prospects; National Bank Insurance as a Returning Member prospect; and the Fasken and Stikeman Elliott law firms as Associate prospects.

6. Committee Reports Addressing CAFII Priorities

6.1. Market Conduct Committee

R. Beckford, Market Conduct Committee Chair, noted that all of the items under her committee's purview had already been updated, under the Regulatory section.

6.2. Media Advocacy Committee

6.2(i). Storyboard for "About CAFII" Website Video

K. Martin updated the Board on plans for CAFII's first video on the Association's website. The more website enhancements are made, the more people will look up creditor group insurance and find CAFII's website sooner via Google searches, he noted.

The intention is to produce an animated "About CAFII"-themed video which will be 50 seconds long in English, 60 seconds long in French, Mr. Martin advised.

S. Rondzik expressed the view that consumers may not understand "creditor insurance products at standard economical group rates" on slide 4. It was also suggested and agreed that CAFII should get opinions from millennials on the storyboard to see if they understand it.

6.3. Licensing Efficiency Issues Committee

6.3(i). CAFII/CLHIA Joint Submission Re Saskatchewan RIA Advisory Committee

B. Wycks updated the Board on the recent progress made on a joint CAFII/CLHIA submission to the Insurance Councils of Saskatchewan on an RIA Advisory Committee in that province.

6.4. Research & Education Committee

D. Quigley, Research & Education Committee Chair, reported on the committee's recent initiatives. She noted that now that the 2018 Pollara travel medical insurance research has been completed, her committee will dedicate its time to working on the Board-mandated creditors group insurance research.

6.5. Travel Medical Experts Working Group

S. Manson, Chair of the CAFII Travel Medical Experts Working Group, provided an update on her committee's recent initiatives, noting that the focus of late has been on the 2018 Pollara travel medical insurance research.

7. Other Business

7.1. June 5/18 CAFII Reception, Including Expected Regulator and Policy-Maker Guests

B. Wycks provided the Board with overview updates on what to expect at this evening's CAFII Reception; and at the next CAFII Board meeting on October 2/18 in Montreal, which will also include a liaison lunch and Industry Issues Dialogue with the AMF staff executives.

7.2. Next CAFII Board Meeting: October 2/18 In Montreal

It was noted that the next CAFII Board of Directors meeting will be hosted by BMO Financial Group at its historically significant corporate offices in old Montreal on October 2, 2018, with the full program running from 12:00 pm to 4:00pm.

8. Termination

P. McCarthy advised that it had been an honour and privilege for him to work with everyone on the CAFII Board, and he thanked his fellow Directors for the opportunity to serve as Board Chair over the past three years.

There being no further business, the meeting was terminated at 5:09p.m.

Date

Board Chair

Recording Secretary

Summary of CAFII Board and EOC Action Items					
	Source	Action Item	Responsible	Deadline	Status September 21, 2018
		Alberta Critical Illness Insurance Issue			
1	EOC February 21, 2017	Contact J. McCutcheon to ask her to review the definition of Creditors' Critical Illness Insurance approved by the Alberta LIC to ensure there are no issues with it from an industry-wide perspective.	Brendan	28-Feb-17	Deferred
		Quebec Ministry of Finance & AMF Regulatory Issues			
2	Board April 17, 2018	Explore further CAFII members' concerns around Quebec Bill 134.	Keith & Brendan	15-May-18	Complete
		Finance Canada Regulatory Issues			
3	Board Nov 29, 2016	Monitor Canadian Bankers Association's plans and actions for seeking redress with Finance Canada re deficiencies in Bill C29, Budget Implementation Act's Consumer Framework related to creditor insurance and standalone insurance products.	Brendan	Ongoing	Complete
		International Regulatory Developments with Implications for Canada			
4	EOC May 29, 2018	Develop a one page summary of what CAFII could seek as a commissioned report on the Australian Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry to be presented to the Board at its June 5/18 meeting.	Keith, Brendan	31-May-18	Complete
		CAFII Research			
5	EOC March 27, 2018	Report back to the EOC on the findings of the exploratory meeting on the possibility of CAFII engaging in syndicated/omnibus research	Keith, Brendan	25-May-18	Complete
		Association Strategy and Governance			
6	EOC May 29, 2018	Develop a summary job description for the CAFII EOC Chair role and circulate it to EOC Members.	Brendan, Keith	28-Sep-18	In progress
7	EOC September 19, 2017	Approach Directors to see if they would consider becoming the new CAFII Chair to succeed Peter McCarthy; or becoming the Vice-Chair	All EOC	23-Oct-17	In progress
8	EOC June 20, 2017	Review "Candidate Profile: CAFII Board Chair" and "Reverse Chronology CAFII Board Chair, Board Vice-Chair, EOC Chair, and Treasurer Appointees" and discuss with own CAFII Board member the possibility of his/her being a nominee for the CAFII Board Chair or Vice-Chair roles, for a 1 or 2 year appointment.	All EOC	5-Sep-17	In progress
9	EOC February 27, 2018	Document in writing the process for reviewing, approving, and admitting applicants for CAFII Members and Associate status	Brendan	31-Dec-18	In progress

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Regulatory Update – CAFII Board of Directors and Executive Operations Committee, 25 September, 2018

Prepared by Keith Martin, CAFII Co-Executive Director

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Federal / National

Canadian Council of Insurance Regulators (CCIR)CCIR Launches New, Easier-to-Navigate Website

In September 2018, CCIR launched a new, easier-to-navigate and visually pleasing website. The website lays out neatly the key information available to visitors, including easily-accessed regulatory consultation documents and a list of recent news releases. The site can be viewed at <https://www.ccir-ccrra.org/Home>.

AdvocisAdvocis Says It Wants Leader Role in Implementing CCIR/CISRO's *Guidance: Conduct of Insurance Business and Fair Treatment of Customers*; and That CLHIA Is Unfit For That Role

In its 18 June, 2018 submission on CCIR/CISRO's *Guidance: Conduct of Insurance Business and Fair Treatment of Customers*, advisor association Advocis says that while it supports the principles in the draft Guidance, it is concerned with how the Guidance will be implemented, stating that "some entity must be charged with taking the lead on the interpretation, implementation and enforcement of the concepts therein." Advocis then suggests it should be that lead, and that the CLHIA should not:

We urge the Regulator to ensure that stakeholders such as Advocis, which represents the financial advisors and planners who interact directly with the public, be granted a leadership role throughout this initiative. Advocis' position stands in stark contrast to entities such as the CLHIA which, despite first and foremost representing the interests of their member insurance companies, have previously been trusted by the Regulator to lead the advancement of regulatory and public policy.

The Regulator must be cognizant of the competing loyalties that could challenge the CLHIA's ability to give full effect to the Guidance. Consider for a moment that the senior executives of CLHIA's member companies have a fiduciary duty to their respective companies and shareholders. Also consider that these same executives direct the actions of the CLHIA, being the trade association for the insurance companies. Further, an insurance company's duty to the consumer/client is to treat them fairly, which is a far lower duty than the fiduciary duty their executives owe to the company. The potential challenge to fulfilling the spirit of the Guidance is clear.

At the other end of the spectrum is Advocis: members of our professional association voluntarily agree to adhere to a Code of Professional Conduct that features, as its primary tenet, the advisor's commitment to serving the best interest of the client. As such, Advocis and its member advisors do not face the competing loyalties that necessarily impair the ability of the CLHIA and its member companies to implement the Guidance. Therefore, it is clear that professional associations such as Advocis must be trusted with a leadership role if the Regulator and consumers are to fully realize the benefits of the Guidance.

Canadian Club of Toronto

Roy Gori, President and CEO of Manulife, Presents His Vision On “Out of the Dark Ages: Transforming the Insurance and Wealth Management Industry”

Roy Gori, President and CEO of Manulife, spoke to the Canadian Club on 13 September, 2018 in conversation with Terrie O'Leary, Executive Vice President, Business Strategy & Operations, Toronto Global. Responding to questions from Ms. O'Leary, Mr. Gori focused on what it takes to delight consumers, drive transformative change, and embrace technology. He said that the digital revolution will have a dramatic impact on the insurance and wealth management industry. Massive change is required by the industry, but it will be hard to execute and implement this change, he asserted.

Mr. Gori said that effective change management has three steps. The first step is to convince employees of the need to change. The second step is to convince employees that they themselves need to change, as people can be convinced that change is necessary, but they then think “everyone else has to change, I myself am doing fine.” The third step is to stay the course, because change is painful, and can initially produce results that are less efficient than what was achieved using traditional approaches, as people go down the road of learning new ways of doing something they already knew how to do well. Each of these steps is necessary but difficult, Mr. Gori said, but if the industry does not make this transformation and embrace technology, others will displace the traditional insurance and wealth management industry.

Toronto Finance International (Formerly Toronto Financial Services Alliance)

Toronto Financial Services Alliance Changes its name to Toronto Finance International (TFI); Releases Report on Sustainable Finance

Newly named Toronto Finance International (TFI) states that as North America's second largest financial centre, Toronto is well-positioned to develop and expand expertise and talent in sustainable finance and to capitalize on this economic opportunity, according to a new report released 17 September in collaboration with Ernst & Young LLP (EY Canada) and Corporate Knights. The report, *Capitalizing on Sustainable Finance: A growth opportunity for Toronto's financial sector*, which included interviews with over 70 stakeholders, explores the potential for Toronto, and Canada more broadly, to develop a leadership role in sustainable finance.

“There are many examples of sustainable finance leadership across Canada from both the public and private sectors, however, a broader, coordinated strategy will be required to drive a more active and robust sustainable finance market in Canada,” said Jennifer Reynolds, President & CEO of TFI. “This report examines the potential for the Toronto Financial Centre to develop a leading sustainable finance hub and the economic opportunity that could represent for the sector and the country.”

Provincial

British Columbia

Financial Institutions Commission of British Columbia (FICOM)

BC Appoints Gerry Matier And Michael Grist To Financial Institutions Commission (FICOM) Board

BC's Financial Institutions Commission (FICOM) announced on 28 June 2018 that the Lieutenant Governor in Council had appointed Gerry Matier and Michael Grist to its governing Board for two-year terms.

Gerry Matier is the recently retired former Executive Director of the Insurance Council of British Columbia where he worked for 26 years. CAFII has had many years of positive and productive interactions with him while he was in that regulatory leadership role.

Michael Grist is a former Deputy Superintendent of Insurance and Pensions at FICOM, where he worked from 1998 until 2011. He was also Chair of CCIR from 2005 until 2008 and was a member of the Canadian Joint Forum of Financial Services Regulators during the same period. Most recently, he was a financial sector regulatory specialist with the World Bank in Washington, D.C. until December 2017. His work focussed on insurance regulation and his responsibilities included World Bank/IMF Financial Sector Assessments and associated technical assistance intended to build strong financial sectors in developing countries.

Ontario

Financial Services Regulatory Authority of Ontario (FSRA)

FSRA Releases its Proposed Executive Structure

FSRA has published on its website its expected Executive Structure, current as of August 15, 2018. Mark White, President and CEO of FSRA, told CAFII Co-Executive Directors Brendan Wycks and Keith Martin -- in private conversation after the 7 September, 2018 FSRA Fee Rule Industry Advisory Group – Life and Health Insurance meeting with the FSRA Board -- that he was currently in the process of hiring the most senior level executives for his FSRA founding management team.

The Executive Structure consists of 9 executive functions reporting into the CEO: Pensions; Auto/Insurance Products; Licensing and Market Conduct; Policy (which includes sub-groups in policy development; innovation; strategic planning; and regulatory and government coordination); Legal and Enforcement; Consumer Office (which includes sub-groups in consumer research and analytics; consumer outreach and public education; and liaison with internal functions such as policy); Public Affairs; and Corporate Services which is where shared services will be housed, such as IT, HR, and Finance.

Thought Leadership / Research / International Developments

LIMRA/LOMA

Marianne Purushotham, Corporate Vice President at LIMRA, Speaks about Data Analytics in Insurance at the 7 June, 2018 Annual LIMRA/LOMA Conference in Toronto

Insurance research Association LIMRA/LOMA held its annual Canadian conference on 7 June, 2018 where one of the speakers was Marianne Purushotham, Corporate Vice President at LIMRA. She spoke on data analytics in insurance, and said that the industry is ripe for a revolution in the use of data, especially in underwriting. She said the industry cannot insulate itself from the impact technology is having in business, noting that customer expectations are always increasing as customers expect instant service and an Amazon-type experience. New insurtech competitors are gaining traction, and the traditional financial sector is responding to these threats with ever-more complex products. The traditional approach in insurance—“I want you to find a bold and innovative way to do everything exactly the same way its been done for 25 years”—will no longer hold.

Ms. Purushotham said that her research suggested that data-driven automated underwriting had the potential to revolutionize the industry. In addition, insurance sales will increasingly be driven by analytics. Her own research finds that the most important predictors of a life insurance purchase are: total assets, total debt, household income, age, financial advisor, children, employment, marital status, recent life event, educational level, and decision-making power. She said that 50% of insurance companies have some form of automated underwriting, and 41% are in the planning stages or the use of automated underwriting, with one quarter viewing automated underwriting as especially powerful for the direct-to-consumer channel.

Alex Dudarev, Entrepreneur, Speaks about Market Disruption in Insurance at the 7 June, 2018 Annual LIMRA / LOMA Conference in Toronto

Alex Dudarev suggested that call centres will be completely revolutionized by machines, which will be increasingly able to answer calls more effectively. Google Duplex can already handle real world tasks on the phone, like booking appointments, without the other party realizing that he/she is dealing with a machine. It uses a very natural speech pattern that includes hesitations and affirmations like “er” and “mmm-hmm” that make it extremely difficult to distinguish from an actual human phone call. As these machines are imbedded with more sophisticated algorithms and learn from their interactions, they will be able to handle ever more complex tasks. Humans in a call centre may sooner than we think be a thing of the past.

Donner Prize For Best Public Policy Book In Canada Awarded To Authors Of Book On Canadian Banks And Innovation

Professor James Darroch of York University’s Schulich School of Business and co-author and former CIBC senior executive Patricia Meredith have been awarded the \$50,000 Donner Prize for their book *Stumbling Giants: Transforming Canada’s Banks for the Information Age*. The award is distributed annually to the best public policy book in Canada.

York University reports that in the book, the authors outline how Canada’s Big 6 banks survived the 2008 financial crisis by hewing to traditional and tested banking practices, making them a safe harbour at that time. However, as the modern global information economy continues to develop, the banks must confront their innovation crisis or they will become increasingly irrelevant. In *Stumbling Giants*, Darroch and Meredith present a new vision for the Canadian banking industry that is a call to action for all interested stakeholders to work together in moving the banking system into the 21st century.

In its deliberation, the jury noted the following:

“In this timely and original book, Meredith and Darroch argue that Canadian banks are ignoring the dramatic and disruptive effects of info-tech changes that are threatening their very existence. The book is a policy manifesto, developing a compelling case for the need for fundamental change from the branch-focused business model of current Canadian banking, to a model that conforms to the habits of the mobile-app era. The authors offer a cohesive set of recommendations to put Canadian banks on track to deal with the challenges and opportunities offered by the fintech age. This book will be of interest to the general reader, given this sector’s significance, but it is essential reading for every financial sector manager, board member and policy-maker in Canada.”

Keith Martin has worked in the past with James Darroch and knows him personally, and he will be invited to a future CAFII reception to meet CAFII members.

CBC News**Life Insurance Companies No Longer Treating Marijuana As Being As High Risk As Tobacco**

A CBC News story on 2 July, 2018 notes that life insurance companies are increasingly no longer treating marijuana the same way as tobacco in terms of risks or premiums charged. The story states that "One by one, the big insurance companies have updated their underwriting protocols to move marijuana use out of a high-risk category of activities that includes things like smoking tobacco, and into a pool where premiums aren't significantly affected." It quotes insurance broker Lorne Marr as stating that "They saw the writing on the wall in terms of legislation, but the changes came about a little bit before."

In 2016, Sun Life was to stop considering marijuana use to be the same as tobacco use. Others have followed suit. Marr recently surveyed almost every life insurance provider in Canada, and the vast majority now have a similar policy. "A lot of the guidelines are still a little bit ambiguous," Marr says. "But it's a big change from five or 10 years ago because everybody was getting smoker rates, which is a huge difference in the premiums."

<http://www.cbc.ca/news/business/marijuana-life-insurance-1.4722763>

Royal Bank of Canada**Royal Bank of Canada Launches Digital Wellness Program for Employees**

The Insurance and Investment Journal reports in a 17 July story that RBC Insurance has launched a new digital solution that aims to improve employee wellness by motivating them to create healthier habits through personalized experiences. The program is offered free for RBC Insurance Group Benefit Solutions clients with health coverage.

"We understand the importance of employee well-being and how an effective wellness program can shape the workplace culture and increase productivity," says Julie Gaudry, senior director of group insurance for RBC Insurance. "But there are real obstacles for employers to implement and run a wellness program. Our digital wellness program makes it easy for employers to support their employees' wellbeing by providing users with customized content they're interested in, challenging them, informing them and rewarding them for making healthier choices."

<https://mailchi.mp/insurance-journal/bulletin-973025?e=57d60e57a5>

Industry Research by Cake & Arrow**Study Finds Insurance Industry Needs to Change Methods To Sell Insurance To Millennials**

Jason Contant of Canadian Underwriter, in a 20 August, 2018 article, says that a recent white paper from Cake & Arrow, a New York City-based agency that designs and builds digital products for the insurance industry, finds that if the insurance industry wishes to sell more products to millennials, the industry must adapt to what millennials want, and not the other way around.

For example, the industry might create modified travel insurance products that offer access to in-flight drinks and wi-fi, or change life insurance to offer components such as discounted gym memberships, health monitoring tools, and lower premiums or other incentives for healthy behaviours.

“As an industry that will increasingly rely on millennials to buy its products, it is on the industry to understand, empathize with, and find innovative ways to connect with millennials, not the other way around,” said the white paper, *Insurance & Millennials: A Coming of Age*, released in August. “If what the research shows is true, millennials are not lazy, and they definitely aren’t stupid. It’s the insurance industry that has become opaque, complicated and disconnected from the people it exists to serve.”

But the presence of millennials in the industry is no guarantee the fundamental processes of insurance will change. Even as “industry after industry have fundamentally transformed to accommodate and adapt to millennials and their changing mindsets, values, risks and behaviours, the insurance industry and its behemoth (and in many ways archaic) infrastructure has remained rigid,” the white paper states.

Appendix A**CAFII Alerts May 29-September 25 2018**

<u>Date of Email Alert</u>	<u>Topic of CAFII Alert</u>
September 17	BC To Transform Financial Institutions Commission (FICOM) Into An Independent Crown Agency
September 17	Canadian Premier Announces New Brand Identity
September 13	Time for Ottawa to discuss health insurance for tourists
September 12	Australia wants to ban life insurance cold calls as inquiry looms
September 5	Adoption of financial sector reform goes ahead in Québec, but government backtracks on certain proposed changes in the insurance sector (McMillan LLP Bulletin)
September 5	U.S. Digital Insurance Webinar On "Market Conduct Actions Highlight Information Struggles"
August 15	Free Webinars On "Transform Your Contact Center With Cognitive Intelligence" and "How eSignatures Enable Digital Insurance Transformation"
August 10	Online sales without broker intervention: Where Wawanesa stands
August 7	Request For CAFII Director Or EOC Member Interest In Serving On Short Term, Ad Hoc, Pre-Formal Consultation "FSRA Fee Rule Industry Advisory Group - Life and Health Insurance"
August 1	Lucie Tedesco's Term As Head Of the FCAC Extended For A Period Of Six Months
July 25	CCIR Publishes The 18 Submissions Received In Response To "Guidance: Conduct of Insurance Business and Fair Treatment of Customers" Consultation Document
July 25	Kitchener-based travel insurance company uses 'flying ICU' to bring home patients
July 19	Ontario Introduces Electronic Submission for Out-of-Country Claims and Supporting Documentation
July 18	IBAC commends separation of banking and insurance
July 13	AMF To Hold Consultation On Framework For Online Insurance Sales; Details About Consultation To Be Announced This Fall
July 11	Insurance sales via the Internet will be permitted in Quebec starting June 2019
June 29	Two Further Industry Trade Press Articles Resulting From CAFII Release on 2018 Pollara Travel Health Insurance Results
June 28	Further Media Coverage of CAFII Release on 2018 Pollara Travel Health Insurance Results
June 28	Stikeman Elliott Analysis on British Columbia's Review of Financial Institutions Legislation: Impact on the Insurance Sector
June 27	Media Coverage of CAFII Release on 2018 Pollara Travel Health Insurance Results
June 18	How brokers can win the "war" of distribution
June 14	Quebec's Bill 141 Is Adopted
June 6	Nicole Benson Elected Chair of CAFII
June 6	Carlos Leitao backtracks and reluctantly keeps both Quebec insurance SROs
June 1	CCIR Communique Spring 2018
June 1	Quebec broker association expresses support for Bill 141

CAFII Regulator and Policy-Maker Visit Plan 2018-19

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status Sept 21/18
British Columbia				
Insurance Council of BC: Janice Sinclair, Executive Director (started November 1/17)	-liaison meeting on May 3/18 during CLHIA Conference in Calgary -October 17/17 in Vancouver as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers	-Spring 2019 CAFII Western Canada Regulators and Policy-Makers Visits Tour (TBD)	-CAFII's views on optimal features of an RIA regime in BC -CAFII's views on "post-claims underwriting" myth perpetuated by advice-based channel -Council's current view on 10-Year Review of Financial Institutions Act -Representation of alternate distribution/non-resident sellers on Council -Update on Council priorities	-Pending
FICOM: Frank Chong, Acting Superintendent of Financial Institutions (effective August 1/16)	-Oct.25/17 CAFII Stakeholder Dialogue with CCIR in Toronto -liaison meeting on October 17/17 in Vancouver as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers -Dec. 12/16 CAFII Stakeholder Dialogue with CCIR in Toronto -Nov 10/15 in Vancouver re CGI Information Bulletin	-Spring 2019 CAFII Western Canada Regulators and Policy-Makers Visits Tour (TBD)	-future of FICOM if proposals made in Ministry of Finance's "Preliminary Recommendations Paper" are brought to fruition -FICOM Information Bulletin on CGI ('effecting' of CGI in BC issue: ED and EOC to monitor re need for meeting/ dialogue around any member or industry issues re compliance with CGI Info Bulletin	-Pending
Doug McLean, Deputy Superintendent of Insurance	-liaison meeting on October 17/17 in Vancouver as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers	-See F. Chong above	-See F. Chong above	-Pending
Chris Carter, Acting Superintendent, Real Estate and Acting Registrar, Mortgage Brokers (effective August 1/16)	-April 14/16 teleconference re CAFII follow-up letter - Follow-up letter, seeking clarification on CGI Info Bulletin key issues, sent March 15/16 - Nov 10/15 in Vancouver re CGI Information Bulletin	-See F. Chong above	-See F. Chong above	-Pending

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status Sept 21/18
Michael McTavish, Acting Executive Director, Market Conduct (joined FICOM in Spring 2017)	-liaison meeting on October 17/17 in Vancouver as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers	-See F. Chong above	-See F. Chong above	-Pending
Lorena Dimma, Director, Market Conduct (assuming Harry James' former policy advisor role re 'effecting' of CGI issue)	-April 14/16 teleconference re CAFII's March 15/16 follow-up letter on CGI Info Bulletin	-See F. Chong above		
Harry James, Senior Regulatory Advisor (Chair of CCIR's Travel Insurance Working Group)	-liaison meeting on October 17/17 in Vancouver as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers -Dec. 8/16 cordial reply email to E. Fang, agreeing with CAFII's request that auto dealers are creditors for a moment-in-time issue be closed. -April 14/16 teleconference re CAFII's March 15/16 follow-up letter on CGI Info Bulletin	-See F. Chong above	-See F. Chong above	-Pending
Ministry of Finance: Carole James, Minister of Finance	-None to date. Appointed Minister of Finance in July 2017, with change in BC government. Delivered first provincial budget on September 11/17	-See Elizabeth Cole below	TBD until CAFII has a "direct ask" at Ministerial level	-Pending
Lori Wanamaker, Deputy Minister of Finance	-None to date. Appointed July 2017	-See Elizabeth Cole below	-See E. Cole below	-Pending

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status Sept 21/18
Elizabeth Cole, Executive Director, Strategic Projects & Policy (head of 10-Year Review of FIA) (on personal leave until sometime in mid- to late 2018)	-April 20/17 and June 23/16 telephone conversations with B. Wycks re updates on expected release date of Policy Paper and other FIA Review timelines -November 10/15 in Vancouver along with Dan Ashton; and separate meeting along with Brian Dillon and Kari Toovey	- Q3 or Q4 2018 in-person or teleconference meeting with Ministry of Finance officials re Preliminary Recommendations Paper's Insurance Sector recommendations and CAFII's response to same, if necessary. - Spring 2019 CAFII Western Canada Regulators and Policy-Makers Visits Tour (TBD)	-Preliminary Recommendations Paper emerging from 10-Year Review of Financial Institutions Act, making proposals for change, released March 16/18 with a June 19/18 deadline for responses.	-Pending -Pending
Brian Dillon, Director, Financial Institutions Kari Toovey, Acting Executive Director, Strategic Projects & Policy (head of 10-Year Review of FIA); normally Senior Policy Advisor	-liaison meeting on October 17/17 in Vancouver as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers	-See Elizabeth Cole above -See Elizabeth Cole above	-See E. Cole above -See E. Cole above	-Pending -Pending

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Alberta				
Alberta Insurance Council: Joanne Abram, CEO	<ul style="list-style-type: none"> -May 4/18 liaison meeting during CLHIA Conference in Calgary -liaison meeting on October 18/17 in Edmonton as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers -June 2/17 CAFII presentation to CISRO in Saskatoon -May 4/17 liaison lunch in London, Ontario 	<ul style="list-style-type: none"> -Q4 teleconference meeting to discuss Alberta Government consultation paper on plans to create a single financial services regulator in the province, once it is released -Spring 2019 CAFII Western Canada Regulators and Policy-Makers Visits Tour (TBD) 	<ul style="list-style-type: none"> -Alberta Government consultation paper on plans to create a single financial services regulator in the province -AIC's implementation of approved definition and process for CI to be sold under existing RIA licence -Representation for Restricted Licence Holders on Life Insurance Council 	<ul style="list-style-type: none"> -Pending -Pending
Anthonet Maramieri, COO	<ul style="list-style-type: none"> -liaison meeting on October 18/17 in Edmonton as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers -March 8/17 email to B. Wycks advising of Life Council's further look at definition of credit-related insurance approved to be offered under a Restricted Certificate, at April 12/17 meeting. - April 11/16 informal discussion with B. Wycks, at CISRO LLQP Info Session - Feb 27/15: Toronto: B. Wycks met A. Maramieri and had get acquainted chat at CISRO LLQP Stakeholder Info Session 	-See J. Abram above	-See J. Abram above	Pending
Warren Martinson, Legal Counsel	<ul style="list-style-type: none"> -May 4/18 liaison meeting during CLHIA Conference in Calgary -liaison meeting on October 18/17 in Edmonton as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers -June 2/17 CAFII presentation to CISRO in Saskatoon -W. Martinson in attendance at Feb. 22/17 CAFII stakeholder meeting with CCIR TIWG 	-See J. Abram above	-See J. Abram above	Pending

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Sylvia Boyetchko, Director of Licensing	-liaison meeting on October 18/17 in Edmonton as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers	-See J. Abram above	-See J. Abram above	-Pending
Treasury Board and Ministry of Finance: Nilam Jetha, Superintendent of Insurance (made permanent at beginning of 2017, following one year interim period)	-liaison meeting on October 18/17 in Edmonton as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers	-Q4 2018 teleconference, if necessary, re Alberta Government consultation on creating a single financial services regulator in the province -Spring 2019 CAFII Western Canada Regulators and Policy-Makers Visits Tour (TBD)	-Alberta Government plans to create a single financial services regulator in the province -Update on Superintendent's priorities -Communicate CAFII issues; build and strengthen relationship	-Pending -Pending
David Sorensen, Deputy Superintendent of Insurance	-May 2/18 brief catch-up liaison discussion with K. Martin and B. Wycks during CLHIA Conference in Calgary -liaison meeting on October 18/17 in Edmonton as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers	-See N. Jetha above	-See N. Jetha above	Pending
Laurie Balfour, Director, Financial Compliance, Insurance Regulation and Market Conduct Branch (Chair of CCIR Insurance Core Principles Implementation Ctte)	-liaison meeting on October 18/17 in Edmonton as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers -CAFII 20 th Anniversary: April 5/17 -Sep 30/14: Fredericton, NB (informal meeting) -Jul 28/14: call with CAFII reps re: "effecting of CGI"	-See N. Jetha above	-Alberta Government plans to create a single financial services regulator in the province -See N. Jetha above	Pending
Wayne Maday, Director, Insurance Policy	-liaison meeting on October 18/17 in Edmonton as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers	-See N. Jetha above	-Alberta Government plans to create a single financial services regulator in the province -See N. Jetha above	Pending

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Joe Ceci, President of Treasury Board and Minister of Finance	No contact – appointed May 24/15	-None at this time	TBD until CAFII has a “direct ask” at Ministerial level	
Saskatchewan				
Insurance Councils of Saskatchewan: Ron Fullan, Executive Director, (CISRO Chair)	-July 17/18 joint CLHIA/CAFII Working Group meeting with R. Fullan and A. Stadnek in Toronto re enhancements and tweaks to Joint Proposal for a Restricted Insurance Agents Advisory Committee in Saskatchewan -May 3/18 liaison meeting during CLHIA Conference in Calgary -October 27/17 three-way meeting in Toronto -- involving ICS (R. Fullan and A. Stadnek), CAFII, and CLHIA -- re “Representation for RIA Licence Holders in Saskatchewan	-teleconference meeting with R. Fullan and A. Stadnek, ICS, re licensing requirements amendments being made to address industry’s concerns related to what revised Insurance Act and related Regulations seem to be calling for. -Spring 2019 CAFII Western Canada Regulators and Policy-Makers Visits Tour (TBD)	-establishing and implementing a Restricted Insurance Agents Advisory Committee -ICS-relevant aspects of implementation of new Saskatchewan Insurance Act and Regulations -Sask. RIA regime and licensure issues	-Pending -Pending
April Stadnek, Director of Compliance	-July 17/18 joint CLHIA/CAFII Working Group meeting with R. Fullan and A. Stadnek in Toronto re enhancements and tweaks to Joint Proposal for a Restricted Insurance Agents Advisory Committee in Saskatchewan -May 3/18 liaison meeting during CLHIA Conference in Calgary -October 27/17 three-way meeting in Toronto -- involving ICS (R. Fullan and A. Stadnek), CAFII, and CLHIA -- re “Representation for RIA Licence Holders in Saskatchewan”	-See R. Fullan above	-See R. Fullan above	-Pending

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Financial Consumer Affairs Authority (FCAA): Roger Sobotkiewicz, former Director of FCAA Legal Branch, became Interim Chairperson and Superintendent of Insurance, effective Feb. 1/15	-June 1/17 get acquainted and liaison meeting in Regina	-See J. Seibel below	-see J. Seibel below; and -introduce CAFII and build relationship -Regulations being developed following passage of <i>Bill 177, The Insurance Act (Saskatchewan)</i> -ISI: Representation for Restricted Licence Holders -Sask's imposition of PST on all insurance premiums - Update on Superintendent's priorities	-Pending (see J. Seibel below)
Ian McIntosh, Deputy Superintendent of Insurance	-Jul 28/14 call with CAFII reps re: "effecting CGI"	-see J. Seibel below	-see J. Seibel below; and -see R. Sobotkiewicz above	-Pending (see J. Seibel below)

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
<p>Janette Seibel, Lawyer, became lead on Bill 177 and Regulations file effective June 1/15</p> <p>Ministry of Finance Donna Harpauer, Minister of Finance (appointed Oct/17)</p> <p>(predecessor: Kevin Doherty, whom CAFII met with on June 1/17 in Regina)</p> <p>Brent Hebert, Deputy Minister</p>	<p>-August 10/18 teleconference with B. Wycks and K. Martin re CAFII letter of concerns re Insurance Act and related Regulations (in support of CLHIA letter)</p> <p>-June 1/17 get acquainted and liaison meeting in Regina</p> <p>-March 2017 email exchange with B. Wycks re invitation to CAFII to provide feedback on FCAA-proposed definition of TPA, for inclusion in Insurance Regulations</p> <p>-February 17/17 call to B. Wycks advising that “in force” date for new Insurance Act and Regulations had been deferred to Spring 2018</p> <p>-Jan 2017 email exchange with B. Wycks re timing of “in force” date for new Saskatchewan Insurance Act and related Regulations</p> <p>-June 1/17 get acquainted and CAFII profile-raising meeting in Regina with Minister and Ministry officials re Sask’s imposition of PST on insurance premiums</p>	<p>-teleconference meeting in Q4 2018, if necessary, for final questions/clarifications as January 1/19 “coming into force” target date for revised Insurance Act and related Regulations approaches</p> <p>-Spring 2019 CAFII Western Canada Regulators and Policy-Makers Visits Tour (TBD)</p> <p>-Spring 2019 CAFII Western Canada Regulators and Policy-Makers Visits Tour (TBD)</p>	<p>-timing of “in force” date for new Saskatchewan Insurance Act and related Regulations</p> <p>-CAFII’s response submissions on FCAA’s Insurance Regulations Consultation document (submitted Dec. 2/16) and TPAs sub-consultation (submitted Dec. 9/16)</p> <p>-Sask’s imposition of PST on all insurance premiums</p> <p>-Sask’s reversal of PST on all insurance premiums decision via exemptions</p> <p>-further introduce CAFII and build relationship</p>	<p>-Pending</p> <p>-Pending</p> <p>-Pending</p>
Manitoba				

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Ministry of Finance: Scott Moore, Deputy Superintendent of Insurance	-CAFII Stakeholder Meeting with CCIR on October 25/17 in Toronto -liaison meeting on October 19/17 in Winnipeg, hosted by ICM, as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers -CAFII 20 th Anniversary event: April 5/17 -Dec. 12/16 CAFII Stakeholder Dialogue with CCIR in Toronto -August 10/16 CAFII stakeholder meeting re CCIR travel health insurance Issues Paper (participated by teleconference) -April 15/15 teleconference with three CAFII reps -April 29/14: meeting in Winnipeg, MB	-Spring 2019 CAFII Western Canada Regulators and Policy-Makers Visits Tour (TBD)	-Maintain and build relationship -Representation for Restricted Licence Holders on Life Insurance Council -concern about amended Insurance Act's apparent residency requirement for employees of Restricted Insurance Agents	-Pending
Cameron Friesen, Minister of Finance	No contact – took office May 3/16	-See S. Moore above	TBD until CAFII has “direct ask” at Ministerial level	-Pending
Barbara Palace Churchill, Executive Director, Insurance Council of Manitoba (appointed late November 2016)	-May 3/18 liaison meeting during CLHIA Conference in Calgary -liaison meeting on October 19/17 in Winnipeg, hosted by ICM, as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers -June 2/17 CAFII presentation to CISRO in Saskatoon -May 4/17 short get acquainted/liaison meeting in London, Ontario	-Spring 2019 CAFII Western Canada Regulators and Policy-Makers Visits Tour (TBD)	-CAFII response letter of March 2018 re Single Premium Insurance Policies -Introduce CAFII and build/maintain relationship -Representation for Restricted Licence Holders on Life Insurance Council -Insurance Council's “ISI items for further review and development” -communicate CAFII issues	-Pending
Heather Winters, Director, Licensing & Compliance	-liaison meeting on October 19/17 in Winnipeg, hosted by ICM, as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers	-See B. Palace Churchill above		-Pending
Lee Roth, Investigator	-liaison meeting on October 19/17 in Winnipeg, hosted by ICM, as part of CAFII tour of BC/Alberta/Manitoba regulators and policy-makers	-See B. Palace Churchill above		-Pending

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Ontario				
FSCO: Brian Mills, appointed Interim CEO and Superintendent on October 18/14. Will likely be FSCO's last CEO, as Ontario Government transitions to a new Financial Services Regulatory Authority (FSRA) over next two years (2017 and 2018), as stated by B. Mills at FSCO Symposium on November 25/16.	-November 6/17: informal chat with B. Wycks during FSCO 2017 Life and Health Insurance Symposium -CAFII Stakeholder Meeting with CCIR on October 25/17 in Toronto -May 3/17: informal chat with K. Martin during CLHIA Conference -Dec. 12/16 CAFII Stakeholder Dialogue with CCIR in Toronto -January 28/15 stakeholder meeting with CCIR	-Informal conversation at FSCO's 2018 Market Conduct Symposium For the Life and Health Insurance Sector (Date TBA)	(i)Build/maintain relationship (ii) Ontario government review of FSCO's mandate (iii) next steps in Life Insurance Product Suitability Review (iv)CCIR review of travel health insurance (v)Update on Superintendent's priorities (vi)communicate CAFII issues	-Pending
Anatol Monid, Executive Director, Licensing and Market Conduct Division	-November 6/17: informal chat with B. Wycks during FSCO 2017 Life and Health Insurance Symposium -June 2017 liaison lunch with M. Gill and J. Lewsen re CAFII advice on FSCO's planned survey of bank insurers re sales practices -June 2/17: questions raised by A. Monid, on the phone, at end of CAFII presentation to CISRO in Saskatoon -May 3/17: informal chat with K. Martin during CLHIA Conference -CAFII 20 th Anniversary event: April 5/17 -June 7/16, December 8/15 and June 9/15: informal update conversations at CAFII Reception events	-Q4 2018 in-person or teleconference meeting, if necessary, re FSCO's Treating Consumers Fairly (TCF) Guideline and CAFII response to it -Informal conversation at FSCO's 2018 Market Conduct Symposium For the Life and Health Insurance Sector (Date TBA)	-FSCO consultation on Treating Consumers Fairly Guideline -FSCO consultation related to Incidental Sales of Insurance (ISI) Questionnaire and Bank-Owned Insurance Company CEO Attestation -next steps in Life Insurance Product Suitability Review -other FSCO initiatives re life insurance agent and/or insurer compliance -initiatives of FSCO LII Working Group	-Pending -Pending

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Izabel Scovino, appointed Director, Market Conduct Regulation Branch in Nov/14	<ul style="list-style-type: none"> -February 28/18 meeting with joint CLHIA/CAFII Working Group re FSCO's planned "CEO Attestation for Bank-Owned Insurers" -February 1/18 meeting with joint CLHIA/CAFII Working Group re FSCO's planned "Incidental Insurance Market Conduct Questionnaire" -November 6/17 during FSCO 2017 Life and Health Insurance Symposium: private discussion with B. Wycks re setting up a consultation meeting with CAFII reps re FSCO's planned "Incidental Insurance Market Conduct Questionnaire and Attestation" -September 12/17 meeting of FSCO Life Insurance Industry Working Group (LII Working Group) of which Izabel Scovino is a member (K. Martin and H. Pabani) 	-See A. Monid above	-see A. Monid above	-Pending
Heather Driver Director, Licensing Branch Licensing and Market Conduct Division (assumed position in Jan 2016, following retirement of Shonna Neil)	<ul style="list-style-type: none"> -September 12/17 second meeting of FSCO Life Insurance Industry Working Group (LII Working Group), of which H. Driver is Chair (K. Martin and H. Pabani) -June 2/17 CAFII presentation to CISRO in Saskatoon -May 30/17 initial meeting of LII Working Group (K. Martin and H. Pabani) -Oct. 14/16 email exchange with B. Wycks following CAFII's delivery of input, requested by FSCO in Oct. 7/16 meeting, re optimal wording to use in FSCO communications re life insurance agent and insurer relationship -Oct. 7/16 meeting with CAFII reps, at FSCO's invitation, re FSCO initiatives around life agent and insurer compliance, particularly re E&O insurance (also attended by Richard Tillman, Allan Amos, Kelly Picard, and Abina Rogers of FSCO) 	-See A. Monid above	-see A. Monid above	-Pending

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Andrea Chow, Senior Manager, Financial Services Regulatory Policy (joined FSCO in summer 2017; formerly with Ontario Ministry of Finance; currently on maternity leave)	-November 6/17: get acquainted chat with B. Wycks during FSCO 2017 Life and Health Insurance Symposium, which she chaired	-See A. Monid above	-see A. Monid above	-Pending
Richard Tillman, Senior Manager, Insurance and Deposit Institutions Policy (currently seconded to FSRA Implementation Secretariat)	-Oct. 7/16 meeting with CAFII reps re life agent and insurer compliance	None at this time	-see A. Monid above	
Reena Vora, Manager, Market Regulation Branch, Licensing and Market Conduct Division	-December 8/16 with CAFII reps for feedback on draft questionnaire for life insurer examination visits (one pilot test visit planned in Q1 2017), as next phase in Life Insurance Product Suitability Review	-See A. Monid above	-Life insurer examination visits	-Pending
Financial Services Regulatory Authority of Ontario (FSRA) Mark White, CEO	-FSRA Fee Rule Industry Advisory Group – Life and Health Insurance meetings with FSRA Management and Consultant on August 21/18; and with FSRA Board on September 7/18 -CAFII Reception on June 5/18 -CAFII Reception on April 17/18 FSRA Fee Rule Industry Advisory Group – Life and Health Insurance meeting with FSRA Board on September 7/18 -CAFII Reception event on April 17/18	-November 27/18 CAFII Reception (where Mark White will be guest speaker on a FSRA policy-related topic) -November 27/18 CAFII Board meeting where Mark White will be a “visitor” during last 20 to 30 minutes -November 27/18 CAFII Reception (where Mark	-FSRA’s start-up; transition from FSCO into FSRA; FSRA’s rule-making authority; FSRA’s plans for regulating the life and health insurance industry	-Confirmed -Confirmed -Confirmed

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
<p>Bryan Davies, Chair, Board of Directors</p> <p>Cathy Mallove, Communications Officer, FSRA</p>	<p>-March 6/18 with three founding FSRA Board Members: Bryan Davies, Kathryn Bouey, Judith Robertson</p> <p>-FSRA Fee Rule Industry Advisory Group – Life and Health Insurance meetings with FSRA Management and Consultant</p> <p>-March 6/18, immediately prior to CAFII meeting with three founding FSRA Board Members</p>	<p>White and/or Bryan Davies will be guest speaker(s)</p> <p>-None at this time</p>		-Pending
<p>Ontario Ministry of Finance</p> <p>-David McLean, Policy Advisor</p> <p>-Paul Braithwaite, Policy Advisor</p>	<p>-June 7/16 and April 12/16 informal conversations with B. Wycks at CAFII Receptions</p> <p>-July 30/15 life & health insurance sector roundtable</p> <p>-May 21/15 informal meeting: insurance sector round table</p> <p>-November 6/17: informal chat with B. Wycks during FSCO 2017 Life and Health Insurance Symposium, as both at same small group table</p> <p>-June 29/17 CAFII stakeholder meeting with FSRA Implementation Secretariat</p> <p>-September 12/17 second meeting of FSCO Life Insurance Industry Working Group (LII Working Group) of which Paul Braithwaite is an attendee for the MOF (K. Martin and H. Pabani)</p>	<p>-None at this time</p> <p>-None at this time</p>		
Quebec				

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
AMF: Louis Morisset, CEO;	-AMF Rendez-Vous on November 13/17 in Montreal -AMF 2016 Rendez-Vous on November 14/16 in Montreal -Oct. 4/16 in Montreal: CAFII liaison lunch and Industry Issues Dialogue with AMF -Apr 8/14: CAFII liaison lunch and Industry Issues Dialogue with AMF in Montreal	-CAFII/AMF Liaison Lunch and Industry Issues Dialogue on October 2/18 -AMF Rendez-Vous on November 19/18 in Montreal	-(i) Bill 141 and Bill 150 to modernize Quebec's financial services sector, including the Distribution Act (both released by Ministry of Finance in October 2017) -(iii) Distribution Guide template and implementation timelines -(iv) Update on AMF priorities -(v) Communicate CAFII issues -(vi) Maintain and strengthen relationship	-Confirmed -Pending

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Patrick Dery, Superintendent, Solvency (appointed CCIR Chair effective April 1/15)	-CAFII Stakeholder Meeting with CCIR on October 25/17 in Toronto -CAFII/AMF Liaison Lunch and Industry Issues Dialogue in Levis, Quebec on October 23/17 -Dec. 12/16 CAFII Stakeholder Dialogue with CCIR in Toronto -Oct. 4/16 in Montreal: CAFII liaison lunch and Industry Issues Dialogue with AMF -Liaison lunch and industry issues dialogue on October 6/15 in Levis, Quebec -CAFII/AMF Liaison Lunch and Industry Issues Dialogue in Levis, Quebec on October 23/17 -Oct. 4/16 in Montreal: CAFII liaison lunch and Industry Issues Dialogue with AMF	-CAFII/AMF Liaison Lunch and Industry Issues Dialogue on October 2/18 in Montreal	-see L. Morisset above	-Confirmed
Phillip Lebel, Director General of Legal Affairs	-informal conversation during May 2-4/18 CLHIA Conference in Calgary -CAFII/AMF Liaison Lunch and Industry Issues Dialogue in Levis, Quebec on October 23/17 -Oct. 4/16 in Montreal: CAFII liaison lunch and Industry Issues Dialogue with AMF	-CAFII/AMF Liaison Lunch and Industry Issues Dialogue on October 2/18	-see L. Morisset above	-Confirmed
Nathalie Sirois, Senior Director, Supervision of Insurers and Control of Right to Practise		-CAFII/AMF Liaison Lunch and Industry Issues Dialogue on October 2/18	-see L. Morisset above	-Pending
Frédéric Pérodeau (became new Superintendent, Client Services and Distribution Oversight on January 22/18, succeeding Eric Stevenson; joined AMF in 2012 and was previously Senior Director, Investigations)	-None to date	-CAFII/AMF Liaison Lunch and Industry Issues Dialogue on October 2/18	-See L. Morisset above	-Confirmed

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Louise Gauthier, Senior Director, Distribution Policies and Compensation (member of CCIR TIWG). Lead on AMF's Distribution Guide rewrite initiative.	<ul style="list-style-type: none"> -informal conversation during May 2-4/18 CLHIA Conference in Calgary -February 21/18 CAFII liaison meeting with CCIR FTC Working Group re its proposed Draft Guidance on Conduct of Insurance Business and Fair Treatment of Customers -AMF 2017 Rendez-Vous in Montreal on November 13/17 -CAFII/AMF Liaison Lunch and Industry Issues Dialogue in Levis, Quebec on October 23/17 -CAFII 20th Anniversary event: April 5/17 -L. Gauthier in attendance at Feb. 22/17 CAFII stakeholder meeting with CCIR TIWG -AMF 2016 Rendez-Vous on November 14/16 in Montreal 	-CAFII/AMF Liaison Lunch and Industry Issues Dialogue on October 2/18	-See L. Morisset above	-Confirmed
Ministry of Finance: Carlos Leitao, Minister Richard Boivin, Assistant Deputy Minister, Financial Institution Policy and Corporate Law Guillaume Caudron, Chief of Staff Yann Nachabé, Policy Advisor	<ul style="list-style-type: none"> -early December 2017 phone call with K. Martin, which encouraged CAFII to submit its concerns about Bills 141 and 150 to National Assembly Committee on Public Finance; and offered a meeting for CAFII representatives with Ministry of Finance officials if CAFII could not secure a presentation opportunity before National Assembly Committee -Feb. 25/16 phone call between B. Wycks and Yann Nachabé, Policy Advisor, Ministry of Finance, resulting from CAFII request for April 2016 in-person follow-up meeting with Richard Boivin and Guillaume Caudron 	-None at this time	<ul style="list-style-type: none"> - Bill 141 and Bill 150 to modernize Quebec's financial services sector, including the Distribution Act (both released by Ministry of Finance in October 2017) -Ministry's direction on online distribution of insurance without involvement of an advisor 	
Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
New Brunswick				

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Financial and Consumer Services Commission (Insurance Division): Angela Mazerolle, Superintendent of Insurance	-May 14/18 liaison meeting in Fredericton -October 25/17 CAFII Stakeholder Dialogue with CCIR in Toronto -May 4/16 dinner meeting with Atlantic Canada regulators in Halifax -Oct 1/14: Fredericton, NB	-Fall 2018 meeting with Angela Mazerolle and David Weir to provide CAFII input on FCNB plans to introduce RIA regime in New Brunswick	-FCNB plans to introduce an RIA regime in New Brunswick -refreshed "Seven Point Guide to The Creditor Insurance Regulatory Regime," to be presented by CAFII as an educational resource to counteract false impression that ISI is unregulated -implementation of further phases of online licensing system -legislative/regulatory change to support electronic beneficiary designations -other New Brunswick licensing issues	-Pending
David Weir, Deputy Superintendent of Insurance	-May 14/18 liaison meeting in Fredericton -June 2/17 CAFII presentation to CISRO in Saskatoon -Dec 9/16 informal discussion with B. Wycks at CISRO LLQP Session in Toronto -May 4/16 dinner meeting with Atlantic Canada regulators in Halifax -Oct 1/14: CAFII liaison meeting with Atlantic Canada insurance regulators in Fredericton, NB	-See A. Mazerolle above	-see A. Mazerolle above -timing of final recommendations on reforming licensing framework for other-than-life agents and brokers -CAFII feedback on New Brunswick online insurance licensing system	-Pending
Opportunities New Brunswick: Cameron Bodnar, Director, Strategy & Planning Jay Reid, Investment Attraction Officer	-May 15/18 liaison meeting in Fredericton, NB -Jun 3/14: Toronto, with Adam Mitton of predecessor organization Invest New Brunswick	None at this time None at this time	-Insurance Act and regulatory process changes necessary to support business efficiency and further inbound investment and additional jobs in New Brunswick -Introduce CAFII and build relationship -Position CAFII as an information resource	

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Consumer Advocate for Insurance: Michele Pelletier, Consumer Advocate	-May 15/18 liaison meeting in Fredericton, NB	None at this time		
Nova Scotia				
Superintendent of Insurance: William Ngu, Acting Superintendent of Insurance	-May 14/18 liaison meeting in Halifax, NS -May 4/16 dinner meeting with Atlantic Canada regulators in Halifax -Appointed June 2015; no previous CAFII contact	-None at this time	-refreshed "Seven Point Guide to The Creditor Insurance Regulatory Regime," to be presented by CAFII as an educational resource to counteract false impression that ISI is unregulated -Review of life and accident & sickness provisions of Insurance Act -legislative/regulatory change to support electronic beneficiary designations -Update on Superintendent's priorities -Communicate CAFII issues; build and strengthen relationship	
Jennifer Calder, Deputy Superintendent of Insurance	-May 14/18 liaison meeting in Halifax, NS -CAFII 20 th Anniversary event: April 5/17 -Dec. 12/16 CAFII Stakeholder Dialogue with CCIR (participated by phone) -August 10/16 CAFII stakeholder meeting re CCIR travel health insurance Issues Paper (participated by teleconference) -May 4/16 dinner meeting with Atlantic Canada regulators in Halifax	-see William Ngu above	-See W. Ngu above	
PEI				

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Superintendent of Insurance: Robert Bradley, Superintendent Phillip McInnis, Compliance Officer	-May 16/18 liaison meeting in Charlottetown, PEI -CAFII 20 th Anniversary event: April 5/17 -Dec. 12/16 CAFII Stakeholder Dialogue with CCIR in Toronto -Oct 1/14: CAFII liaison meeting with Atlantic Canada insurance regulators in Fredericton, NB -May 16/18 liaison meeting in Charlottetown, PEI	-None at this time -See R. Bradley above	-refreshed “Seven Point Guide to The Creditor Insurance Regulatory Regime,” to be presented by CAFII as an educational resource to counteract false impression that ISI is unregulated -Review of life and accident & sickness provisions of Insurance Act (on April 23/15, R. Bradley advised that this may get underway in late 2015) -legislative/regulatory change to support electronic beneficiary designations -Update on Superintendent’s priorities -Communicate CAFII issues -Maintain and strengthen relationship	
Newfoundland				
Superintendent of Insurance: Craig Whalen, Acting Superintendent of Superintendent of Insurance Sean Dutton, Deputy Minister, Service Newfoundland Pam Senior, Senior Policy Analyst	-May 17/18 liaison meeting in St. John’s, NF -Oct 1/14: CAFII liaison meeting with Atlantic Canada insurance regulators in Fredericton, NB -June 2/17 CAFII presentation to CISRO in Saskatoon -May 17/18 liaison meeting in St. John’s, NF May 17/18 liaison meeting in St. John’s, NF	-None at this time -See C. Whalen above -See C. Whalen above	-refreshed “Seven Point Guide to The Creditor Insurance Regulatory Regime,” to be presented by CAFII as an educational resource to counteract false impression that ISI is unregulated -legislative/regulatory change to support electronic beneficiary designations -Update on Superintendent’s priorities -Communicate CAFII issues; build and strengthen relationship	

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
FEDERAL/NATIONAL				
CCIR:				
Tony Toy, Policy Manager	-liaison meeting on May 18/18 -liaison lunch on November 17/17 -CAFII Stakeholder Meeting with CCIR on October 25/17 in Toronto (first meeting with CAFII)	-October 25, 2018 CAFII Stakeholder Meeting with CCIR at Le Germain Hotel, Toronto	-CCIR Annual Statement on Market Conduct -Framework for Cooperative Market Conduct Supervision -CCIR review of travel health insurance -Possible CCIR speakers/panelists at CAFII events	-Confirmed
Adrienne Warner, Policy Associate	-liaison meeting on May 18/18	-See T. Toy above	-Update on CCIR 2017-20 Strategic Plan and related priorities -Communicate CAFII issues; and maintain and strengthen relationship -possible CAFII webinar(s) for CCIR audience	-Confirmed
Patrick Déry, Chair (Superintendent, Solvency, AMF)	-CAFII Stakeholder Meeting with CCIR on October 25/17 in Toronto -Dec. 12/16 CAFII Stakeholder Dialogue with CCIR in Toronto -Oct. 4/16 in Montreal: CAFII liaison lunch and Industry Issues Dialogue with AMF	-October 25, 2018 CAFII Stakeholder Meeting with CCIR at Le Germain Hotel, Toronto	-CCIR review of travel health insurance -Update on CCIR 2017-20 Strategic Plan and related priorities -Communicate CAFII issues; maintain and strengthen relationship	-Confirmed
Harry James, Chair, CCIR Travel Insurance Working Group (TIWG)	-January 29/18 meeting with Harry James and TIWG members re Travel Health Insurance Products Position Paper (released May 27/17) and proposed industry reforms -CAFII Stakeholder Meeting with CCIR on October 25/17 in Toronto -May 10/17 teleconference with CAFII reps re CCIR TIWG Communications Plan for release of Travel Health Insurance Position Paper	-October 24/18 CCIR Travel Insurance Working Group (TIWG) meeting in Toronto with CAFII Travel Medical Experts Working Group (proposed by T. Toy) -October 25, 2018 CAFII Stakeholder Meeting with CCIR at Le Germain Hotel, Toronto	-CCIR Travel Health Insurance Products Position Paper and CAFII/industry response to same	-Pending -Confirmed

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Laurie Balfour, Chair, CCIR Insurance Core Principles Implementation Committee (ICPiC)	<ul style="list-style-type: none"> -November 23/17 CAFII Member-Exclusive Webinar On Year 2 Housekeeping Changes To CCIR Annual Statement On Market Conduct -CAFII liaison visit to Alberta Treasury Board & Finance, October 18/17 in Edmonton -CAFII 20th Anniversary event: April 5/17 -March 1/17 CCIR webinar presentation for CAFII members on CCIR expectations for insurer completion of Annual Statement on Market Conduct (presented by L. Balfour and M. Boyle) -Dec. 12/16 CAFII Stakeholder Dialogue with CCIR in Toronto -August 10/16 CAFII stakeholder meeting re CCIR travel health insurance Issues Paper (participated by teleconference) -May 19/16 CCIR ICPiC webinar presentation for CAFII members (L. Balfour and M. Boyle) 	-None at this time	<ul style="list-style-type: none"> -Harmonized Annual Statement on Market Conduct -Framework for Co-operative Market Conduct Supervision in Canada -ICPiC work on IAIS' Insurance Core Principles 	
CISRO: Ron Fullan, Chair (SK)	<ul style="list-style-type: none"> -May 3/18 liaison meeting during CLHIA Conference in Calgary -February 21/18 with CCIR Fair Treatment of Consumers Working Group re CCIR Draft TCF Guidance -January 29/18 meeting with CCIR TIWG re Travel Health Insurance Products Position Paper -December 6/17 CISRO LLQP Stakeholder Information Session At FSCO Office In Toronto -CAFII Stakeholder Meeting with CCIR on October 25/17 in Toronto (R. Fullan attends in capacity as CISRO Chair) -June 2/17 CAFII presentation to CISRO in Saskatoon -liaison meeting on May 18/18 	-October 25, 2018 CAFII Stakeholder Meeting with CCIR at Le Germain Hotel, Toronto	<ul style="list-style-type: none"> -national, online licensing system for insurance and related harmonization issues -possible CISRO Strategic Plan and opportunity for stakeholders to provide input 	-Confirmed
Joanna Reading, CISRO Policy Manager		-See R. Fullan above		-Confirmed

Jurisdiction Regulator/Policy-Maker	Last Meeting /Contact	Proposed Meeting	Topics/Purpose	Status May 24/18
Financial Consumer Agency of Canada (FCAC): Lucie Tedesco, Commissioner Brigitte Goulard, Deputy Commissioner Jane Rooney, Financial Literacy Leader	-June 12/18 informal conversation with B. Wycks and K. Martin following L. Tedesco's luncheon address to Economic Club of Canada -May 1/15: B. Wycks made self-introduction and chatted with L. Tedesco, following her speech at CLHIA Conference -September 14/18 presentation to and dialogue with CAFI Board and EOC members at Special Purpose CAFII Board meeting -June 12/18 informal conversation with B. Wycks and K. Martin following L. Tedesco's luncheon address to Economic Club of Canada -Jun 10/14: B. Goulard was speaker at CAFII event -Feb 10/15 (presentation at CAFII Annual Luncheon)	-None at this time -Follow-up meeting at FCAC office in Ottawa in Q4 2018 or Q1 2019 for further information-sharing and education around creditors group insurance, if warranted	-FCAC consultation on its Proposed Supervision Framework and Publishing Principles for FCAC Decisions (released September 29/16 with November 14/16 deadline for submissions) of document expected). CAFII decided not to respond to this consultation, as out-of-scope	-Pending



Financial Services Regulatory
Authority of Ontario

Rule-Making Overview

Industry Advisory Groups
August 16, 2018



Introduction to Rule-making

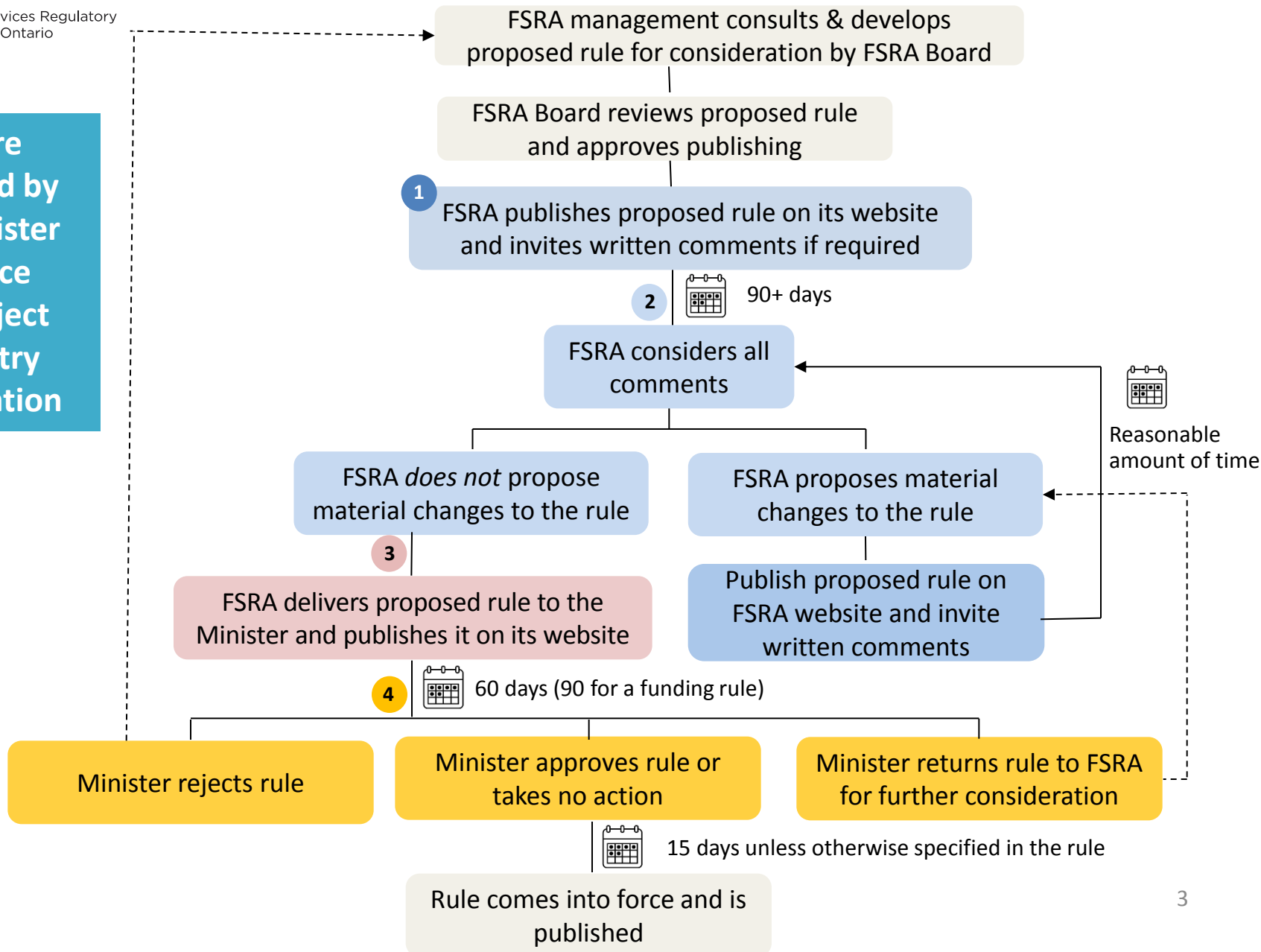
- Rule-making is the process by which an independent agency, such as FSRA, develops rules which can, when authorized by legislation, do the work of regulations – e.g. such rules will have the force of law
- The same process – rule-making – may be used to make a change to an existing rule or, if authorized, regulation
- Authority to make rules is provided to an agency by legislation
- The legislative process to create regulations is less flexible and more time consuming than rule-making, and does not benefit from the specialized expertise of an expert rule-making body
- By delegating rule-making authority to FSRA, the Legislature empowers FSRA to use its expertise to create and implement principles-based rules – e.g. giving additional flexibility to respond to market/product changes

Introduction to Rule-making (cont'd)

- Embedded in the rule-making process is a mandatory consultation process during which industry stakeholders are encouraged to comment and provide feedback on the proposed new rule or change, i.e. 90 day consultation period
- The Minister of Finance then has up to 90 days to review a proposed fee rule, at which point he can approve or reject the rule, return it for further consideration or take no action.
- If approved, or no action is taken by the Minister, the rule comes into force in 15 days.

Rule-Making Overview

Rules are
reviewed by
the Minister
of Finance
and subject
to industry
consultation



Publication of Proposed Rule

- FSRA must publish notice of every proposed rule on its website
- FSRA must invite interested persons to make written comments on the proposed rule within at least 90 days of its publication
- Notices must include:

- ✓ Proposed rule
- ✓ A reference to the authority under which the rule is proposed
- ✓ Substance and purpose of the proposed rule
- ✓ Summary of the proposed rule
- ✓ All alternatives to the proposed rule that FSRA considered and the reasons why those alternatives are not being proposed for adoption
- ✓ Reference to any significant unpublished study, report or other written materials that FSRA is relying on to propose the rule
- ✓ Anticipated costs and benefits of the proposed rule
- ✓ Any recommendations FSRA proposes to make to the Minister* for the amendment or revocation of a regulation or provision in a regulation relating to the implementation of the proposed rule



Exception: FSRA does not have to reference written material that it feels should be held in confidence because:

- it discloses sensitive financial, personal or other information; and
- avoiding disclosure of that information in the interests of any person affected outweighs disclosure to the public

Publication of Proposed Rule



Exception: Publication of a notice is not required if:

- The information required for the notice (see previous slide) is sent to everyone subject to the proposed rule and they, and anyone else likely to be substantially affected, are given an opportunity to make written comments on the proposed rule
- The proposed rule grants an exemption or removes a restriction and is unlikely to have substantial effect on anyone other than those who would benefit from it
- The proposal is an amendment and does not materially change an existing rule
- FSRA:
 - Believes that there is an urgent need for the proposed rule and without it there is substantial risk of material harm to consumers, investors, pension plan beneficiaries, persons who establish pension plans or the integrity of a regulated sector
AND
 - Has Minister's approval to make the rule without publishing a notice

In this case, when the rule comes into force, FSRA must publish a statement on its website explaining:

- Substance and purpose of the rule
- Nature of the urgency and the risk

Review of Comments and Potential Changes

Notice of Changes to Proposal

- If FSRA proposes material changes to the proposed rule after publishing it and considering the comments, FSRA must publish notice of the proposed changes on its website
- The notice must include:

- ✓ Proposed rule with the changes incorporated
- ✓ A concise statement of the purpose of the changes
- ✓ Reasons for the changes

Comments

Once notice of the changes is published, FSRA must invite interested persons to make written comments on the changes to the proposed rule within a time period that FSRA considers appropriate

FSRA must make all written comments made as part of the rule making process available for public inspection during FSRA's normal business hours



Exception: FSRA can keep written comments confidential as long as it believes that:

- the comments would disclose sensitive financial, personal or other information; and
- avoiding disclosure of the comments in the interests of any person affected outweighs disclosure to the public

Making the Rule

When a notice and comment period is required, FSRA can only make the rule at the end of the notice and comment process and after considering all comments made as a result of that process

Ministerial Review and Publication

Delivery of Rules to the Minister

- FSRA must deliver a copy of every rule it has made to the Minister together with:

- ✓ A copy of the notices published (unless publication of the notice was not required) along with copies of all documents referred to in the notices
- ✓ A summary of the comments made and other documents submitted with respect to the rule being proposed
- ✓ All other information that FSRA considered in connection with making the rule

Publishing Rules

- FSRA must publish every rule it makes on its website as soon as possible after the rule is made, together with:

- ✓ The date on which the rule and required accompanying materials were delivered to the Minister
- ✓ The date the rule would come into force if the Minister does not take any action
- ✓ Statement of the substance and purpose of the rule
- ✓ Summary of the written comments received during the comment period(s), if notice and comment were required
- ✓ FSRA's statement responding to significant issues and concerns raised during the comment period(s)

Minister Approves the Rule:

- A rule that is approved by the Minister comes into force 15 days after it is approved
- If there is a later day specified in the rule, it will come into force on that later day

Minister Rejects the Rule:

- A rule that is rejected by the Minister does not come into force

Minister Returns the Rule:

- A rule that is returned to FSRA for further consideration cannot come into force until FSRA returns it to the Minister, at which point it is treated as though it were being delivered for the first time
- The Minister may specify what is to be considered, the conditions that apply and the process to be followed
- Subject to any instruction from the Minister, FSRA can consider any rule returned to it in the manner and following the process that it feels is appropriate

Any decision by the Minister to approve, reject or return the rule and any conditions specified by the Minister if the rule is returned must be posted on FSRA's website



Exception: For urgent rules that were made without publishing a notice:

- If the rule is approved by the Minister, it comes into force the day it is published on FSRA's website
- The rule is revoked on the 275th day after it comes into force

Minister Does not Take Any Action:

Rules will come into force if the Minister does not take any action (i.e. either approve, reject or return the rule) within 60 days (90 days for a funding rule).

- FSRA must publish every rule that comes into force in *The Ontario Gazette* and on its website
- Everyone affected by a rule shall be deemed to have notice of it when it is published on FSRA's website

Minister May Require Studies

The Minister may in writing require FSRA to:

- Make recommendations regarding any general matter relating to a statute, regulation or rule governing a regulated sector
- Consider making a related rule

FSRA must publish notice of every such requirement from the Minister on its website, including:

- ✓ A statement of the substance of the requirement
- ✓ A reference to every unpublished study, report or other written materials provided to FSRA by the Minister, other than materials that the Minister has asked FSRA to keep confidential

*Agenda Item 6(b)(i)
September 25/18 EOC Meeting*

17 September 2018, 2-4pm, Teleconference Call
Life Insurance Working Group – FSCO

Bank-Owned Insurance Company Questionnaire

Izabel Scovino gave an update on the Bank-Owned Insurance Company Questionnaire. This effort was delayed because of the Ontario election. Now that the election has occurred, this effort will begin again and later in the Fall of 2018 an update will be provided. Industry will be given an opportunity to comment on the latest version of the Questionnaire before it is released. (Note: no mention was made of the Bank-Owned Insurance Company CEO Attestation.)

Treating Consumers Fairly (TCF) Guideline

The FSCO TCF Guideline will be coming out soon. FSCO has been working with CCIR to ensure that the Ontario Guideline is well-aligned with CCIR's "Guidance: Conduct of Insurance Business and Fair Treatment of Customers" document.

Annual Market Conduct Symposium For the Life and Health Insurance Sector

FSCO's annual Market Conduct Symposium For the Life and Health Insurance Sector will be coming up later in the Fall of 2018. As soon as the date is finalized, it will be communicated to the industry.

New Mandatory Continuing Education Module

Heather Driver will be leading a project, beginning this year (2018), which will develop a mandatory continuing education module of six (6) hours duration that will be required as part of the 30 hours of CE every two years requirement which all life agents/advisors must fulfill.

The purpose of this new mandatory CE module is to ensure that what agents/advisors are taking as continuing education material is consistent with what FSCO wants them to be compliant with.

FSCO will not deliver the course; rather, it will develop the course and then turn it over to course providers.

There will be significant consultations on this starting in late 2018.

Several industry participants said that they had concerns with the CE requirements and would have significant feedback. There was also a desire expressed for harmonization of CE requirements across provincial jurisdictions.

Examination Strategy

Swati Agrawal gave an overview of FSCO's examination strategy for 2019, based on results observed in 2018. FSCO will ask for feedback on any proposed changes.

Agents in the business of selling life insurance – who are active – are more compliant than those who are not active. This finding will result in some modifications to the examination strategy by FSCO.

Continuing Education and E&O requirements were also identified as issues of concern with respect to some active agents. FSCO cannot refuse to renew a license because the agent is not writing life insurance, but it can refuse if they are not completing their CE and E&O requirements.

Specifically, the intent going forward is that selected agents (those identified as higher risk) will need to provide proof of Continuing Education and E&O requirements at the time of licence renewal in order to be renewed. If they do not provide such proof, their application will be deemed incomplete.

Several industry participants felt that there needed to be better mechanisms for FSCO to not renew agents who are not active in writing life insurance.

Life Insurance Company Examinations

Swati Agrawal noted that for the past two years, FSCO has been examining life insurance companies to ensure their agents are compliant. Some of these examinations have been done on the basis of FSCO leading a national effort through CCIR, while other examinations have been done solely for Ontario.

FSCO has been asking companies to share information on their contracts with agents, their monitoring programs, remuneration structures, etc. Where issues of concern have been identified, FSCO is working with the company to develop a remediation plan.

These examinations allow companies to cascade expectations to their MGAs and agents. These examinations will continue with other firms in 2019.

CAFII – Mortgage and Home Equity Line of Credit – Credit Protection Insurance FINAL

A. Please select the province in which you live:

- a. Newfoundland & Labrador
- b. Nova Scotia
- c. Prince Edward Island
- d. New Brunswick
- e. Quebec
- f. Ontario
- g. Manitoba
- h. Saskatchewan
- i. Alberta
- j. British Columbia
- k. Northwest Territories
- l. Yukon
- m. Nunavut
- n. Currently live outside Canada [TERMINATE]

[RECODE INTO REGIONS]

Atlantic Canada
Quebec
Ontario
Prairies
Alberta
BC and Territories

B. Please enter your year of birth:

[ENTER]

[TERMINATE IF UNDER 18]

C. Please select your gender:

Male
Female
Other
Prefer not to answer

Definitions

SHOW ON SEPARATE PAGE. RESPONDENTS MUST CLICK NEXT TO CONTINUE WITH SURVEY.

Today we are going to ask you about Credit Protection Insurance for mortgages and Home Equity Lines of Credit. Below are some definitions of what we will be referring to in the survey. Throughout the survey, if you would like a reminder of these definitions, just mouse over the name of the insurance product and you can see the relevant definition.

Credit Protection Insurance for mortgages - is optional insurance used to pay out the balance on your mortgage in the event of death or diagnosis of a critical illness, or make/postpone debt payments on

your behalf in the event of disability or job loss (depending on the coverage you have chosen). It is offered by banks and credit unions across Canada.

Note: Credit Protection Insurance is NOT the insurance that is required by the Canada Mortgage and Housing Corporation (CMHC) on homes that were purchased with less than a 20% down payment, which will pay back the lender if the home owner were to default on their mortgage.

Credit Protection Insurance for Home Equity Line of Credit - is optional insurance used to pay out the balance of your Home Equity Line of Credit in the event of death or diagnosis of a critical illness, or make/postpone payments on your behalf in the event of disability or job loss (depending on the coverage you have chosen). It is offered by banks and credit unions across Canada.

1. Do you have now, or have you ever had the following:

GRID COLUMNS

Have now

Had in the past but not now

Never had

Don't know

GRID ROWS (RANDOMIZE)

A mortgage

A Home Equity Line of Credit

2. IF HAVE MORTGAGE IN Q1 ASK: Do you currently have Credit Protection Insurance for your mortgage?

Yes

No

Don't know

IF NO OR DON'T KNOW, SKIP TO Q5

3. And what does the Credit Protection Insurance cover you for? Please select all that apply.

Life – pays out your insured balance in the event of death

Disability – payments for your mortgage will be made on your behalf until you are able to return to work or until you reach a designated maximum benefit (e.g. 24 months)

Critical Illness – pays out your insured balance if you are diagnosed with a covered critical illness

Job Loss – on involuntary unemployment, provides payment protection by making specific debt payments on your behalf, for a time-limited period

None of the above

Don't know

4. When did you purchase or arrange for the Credit Protection Insurance for your mortgage?

DROP DOWN BOX THAT SHOWS LESS THAN ONE YEAR, ONE YEAR INCREMENTS FROM ONE TO 25 AND MORE THAN 25 YEARS AGO. INCLUDE SEPARATE DON'T KNOW AND PREFER NOT TO ANSWER CATEGORIES

5. IF HAVE LINE OF CREDIT IN Q1 ASK: Do you currently have Credit Protection Insurance for your Home Equity Line of Credit?

- Yes
- No
- Don't know

IF NO OR DON'T KNOW, SKIP TO Q8

6. And what does the Credit Protection Insurance cover you for? Please select all that apply.

- Life – pays out your insured balance in the event of death
- Disability – payments for your Home Equity Line of Credit will be made on your behalf until you are able to return to work or until you reach a designated maximum benefit (e.g. 24 months)
- Critical Illness – pays out your insured balance if you are diagnosed with a covered critical illness
- Job Loss – on involuntary unemployment, provides payment protection by making specific debt payments on your behalf, for a time-limited period
- None of the above
- Don't know

7. When did you purchase or arrange for your Credit Protection Insurance for your Home Equity Line of Credit?

DROP DOWN BOX THAT SHOWS LESS THAN ONE YEAR, ONE YEAR INCREMENTS FROM ONE TO 25 AND MORE THAN 25 YEARS AGO. INCLUDE SEPARATE DON'T KNOW AND PREFER NOT TO ANSWER CATEGORIES

8. ASK EVERYONE: Have you ever submitted a claim for Credit Protection Insurance for your mortgage or Home Equity Line of Credit? These claims would be made because a loved one had died, or you or a loved one had been diagnosed with a critical illness, became disabled or lost your/their job? Please select all that apply

- Mortgage
- Home Equity Line of Credit
- Both
- None of the above

IF DO NOT HAVE MORTGAGE OR HOME EQUITY LINE OF CREDIT AND NEVER MADE A CLAIM ON MORTGAGE OR LINE OF CREDIT PROTECTION INSURANCE, TERMINATE.

QUOTAS:

- NON-HOLDERS:** HAVE A MORTGAGE/LINE OF CREDIT, BUT NOT MORTGAGE/LINE OF CREDIT PROTECTION INSURANCE
- CURRENT HOLDERS:** HAVE MORTGAGE/HOME EQUITY LINE OF CREDIT PROTECTION INSURANCE
- CLAIMANTS:** HAVE MADE A CREDIT PROTECTION INSURANCE CLAIM (ON MORTGAGE/HOME EQUITY LINE OF CREDIT)

IF HOLDER OF MORTGAGE INSURANCE – GO TO SECTION A: MORTGAGE CREDIT PROTECTION INSURANCE HOLDERS

IF HOLDERS OF HELOC INSURANCE – GO TO SECTION B: HELOC CREDIT PROTECTION INSURANCE HOLDERS

IF HOLDER OF BOTH MORTGAGE AND HELOC – RANDOMLY SELECT ONE OF SECTION A OR B FOR PARTICIPANT TO ANSWER

IF NON-HOLDER GO TO SECTION C – NON-HOLDER

SECTION A: MORTGAGE CREDIT PROTECTION INSURANCE HOLDERS

A1. For the next few questions, please consider the Credit Protection Insurance you have on your mortgage. Thinking of this insurance, in general, how confident are you that in the event of a claim ...

GRID COLUMNS

Very confident

Somewhat confident

Not very confident

Not at all confident

Don't know

GRID ROWS (RANDOMIZE)

Information needed to submit your claim would be clearly communicated to you

The quality of service you expect would be provided

The claim would be paid as expected

The claim would be paid in a timely manner

A2. To what extent do you agree or disagree with each of the following statements about the Credit Protection Insurance for your mortgage?

GRID COLUMNS

Strongly agree

Somewhat agree

Somewhat disagree

Strongly disagree

Don't know

GRID ROWS (RANDOMIZE)

Credit Protection Insurance is an affordable insurance option

Credit Protection Insurance effectively protects me and/or my family in case of certain unexpected events

Credit Protection Insurance provides good value for the money

Credit Protection Insurance is a convenient way to protect me and/or my family in case of certain unexpected events

Without Credit Protection Insurance, I do not know what would happen to me and/or my family in the case of certain unexpected events

A3. Thinking back to when you got your mortgage, did a representative of the financial institution talk to you about Credit Protection Insurance?

- Yes
- No
- Don't know/Can't recall

[IF TALKED TO REPRESENTATIVE IN QA3 ASK QA4, IF NOT SKIP TO A5]

A4. Did a representative of your financial institution talk to you about each of the following factors of the available Credit Protection Insurance?

GRID COLUMNS

- Yes
- No
- Don't know/Can't recall

GRID ROWS (RANDOMIZE)

- I was told the coverage options that were available to me (e.g. life, disability, critical illness, job loss)
- I was told the premiums/costs of the coverage options available (e.g. life, disability, critical illness, job loss)
- I was told the advantages of having the insurance
- I was offered Credit Protection Insurance as a way to protect me and/or my family in case of certain unexpected events
- I was informed that Credit Protection Insurance is optional
- I was told about the free look or review period that was available with the Credit Protection Insurance, during which I could cancel at no cost

A5. Aside from talking to a representative of the financial institution, did you discuss or do additional research on the Credit Protection Insurance options that were available?

- Yes – Discussed options with the co-borrower on the mortgage
- Yes – Discussed options with friends and/or family members
- Yes - Researched options online
- Yes – Talked to representatives of other financial institutions or mortgage brokers
- Other (specify)
- No other research
- Don't know/Can't recall

A6. Again, considering the Credit Protection Insurance for your mortgage, what was your level of understanding of important terms (e.g. how much would be covered and what unexpected events would be covered) when you first purchased this insurance; and what is your level of understanding now?

GRID COLUMNS

Understand very well
Understand somewhat
Do not understand very well
Do not understand at all

GRID ROWS

My understanding when I purchased the Credit Protection Insurance for my mortgage
My understanding now

A7. How confident are you that you know how much of your mortgage will be paid with each of the types of coverage that you have? Please indicate your level of confidence for each. **SHOW EACH CHOSEN IN Q3**

GRID COLUMNS

Life
Critical illness
Disability
Job loss

GRID ROWS

Very confident
Somewhat confident
Not very confident
Not at all confident
Don't know

A8. To what extent do you agree or disagree with each of the following statements about the documents which outline your Credit Protection Insurance for your mortgage.

GRID COLUMNS

Strongly agree
Somewhat agree
Somewhat disagree
Strongly disagree
Have not read documentation

GRID ROWS (RANDOMIZE)

The Credit Protection Insurance documents for my mortgage are easy to understand
The Credit Protection Insurance documents for my mortgage make it easy to find the information I am looking for

A9. When you researched and/or purchased Credit Protection Insurance for your mortgage, how important were the following factors:

GRID COLUMNS

Very important
Somewhat Important
Not very important
Not at all important

GRID ROWS (RANDOMIZE)

Price
Benefit payment amount of coverage
Coverage for pre-existing conditions (i.e. health conditions that I had when purchasing the insurance)
The financial institution enrolling me for Credit Protection Insurance
The insurance company providing the Credit Protection Insurance
Ease of overall purchase process
Benefits and features of the coverage
Ability to buy online
Being able to speak to someone to answer my questions
The ease of qualifying for the coverage
Fewer age restrictions
No medical testing (such as blood or urine tests)
Other (please explain) **[ANCHOR]**

A10. The following questions are in regard to your experience purchasing your Credit Protection Insurance for your mortgage. How did you *complete* the purchase of your Credit Protection Insurance?

[RANDOMIZE]

By phone with the financial institution
The process was initiated online, including mobile (e.g., smartphone, tablet), but finished in another way (in person, over the phone, etc.)
The whole process was completed online
In-Person at the branch
Through a representative of the financial institution that came to my house
Through a mortgage broker
Other **[ANCHOR]**

A11. Overall, how would you rate your level of satisfaction with the *purchase experience*, when you purchased your Credit Protection Insurance for your mortgage?

- Very satisfied
- Somewhat satisfied
- Somewhat dissatisfied
- Very dissatisfied
- Don't recall

A12. More specifically, how satisfied were you with the following elements of the purchase process?

GRID COLUMNS

- Very satisfied
- Somewhat satisfied
- Somewhat dissatisfied
- Very dissatisfied
- Don't recall
- Not applicable

GRID ROWS (RANDOMIZE)

- Availability of comprehensive information to help me make an informed decision
- Coverage details -- what was and was not covered were written in a clear and easy to understand language
- Coverage details -- what was and was not covered were explained well by a representative of the financial institution
- Responsiveness of the representative (e.g., answering questions in a timely manner)
- Quality of responses to my questions (e.g., comprehensive, easy to understand, etc.)
- Value for the money
- Ease of purchase
- The trial period that allowed me to cancel the purchase within a period of time at no cost

A13. If you have a question about your Credit Protection Insurance coverage, who would you call to get the information you need?

- The financial institution that has my mortgage
- The insurance company
- Someone else
- Don't know

SECTION B: HELOC INSURANCE HOLDERS

B1. For the next few questions, please consider the Credit Protection Insurance you have on your Home Equity Line of Credit. Thinking of this insurance, in general, how confident are you that in the event of a claim...

GRID COLUMNS

Very confident
Somewhat confident
Not very confident
Not at all confident
Don't know

GRID ROWS (RANDOMIZE)

Information needed to submit your claim would be clearly communicated to you
The quality of service you expect would be provided
The claim would be paid as expected
The claim would be paid in a timely manner

B2. To what extent do you agree or disagree with each of the following statements about the Credit Protection Insurance for your Home Equity Line of Credit?

GRID COLUMNS

Strongly agree
Somewhat agree
Somewhat disagree
Strongly disagree
Don't know

GRID ROWS (RANDOMIZE)

Credit Protection Insurance is an affordable insurance option
Credit Protection Insurance effectively protects me and/or my family in case of certain unexpected events
Credit Protection Insurance provides good value for the money
Credit Protection Insurance is a convenient way to protect me and/or my family in case of certain unexpected events
Without Credit Protection Insurance, I do not know what would happen to me and/or my family in the case of certain unexpected events

B3. Thinking back to when you got your Home Equity Line of Credit, did a representative of the financial institution talk to you about Credit Protection Insurance?

Yes
No
Don't know/Can't recall

[IF TALKED TO REPRESENTATIVE IN QB3 ASK QB4]

B4. Did a representative of your financial institution talk to you about each of the following factors of the available Credit Protection Insurance?

GRID COLUMNS

Yes

No

Don't know/Can't recall

GRID ROWS (RANDOMIZE)

I was told the coverage options that were available to me (e.g. life, disability, critical illness, job loss)

I was told the premiums/costs of the coverage options available (e.g. life, disability, critical illness, job loss)

I was told the advantages of having the insurance

I was offered Credit Protection Insurance as a way to protect me and/or my family in case of certain unexpected events

I was informed that Credit Protection Insurance is optional

I was told about the free look or review period that was available with the Credit Protection Insurance, during which I could cancel at no cost

B5. Aside from talking to the financial institution representative, did you discuss or do additional research on the credit protection options that were available?

Yes – Discussed options with the co-borrower on the Home Equity Line of Credit

Yes – Discussed options with friends and/or family members

Yes - Researched options online

Yes – Talked to representatives of other financial institutions or mortgage brokers

Other (specify) _____

No other research

Don't know/Can't recall

B6. Again, considering the Credit Protection Insurance for your Home Equity Line of Credit, what is your level of understanding of important terms (e.g. how much would be covered and what unexpected events would be covered) both when you first purchased this insurance and now?

GRID COLUMNS

Understand very well

Understand somewhat

Do not understand very well

Do not understand at all

GRID ROWS

My understanding when I purchased the Credit Protection Insurance for my Home Equity Line of Credit

My understanding now

B7. How confident are you that you know how much of your Home Equity Line of Credit will be paid with each of the types of coverage that you have? Please indicate your level of confidence for each. **SHOW EACH CHOSEN IN Q6**

GRID COLUMNS

Life
Critical illness
Disability
Job loss

GRID ROWS

Very confident
Somewhat confident
Not very confident
Not at all confident
Don't know

B8. To what extent would you agree or disagree with each of the following statements about the documents which outline your Credit Protection Insurance for your Home Equity Line of Credit.

GRID COLUMNS

Strongly agree
Somewhat agree
Somewhat disagree
Strongly disagree
Have not read documentation

GRID ROWS (RANDOMIZE)

The Credit Protection Insurance documents for my Home Equity Line of Credit are easy to understand
The Credit Protection Insurance documents for my Home Equity Line of Credit make it easy find the information I am looking for

B9. When you researched and/or purchased Credit Protection Insurance for your Home Equity Line of Credit, how important were the following factors:

GRID COLUMNS

Very important
Somewhat Important
Not very important
Not at all important

GRID ROWS (RANDOMIZE)

Price
Benefit payment amount of coverage
Coverage for pre-existing conditions (that is health conditions that I had when you purchased the insurance)
The financial institution enrolling me for Credit Protection Insurance
The insurance company providing the Credit Protection Insurance
Ease of overall purchase process
Benefits and features of the coverage
Ability to buy online
Being able to speak to someone to answer my questions
The ease of qualifying for the coverage
Fewer age restrictions
No medical testing (such as blood or urine tests)
Other (please explain) **[ANCHOR]**

B10. The following questions are in regard to your experience purchasing your Credit Protection Insurance for your Home Equity Line of Credit. How did you *complete* the purchase of your Credit Protection Insurance? **[RANDOMIZE]**

By phone with the financial institution
The process was initiated online, including mobile (e.g., smartphone, tablet), but finished in another way (in person, over the phone, etc.)
The whole process was completed online
In-Person at the branch
Through a representative of the financial institution that came to my house
Through a mortgage broker
Other **[ANCHOR]**

B11. Overall, how would you rate your level of satisfaction with the *purchase experience*, when you purchased your Credit Protection Insurance for your Home Equity Line of Credit?

Very satisfied
Somewhat satisfied
Somewhat dissatisfied
Very dissatisfied
Don't recall

B12. More specifically, how satisfied were you with the following elements of the purchase process?

GRID COLUMNS

Very satisfied

Somewhat satisfied

Somewhat dissatisfied

Very dissatisfied

Don't recall

Not applicable

GRID ROWS (RANDOMIZE)

Availability of comprehensive information to help me make an informed decision

Coverage details -- what was and was not covered were written in a clear and easy to understand language

Coverage details -- what was and was not covered were explained well by a representative of the financial institution

Responsiveness of the representative (e.g., answering questions in a timely manner)

Quality of responses to my questions (e.g., comprehensive, easy to understand, etc.)

Value for the money

Ease of purchase

The trial period that allowed me to cancel the purchase within a period of time at no cost

B13. If you have a question about your Credit Protection Insurance coverage, who would you call to get the information you need?

The financial institution that has my Home Equity Line of Credit

The insurance company

Someone else

Don't know

SECTION C: NON-HOLDERS

C1. While you do not currently hold Credit Protection Insurance on your mortgage or Home Equity Line of Credit, we would like to understand your feelings about these products. To what extent do you agree or disagree with each of the following statements about Credit Protection Insurance?

GRID COLUMNS

Strongly agree

Somewhat agree

Somewhat disagree

Strongly disagree

Don't know

GRID ROWS (RANDOMIZE)

Credit Protection Insurance is an affordable insurance option

Credit Protection Insurance effectively protects those who hold it, in case of certain unexpected events

Credit Protection Insurance provides good value for the money

Credit Protection Insurance is a convenient way to protect me and/or my family, in case of certain unexpected events

C2. Thinking back to when you got your mortgage or Home Equity Line of Credit, did a representative of the financial institution offer you Credit Protection Insurance?

Yes

No

Don't know/Can't recall

[IF TALKED TO REPRESENTATIVE IN C2 ASK QC3, IF NOT SKIP TO C4]

C3. Did a representative of your financial institution talk to you about each of the following factors of the available Credit Protection Insurance?

GRID COLUMNS

Yes

No

Don't know/Can't recall

GRID ROWS (RANDOMIZE)

I was told the coverage options that were available to me (e.g. life, disability, critical illness, job loss)

I was told the premiums/costs of the coverage options available (e.g. life, disability, critical illness, job loss)

I was told the advantages of having the insurance

I was offered Credit Protection Insurance as a way to protect me and/or my family in case of certain unexpected events

I was informed that Credit Protection Insurance is optional

I was told about the free look or review period that was available with the Credit Protection Insurance, during which I could cancel at no cost

C4. Aside from talking to a representative of the financial institution, did you research the credit protection options that were available yourself?

- Yes – Discussed options with the co-borrower on the mortgage
- Yes – Discussed options with friends and/or family members
- Yes - Researched options online
- Yes – Talked to representatives of other financial institutions or mortgage brokers
- Other (specify) _____
- No other research
- Don't know/Can't recall

C5. You mentioned that you have had a mortgage or Home Equity Line of Credit but did not have Credit Protection Insurance. Why did you choose not to have Credit Protection Insurance on these debts? Please select all that apply. If there is another reason that is not listed, please add it in the box below.

- Did not know about this insurance
- It was too expensive/the premiums were too high
- I could not afford the premium
- It was not good value for the money
- I was advised not to get it
- Had other types of insurance to cover it
- Felt that other types of insurance would provide a better value for the money
- Did not feel the need to have insurance
- Was going to get it later but didn't get
- Did not think of it
- Other Specify
- Don't know/Can't recall

C6. IF ADVISED NOT TO GET IT CHOSEN IN QC5 ASK: Who advised you not to get the Credit Protection Insurance? Please check all that apply.

- A friend or family member
- Mortgage broker
- Financial institution representative
- Accountant
- Realtor
- Lawyer
- Other (Specify)
- Don't know/Can't recall

C7. Do you have a different type of insurance policy, that is not Credit Protection Insurance, that would protect you and/or your loved ones if you were to experience any of the following unplanned events?

GRID COLUMNS

Yes, have another policy

No, do not have another policy

Don't know

GRID ROWS (RANDOMIZE)

If I were to die

If I were to become disabled

If I were to be diagnosed with a critical illness

If I were to lose my job

C8. When you incurred debt on your mortgage or Home Equity Line of Credit, did you consider buying term life insurance specifically to cover that debt in the case of death?

Yes, I considered it and purchased the policy

Yes, I considered it but did not purchase the policy

No, I did not consider it

Don't know

SECTION D: CLAIMS – CLAIMANTS CONTINUE, NON-CLAIMANTS SKIP TO DEMOGRAPHICS

D1. You mentioned that you have made a claim on your Credit Protection Insurance. When was the last claim you had made?

In the past year

One to less than two years ago

Two to less than three years ago

Three to less than four years ago

Four to less than five years ago

Five years ago or more

D2. What type of claim was made?

Life Insurance

Disability

Critical illness

Job loss

D3. What was the result of your claim submission?

- It was paid
- It was denied
- The claim is still being processed [SKIP TO D10]

D4. Thinking back about the entire claim experience, from the initial contact to the final outcome, how would you rate your satisfaction with the overall experience?

- Very satisfied
- Somewhat satisfied
- Somewhat dissatisfied
- Very dissatisfied
- Don't recall

D5. And how satisfied were you with each of the following factors involved in this claim?

GRID COLUMNS

- Very satisfied
- Somewhat satisfied
- Somewhat dissatisfied
- Very dissatisfied
- Don't recall
- Not applicable

GRID ROWS (RANDOMIZE)

- The ease starting the claim process
- The empathy and understanding the representative showed me when I called
- The knowledge of the representatives I spoke with
- The clarity and completeness of the representative's responses to my questions
- The explanation I received about the steps involved in a claims process
- The explanation I was given as to how long it would take to process your claim
- The ease of understanding and completing the claim forms
- The number of claim forms that I had to submit was reasonable
- The documentation required in support of the claim (e.g. Doctor's report, death certificate) was reasonable
- The explanation of how the claim payment was determined
- The timeliness in which the claim was paid

D6. How would you rate the clarity of explanation your insurer gave you about [IF D3=a] your claim payment? [IF D3=b] the claim denial?

- Very good
- Good
- Poor
- Very poor
- Don't recall

D7. Would you say that the **claim payment** met, exceeded, or fell short of your expectations?

- Met
- Exceeded
- Fell short
- Don't recall

D8. Overall, would you say that the **claim experience** met, exceeded, or fell short of your expectations?

- Met
- Exceeded
- Fell short
- Don't recall

D9. Did you make a complaint about your claim at any point during or after the claim process?

- Yes
- No

D10. **[ASK IF ANSWERED 'Yes' AT D9]** How did you make this complaint? Please select all that apply
(RANDOMIZE)

- Made a complaint to the financial institution I was dealing with
- Made a complaint to the insurance company
- Spoke to a supervisor or manager at the financial institution
- Spoke to a supervisor or manager at the insurance company
- Lodged an official complaint to a regulator
- Lodged an official complaint to the financial institution Ombudsman
- Lodged an official complaint to the insurance company Ombudsman
- Posted my complaint about the financial institution on social media
- Posted my complaint about the insurance company on social media
- Complained to family or friends
- Other (Specify)
- Prefer not to say

D11. **[ASK IF ANSWERED 'Yes' AT D9]** What was the **primary** reason for your complaint?

[RANDOMIZE]

- The length of time it took to process the claim
- Lack of clarity about what was required
- Lack of updates during the process
- Difficult to contact/unresponsive insurer representatives (e.g., calls/emails not returned)
- Conflicting information from different claims representatives
- Insurance wording unclear/ambiguous
- Lack of professionalism and courtesy of representatives
- Not happy with claim being denied
- Other **[SPECIFY]**

D12. [ASK IF ANSWERED 'Yes' AT D9] Were you satisfied with how the complaint was handled?

- Very satisfied
- Somewhat Satisfied
- Somewhat dissatisfied
- Very dissatisfied
- Don't know

You are almost done. There are just have a few questions left to help us better analyze and understand responses to this survey.

SECTION Z DEMOGRAPHICS

Z1. Which of the following income brackets best represents your annual household income before taxes?

- Less than \$75,000
- \$75,000 to less than \$120,000
- \$120,000 or more
- Prefer not to answer

Z2. Do you have children in any of the following age groups? Please select all that apply.

- Under 18 years
- 18 years or older
- Do not have children [EXCLUSIVE]
- Prefer not to answer [EXCLUSIVE]

Z3. Which of the following best describes your employment status?

- Employed (full-time, part-time, self-employed)
- Full-time student
- Retired
- Other

Z4. How long have you been a resident of Canada?

- Born in Canada
- Less than 2 years
- 2 to less than 5 years
- 5 to less than 10 years
- 10 to less than 20 years
- More than 20 years

You have reached the end of this survey. Thank you for your responses and your time.

**CAFII – Mortgage and Home Equity Line of Credit – Incidence Omnibus
Questions
Final**

A. Please select the province in which you live:

- a. Newfoundland & Labrador
- b. Nova Scotia
- c. Prince Edward Island
- d. New Brunswick
- e. Quebec
- f. Ontario
- g. Manitoba
- h. Saskatchewan
- i. Alberta
- j. British Columbia
- k. Northwest Territories
- l. Yukon
- m. Nunavut
- n. Currently live outside Canada [TERMINATE]

[RECODE INTO REGIONS]

Atlantic Canada
Quebec
Ontario
Prairies
Alberta
BC and Territories

B. Please enter your year of birth:

[ENTER]

[TERMINATE IF UNDER 18]

C. Please select your gender:

Male
Female
Other
Prefer not to answer

1. Do you currently have the following: (Please select all that apply)

A mortgage
A Home Equity Line of Credit

2. **IF HAVE MORTGAGE IN Q1 ASK: Credit Protection Insurance for mortgages** - is optional insurance (depending on the coverage you have chosen) used to pay out the balance on your mortgage in the event of death or diagnosis of a critical illness, or make/postpone debt payments on your behalf in the event of disability or job loss. It is offered by banks and credit unions across Canada. Do you currently have Credit Protection Insurance on your mortgage to cover you for any of the following? Please select all that apply.

Life – pays out your insured balance in the event of death

Disability – payments for your mortgage will be made on your behalf until you are able to return to work or until you reach a designated maximum benefit (e.g. 24 months)

Critical Illness – pays out your insured balance if you are diagnosed with a covered critical illness

Job Loss – on involuntary unemployment, provides payment protection by making specific debt payments on your behalf, for a time-limited period

Do not have Credit Protection Insurance for my mortgage

Don't know

3. **IF HAVE LINE OF CREDIT IN Q1 ASK: Credit Protection Insurance for Home Equity Line of Credit** - is optional insurance (depending on the coverage you have chosen) used to pay out the balance of your Home Equity Line of Credit in the event of death or diagnosis of a critical illness, or make/postpone payments on your behalf in the event of disability or job loss. It is offered by banks and credit unions across Canada. Do you currently have Credit Protection Insurance on your Home Equity Line of Credit to cover you for any of the following? Please select all that apply.

Life – pays out your insured balance in the event of death

Disability – payments for your mortgage will be made on your behalf until you are able to return to work or until you reach a designated maximum benefit (e.g. 24 months)

Critical Illness – pays out your insured balance if you are diagnosed with a covered critical illness

Job Loss – on involuntary unemployment, provides payment protection by making specific debt payments on your behalf, for a time-limited period

Do not have Credit Protection Insurance for my Home Equity Line of Credit

Don't know

4. ASK EVERYONE: Have you ever submitted a claim for Credit Protection Insurance for your Mortgage or Home Equity Line of Credit? These claims would be made because a loved one had died, or you or a loved one had been diagnosed with a critical illness, became disabled or lost your/their job? Please select all that apply

Mortgage

Home Equity Line of Credit

Have never submitted a claim for Credit Protection Insurance

5. IF SUBMITTED A CLAIM ASK: For what type of coverage was the claim submitted? SHOW GRID ROWS CHOSEN IN Q4

GRID ROW

Mortgage

Home Equity Line of Credit

GRID COLUMNS

Life

Disability

Critical Illness

Job loss

Other

INCIDENCE OF HAVING MORTGAGE/HELOC:

Total Sample: All adult Canadians (n=1000)

- Have a mortgage: 39% (390 Canadians)
- Have HELOC: 27% (265 Canadians)

INCIDENCE OF HAVING CREDIT PROTECTION INSURANCE FOR MORTGAGE:

Total Sample: Those who currently have a mortgage (n=390)

Total – Any type of Credit Protection Insurance on Mortgage	45%
Life	40%
Critical illness	16%
Disability	21%
Job Loss	12%

INCIDENCE OF HAVING CREDIT PROTECTION INSURANCE FOR HELOC:

Total Sample: Those who currently have HELOC (n=265)

Total – Any type of Credit Protection Insurance on HELOC	35%
Life	28%
Critical illness	8%
Disability	14%
Job Loss	9%

INCIDENCE OF MAKING A CLAIM ON A CREDIT PROTECTION INSURANCE POLICY:

Total Sample: All Canadians, regardless of whether or not they currently have a mortgage, HELOC or any kind of Credit Protection Insurance (n=1000)

	For Mortgage	For HELOC
Total – Any Claim	7%	2%
Life	3%	1%
Critical illness	1%	1%
Disability	2%	1%
Job Loss	1%	<1%

Due to small base sizes of those who made a claim on any one type of insurance, results will be separated into those who made a Life or Critical Illness claim and those who made a Disability or Job Loss claim.

***Agenda Item 7(d)(iv)(a)
September 25/18 EOC Meeting***

From: Natalie Hill (on behalf of CAFII Board Chair Nicole Benson)
Sent: August 14, 2018 12:52 PM
To: CAFII Board Members (c.c. EOC Members)
Subject: Update from CAFII Board Chair Nicole Benson On 2018 CAFII Research Budget

Dear CAFII Board Members:

I am pleased to provide an update to the CAFII board on the status of the project around a consumer research study on Credit Protection Insurance, along the lines of what was recently produced on Travel Medical Insurance.

Conducting this research was identified as a strategic priority by the board at the 5 June board meeting, and as a result a CAFII Working Group was subsequently struck under the direction of the Research & Education Committee (Chaired by Diane Quigley, CUMIS). This Working Group has made much progress and has identified the objectives, scope, and product lines for the research, and has developed a draft of the questionnaire with our consumer research firm Pollara. The project will focus on consumer attitudes towards mortgage insurance and HELOC insurance, for life, critical illness, disability, and job loss.

We have now arrived at a point where we have identified sufficient details about the research to allow Pollara to provide us with a specific proposal with costs. The cost to conduct this research is larger than what was budgeted for in original, approved 2018 budget and would entail a cost overrun of our 2018 research budget of \$22,291. To determine if we can manage this extra cost, the CAFII Treasurer, Tony Pergola (ScotiaLife Financial) requested a forecast of the CAFII anticipated revenues and expenses overall in 2018, based on actuals to date, and the reality that our original budget did not include new revenues we now know are coming, due to our two new Initiation Members, Manulife and Canada Life.

The original budget, approved by the board, anticipated an overall 2018 deficit of \$89,485. Our forecast—with the additional \$22,291 research spend included—indicates that the 2018 deficit will be \$31,867, or over \$55,000 less than originally budgeted (the updated financials with the 2018 forecast is attached to this email).

Based on that information, and given that the Credit Protection Insurance research study was identified as a strategic priority by the board, I have approved proceeding with this research with the cost overrun.

As the Working Group managing this research makes further progress, and in particular when we have some initial research results, I will be sure to provide a further update to the board.

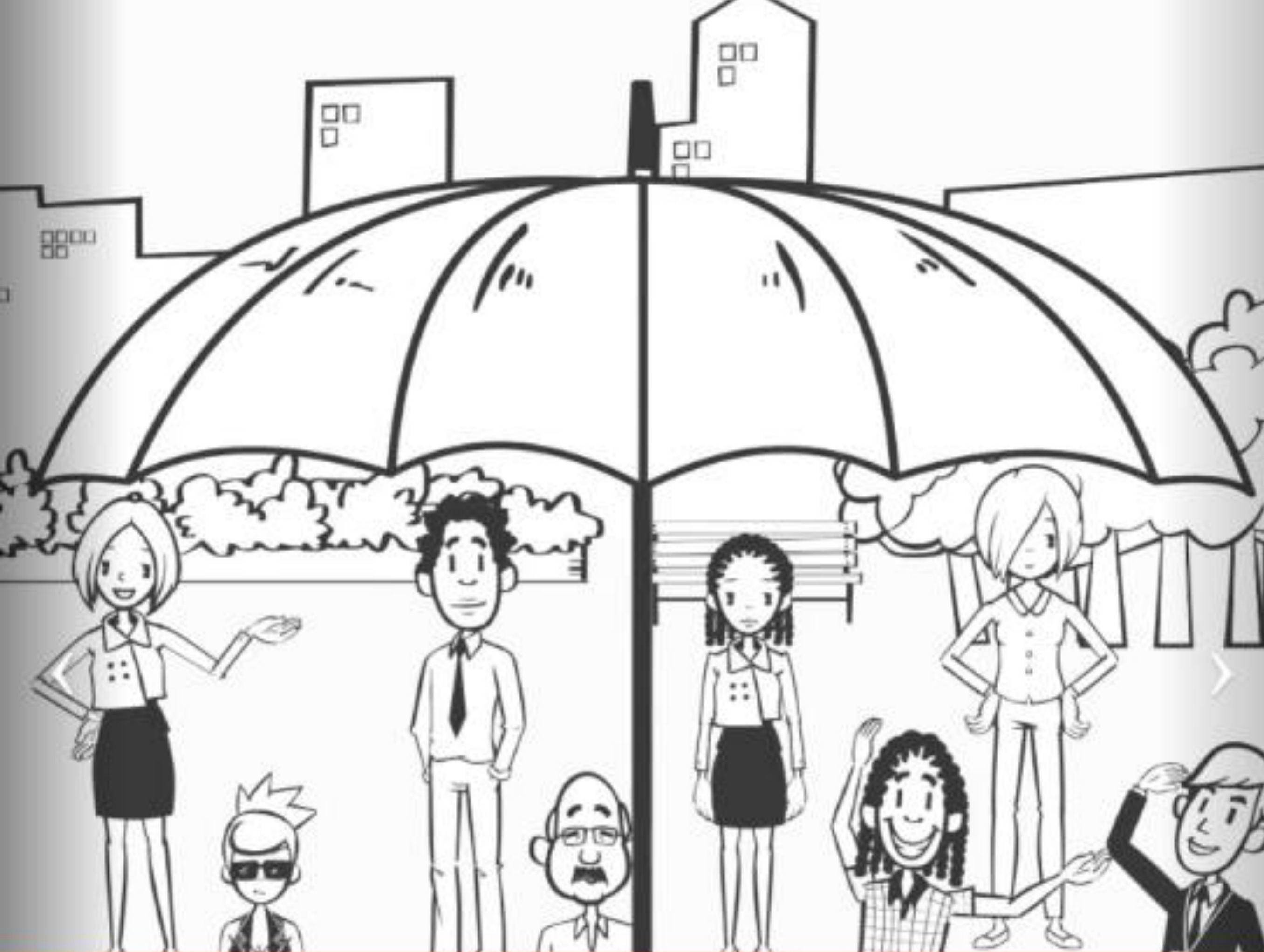
Thank you,

Nicole Benson, CAFII Board Chair

2018 CAFII Forecast

	2017 Actuals	2018 Budget (25% Dues Increase & Scaled Back Expenses)	2018 Actuals to date (Jan 01 2018 to Jun 30 2018)	2018 Forecast (Jan 01 2018 to Dec 31 2018)	Comment/Rationale
Revenue					
Membership Dues	\$475,425	\$608,385	\$347,772	\$695,545	See breakdown in Member Dues Revenue Tab
Interest	\$126	\$200	\$0	\$0	
TOTAL REVENUE	\$ 475,551	\$ 608,585	\$ 347,772	\$ 695,545	
EXPENSE					
Management Fees	\$442,012	\$455,000	\$237,632	\$468,000.00	Includes MM Fees and Transition Fee, TO Corp Fee for January, and two Co-Eds
CAFII Legal Fees/Corporate Governance	\$2,954	\$5,000	\$563	\$2,000	
Audit Fees	\$14,271	\$14,600	\$7,134	\$14,600	
Insurance	\$5,238	\$5,500	\$2,622	\$5,238	
Website Ongoing Maintenance	\$42,575	\$14,000	\$2,236	\$5,736	Includes Drupal File Transfer Project, ISQ Solutions/CG Technology, CAFII.Insurance Domain Name Renewal
Website SEO and Enhancements		\$14,220	\$5,196	\$16,701	
Telephone/Fax/Internet	\$6,119	\$5,800	\$2,729	\$5,513	Rank Higher - Website redesign to improve Diital Performance, Awareness & Video -\$14780 with HST
Postage/Courier	\$380	\$400	\$409	\$450	
Office Expenses	\$1,312	\$2,000	\$1,421	\$2,000	Includes moving boxes to storage
Bank Charges	\$38	\$50	\$16	\$30	
Amortization Expense	\$0	\$0			
Depreciation Computer/Office Equipment2	\$1,564	\$1,200	\$568	\$1,136	
Miscellaneous Expense	\$433	\$500	\$0	\$500	
Board/EOC/AGM		\$0			
Annual Members Luncheon	\$10,247	\$10,000	\$10,503	\$10,503	
Board Hosting (External)	\$7,500	\$15,000	\$12,946	\$25,446	
Board/EOC Meeting Expenses	\$25,493	\$26,000	\$10,647	\$26,000	
Industry Events	\$36	\$1,000	\$1,243	\$1,243	CAFII Purchase of full table of 11 seats at Economic Club of Canada Luncheon
EOC Annual Appreciation Dinner	\$8	\$800	\$763	\$763	
Provincial Regulatory Visits	\$11,011	\$12,000	\$10,619	\$12,000	
Research/Studies	\$17,807	\$52,500	\$17,500	\$74,791	\$17.5k on Travel Research from 2017. Pollara Proposal on Creditor's insurance \$50,700 fee, \$6591 HST, Total is \$57,291. Add \$17.5K already spent on Travel, total is \$74,791
Regulatory Model(s)	\$15,001	\$27,000	\$1,957	\$18,157	
Federal Financial Reform	\$0	\$500	\$0		Includes provision for legal advice re RIA representation on Sask, Alta, Manitoba; possible new RIA regime in BC; new single integrated regulators in Ontario and Alta; and additional provision re Regulation supporting Quebec Bills 141 and 150
Media Outreach	\$44,023	\$30,000	\$19,048	\$34,150	
Marketing Collateral	\$0	\$2,000	\$55	\$1,055	
Tactical Communications Strategy	\$379	\$0	\$0		
Media Relations, CAFII Consultant	\$164				
Speaker fees & travel	\$0	\$2,000	\$0	\$600	
Gifts	\$452	\$500	\$100	\$600	
CAFII 20th Anniversary Celebration	\$26,495	\$0	\$0		
Networking Events	\$350	\$500	\$0	\$200	
TOTAL EXPENSE	\$ 675,862	\$ 698,070	\$ 345,907	\$ 727,412	
Excess of Revenue over Expenses	(\$200,311)	(\$89,485)	\$1,865	(\$31,867)	
Unrestricted Net Assets (beginning of year)	\$380,758	\$180,447	\$180,447	\$180,447	
Unrestricted Net Assets (end of year)	\$180,447	\$90,962	\$182,312	\$148,579	

Actual/Forecasted Financial Reserves	2017 Actuals	2018 Budget Option; Including Incremental Membership Dues and All Expenses	2018 Actuals (Jan 01 2018 to Jun 30 2018)	2018 Forecast (Jan 01 2018 to Dec 31 2018)
Minimum 3 months (25%) of Annual Operating Expenses =	\$168,965	\$174,518	\$86,477	\$181,853
Maximum 6 months (50%) of Annual Operating Expenses =	\$337,931	\$349,035	\$172,953	\$363,706
Actual/Forecasted Level of Financial Reserves :	\$180,447	\$90,962	\$182,312	\$148,579
Actual/Forecasted Level of Financial Reserves %:	27%	13%	53%	20%



Making Insurance Simple, Accessible,
and Affordable for Canadians

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AGENDA

01 Before & After

02 Goal & Vision

03 Website Performance

04 Organic Performance

05 Thought Starters & Discussion



*Insights will be highlighted using this icon

Making Insurance Simple and Accessible for Canadians

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Text Size: A A A |  Print Page

CAFII

News & Media

- Quebec-The Autorité des marchés financiers (AMF) Releases Final Report on Internet Insurance
- Canadian Council of Insurance Regulators (CCIR) - Highlights of Spring Meeting, March 26 2015
- Office of the Superintendent of Financial Institutions (OSFI) - Appointments of Assistant Superintendents

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Making Insurance Simple and Accessible for Canadians

About Us

CAFII was established in 1997 to provide a voice for financial institutions involved in selling insurance through a variety of distribution methods.

[Click Here to Find Out More](#)

Public Consultations

CAFII represents the leading edge of insurance distribution in Canada and intends to remain at the forefront of all key legislative and regulatory developments.

[Click here to view Submissions](#)

Creditor Insurance

Coverage on a consumer loan or credit card balance that provides relief in the event of an adverse event (death, disability, job loss or critical illness).

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[CAFII Mandate](#)
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[Association Activities](#)
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01 BEFORE

Regulator Focused Content

Not Mobile Friendly

Not User Friendly

No Product Information

No Consumer Examples

No Video



01 AFTER

Consumer Focused Content

Mobile Friendly

User Friendly

Product Information

Consumer Examples

Video

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Making Insurance Simple and Accessible for Canadians. Established in 1997 to provide a voice for financial institutions involved in selling insurance.

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CAFII Mandate

CAFII Mandate. List of Members. Regular Members · Associate ...

CAFII Mission

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[More results from cafii.com »](#)

What is Insurance?

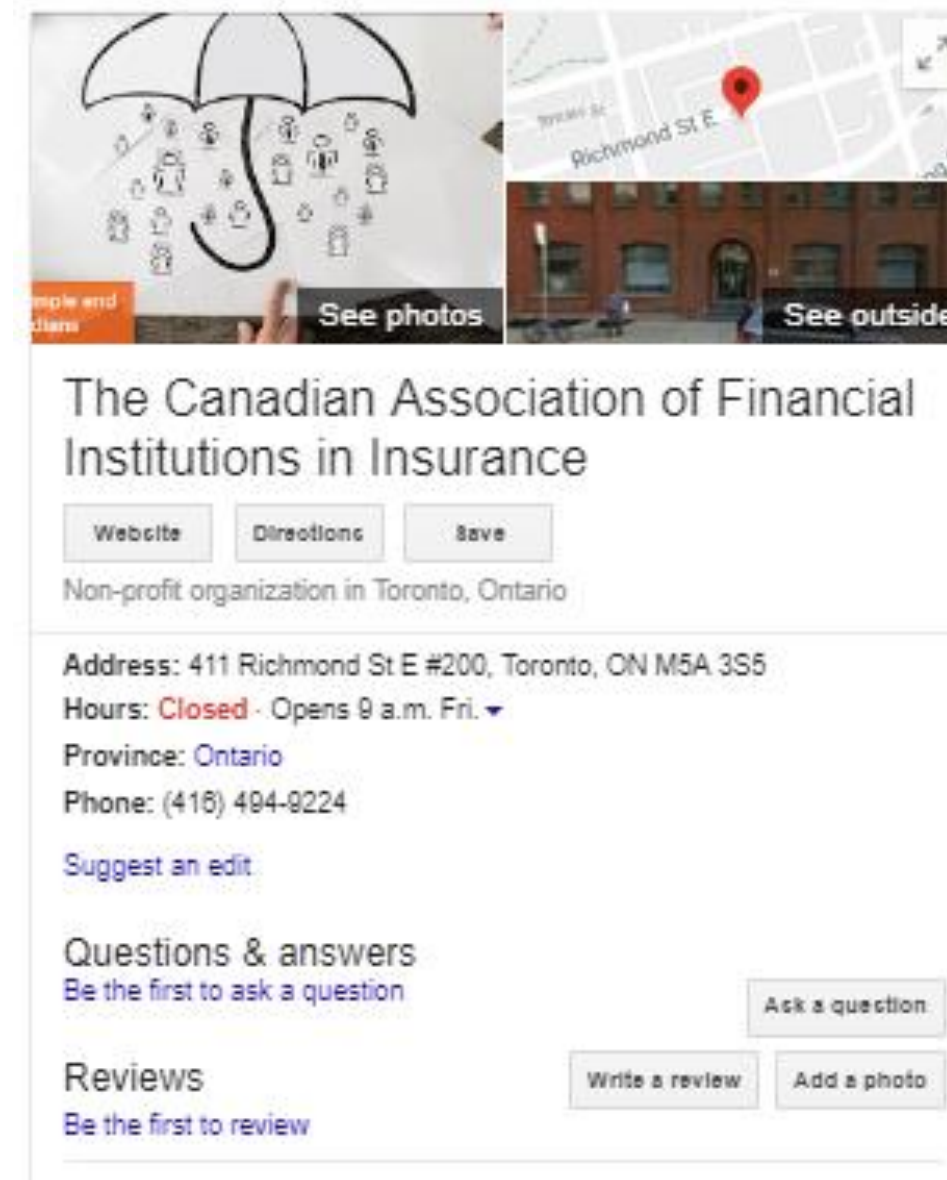
This type of insurance is used to pay out a mortgage or or loan ...

Contact Us

Contact us if you have a question about the association and our ...

Membership Categories and ...

Membership Categories and Benefits. About CAFII. CAFII ...

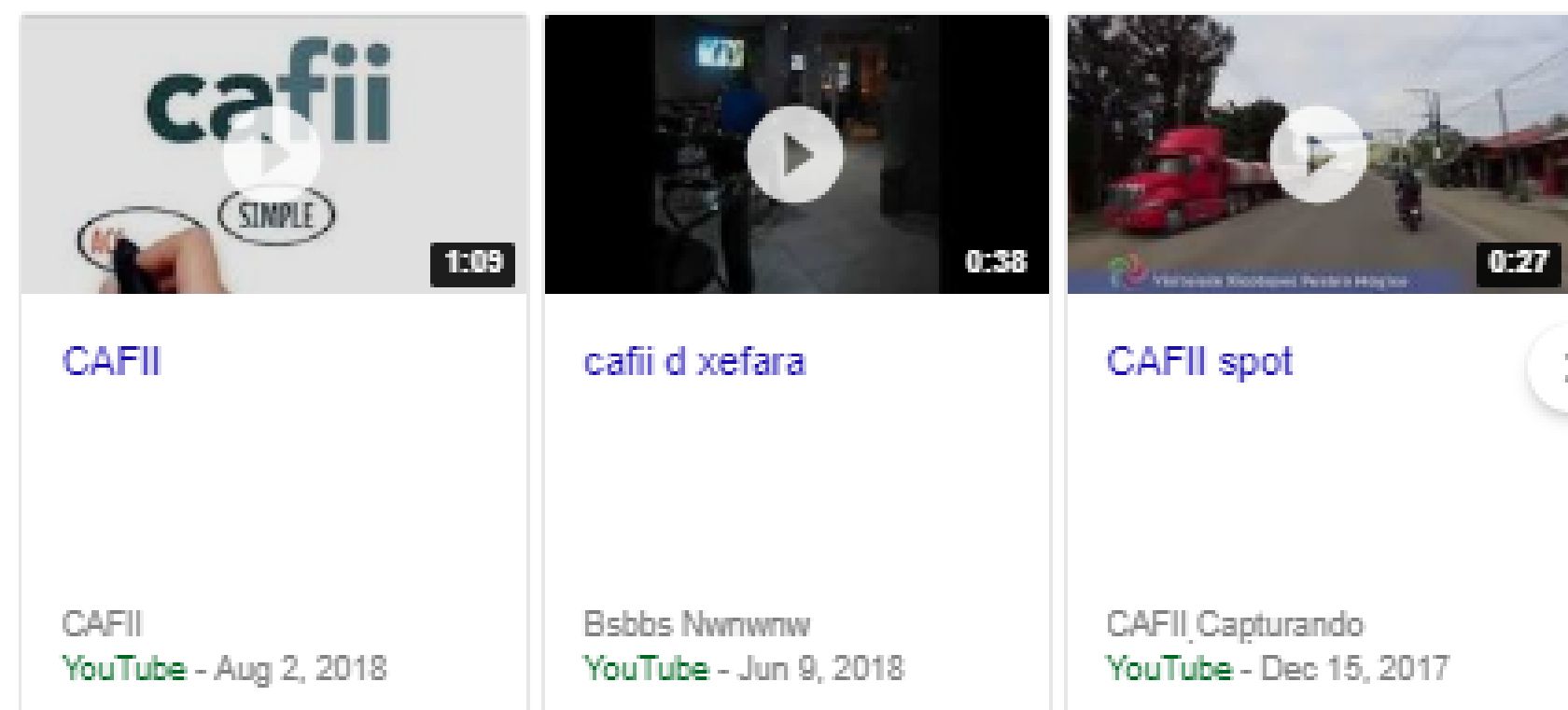


CNW | New Website Aims to Make Insurance Information Simple and ...

<https://www.newswire.ca/.../new-website-aims-to-make-insurance-information-simple-...>

Jun 26, 2018 - Created by the Canadian Association of Financial Institutions in Insurance (CAFII), the website explains how more than a dozen types of ...

Videos



02 GOAL

Become a **credible** online resource for relevant, accurate information on **creditor group insurance** within Canada.




02 VISION

Become the online authority for relevant, accurate information on **creditor group insurance products** within Canada.



03 Website Performance

Summary	07
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Summary

January 1 – August 31, 2018
January 1 – August 31, 2017

Total Sessions

11,610

↑ 195.87%
2017: 3,924

New Users

↑ 236%
2018: 8,868
2017: 2,634

Page Views

↑ 125%
2018: 27,580
2017: 12,250

Conversions

Contact Form (EN): 28
Contact Form (FR): 4

Phone Clicks: 22
Email Clicks: 9

Organic: 85%
Direct: 15%

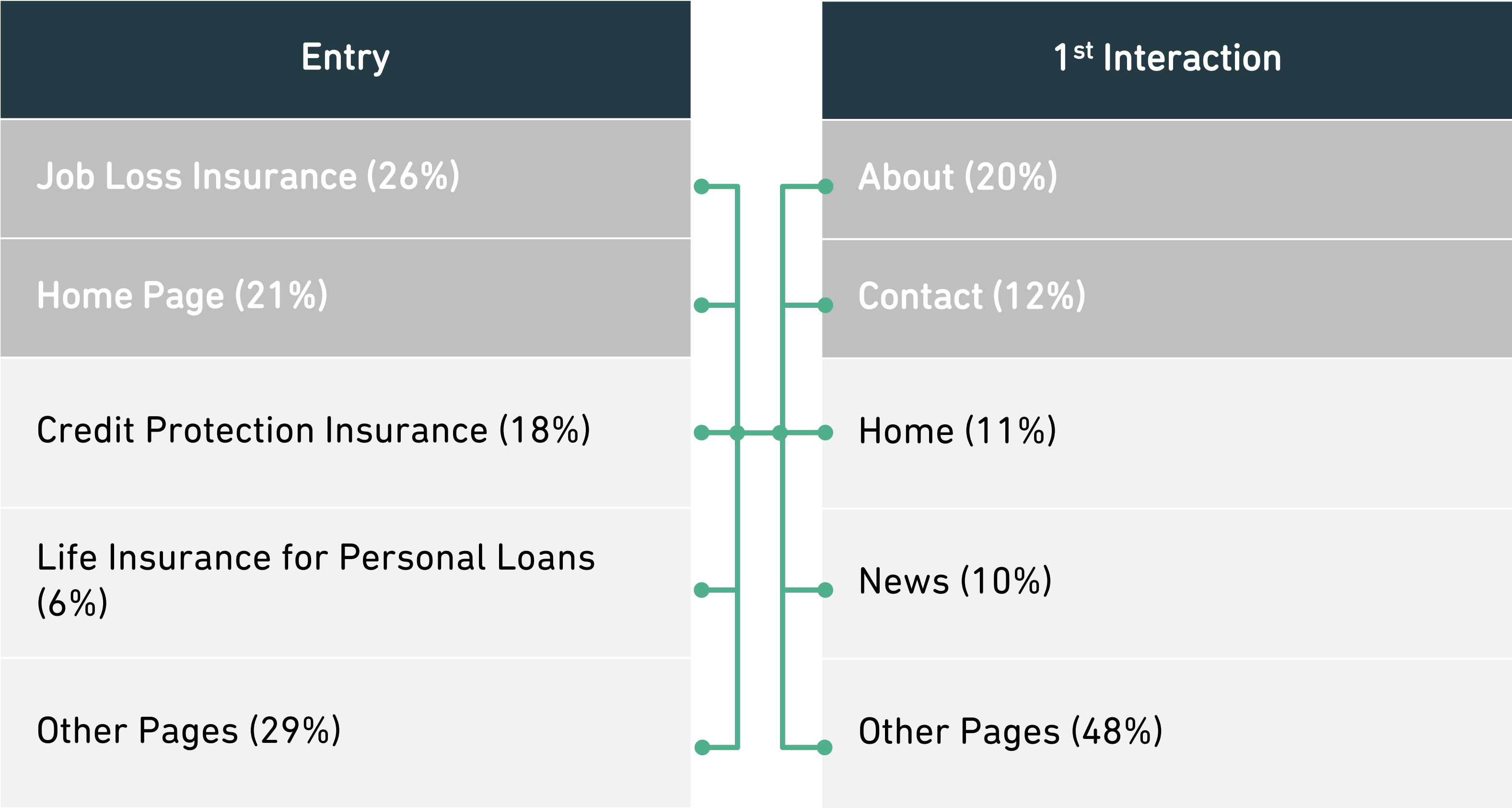
Behaviour

January 1 – August 31, 2018
January 1 – August 31, 2017

2017

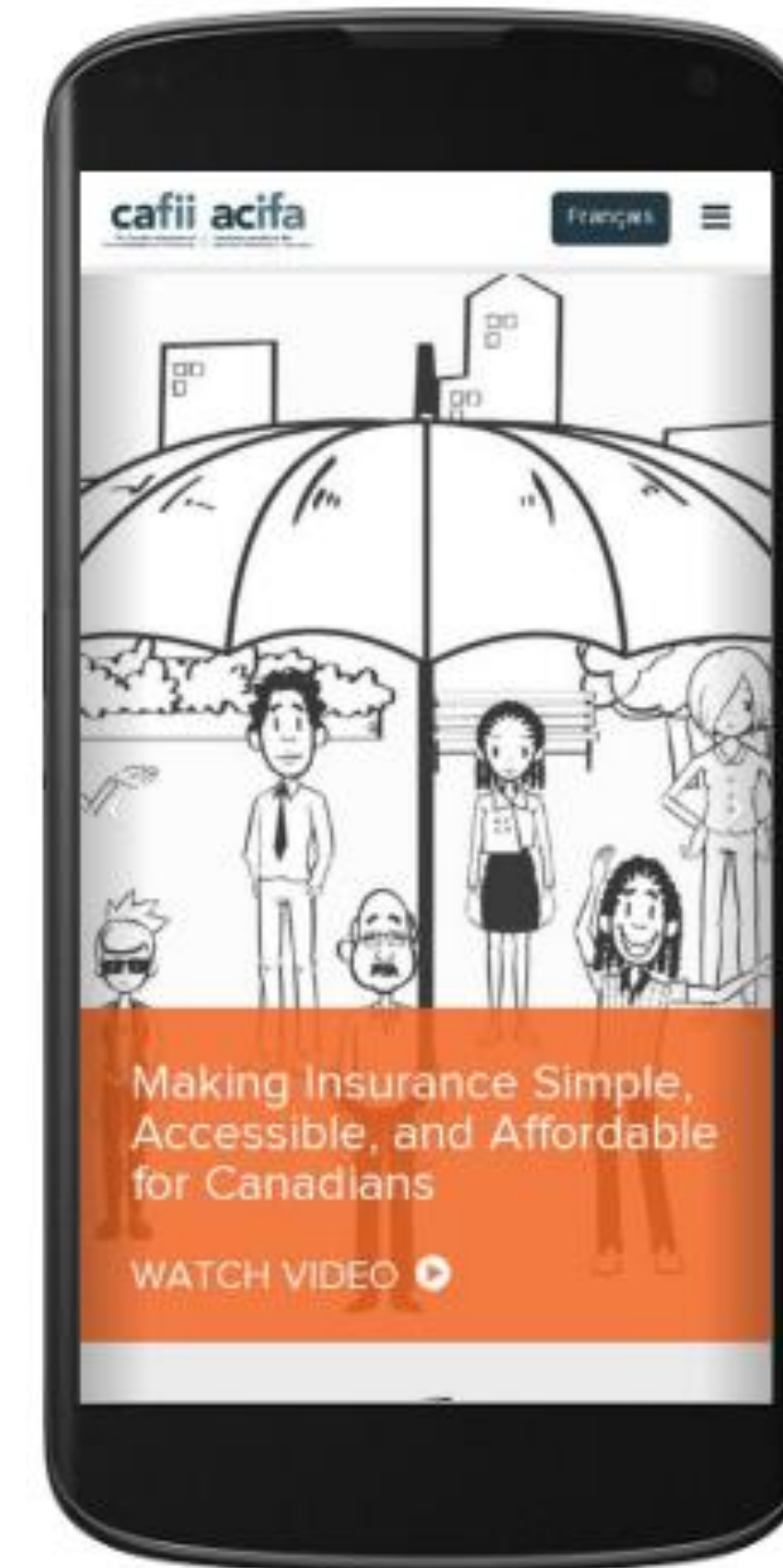
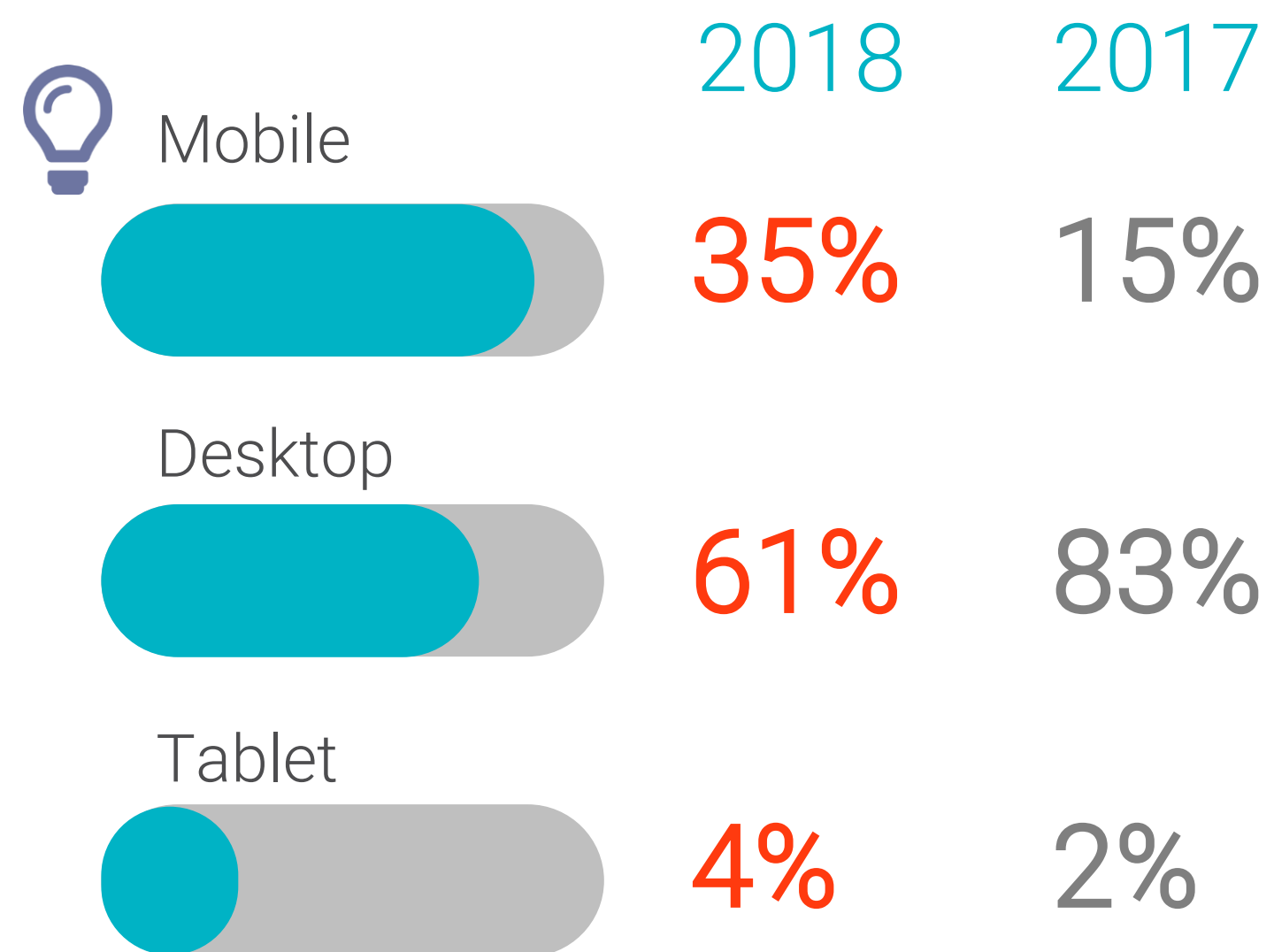
Home Page (100%)

2018



Traffic by Device

January 1 – August 31, 2018
January 1 – August 31, 2017



Google has officially started prioritizing mobile pages for rankings in search.

Insights & Next Steps

January 1 – August 31, 2018
January 1 – August 31, 2017

INSIGHTS

- Website content was updated to focus on consumer education.
- **79%** of website visitors now enter from an insurance product page.
- Brand introduction video is now ranking for branded searches.

NEXT STEPS


- Expand FAQ content
- Improve user experience by adding video to product pages.
- Add Wikipedia entry to enhance credibility.



CAFII Releases New Pollara Travel Medical Insurance Research

LEARN MORE 

04 Organic Performance

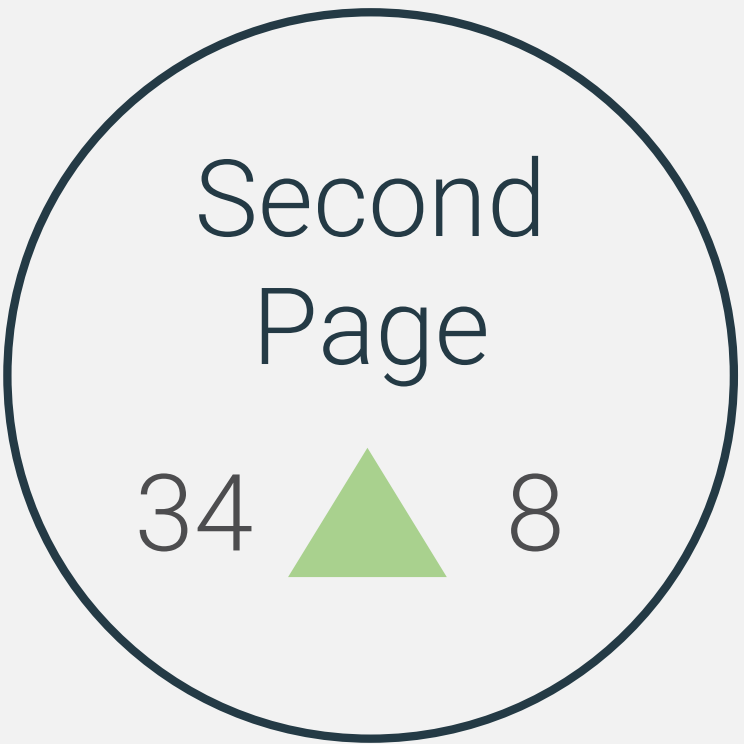
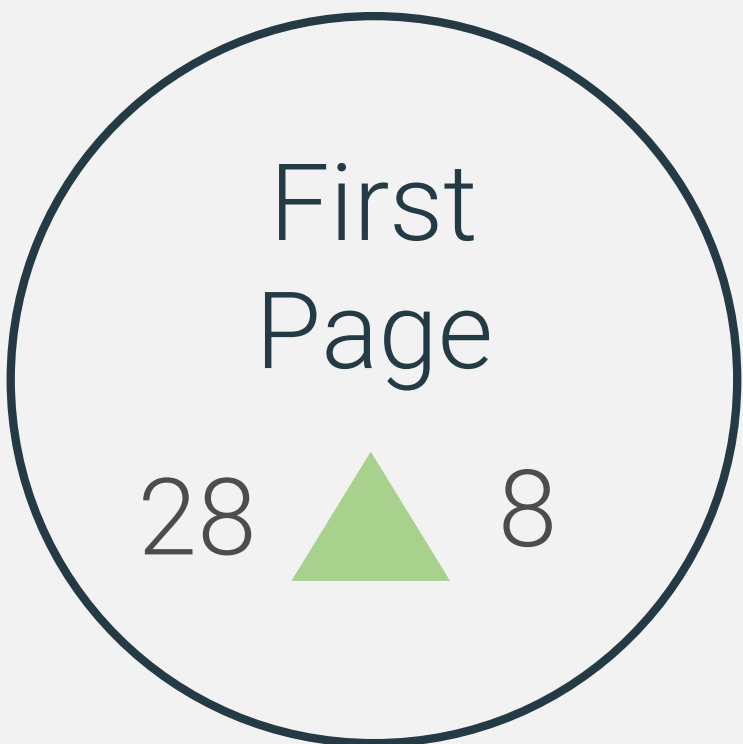
Keyword Rankings	12
Google My Business	13
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Keyword Rankings

January 1 – August 31, 2018
January 1 – August 31, 2017

89

Tracked
Keywords



6 ▲ 13 “job loss insurance for mortgage”

7 ▲ 21 “what is credit insurance premium”

8 ▲ 4 “mortgage disability insurance”

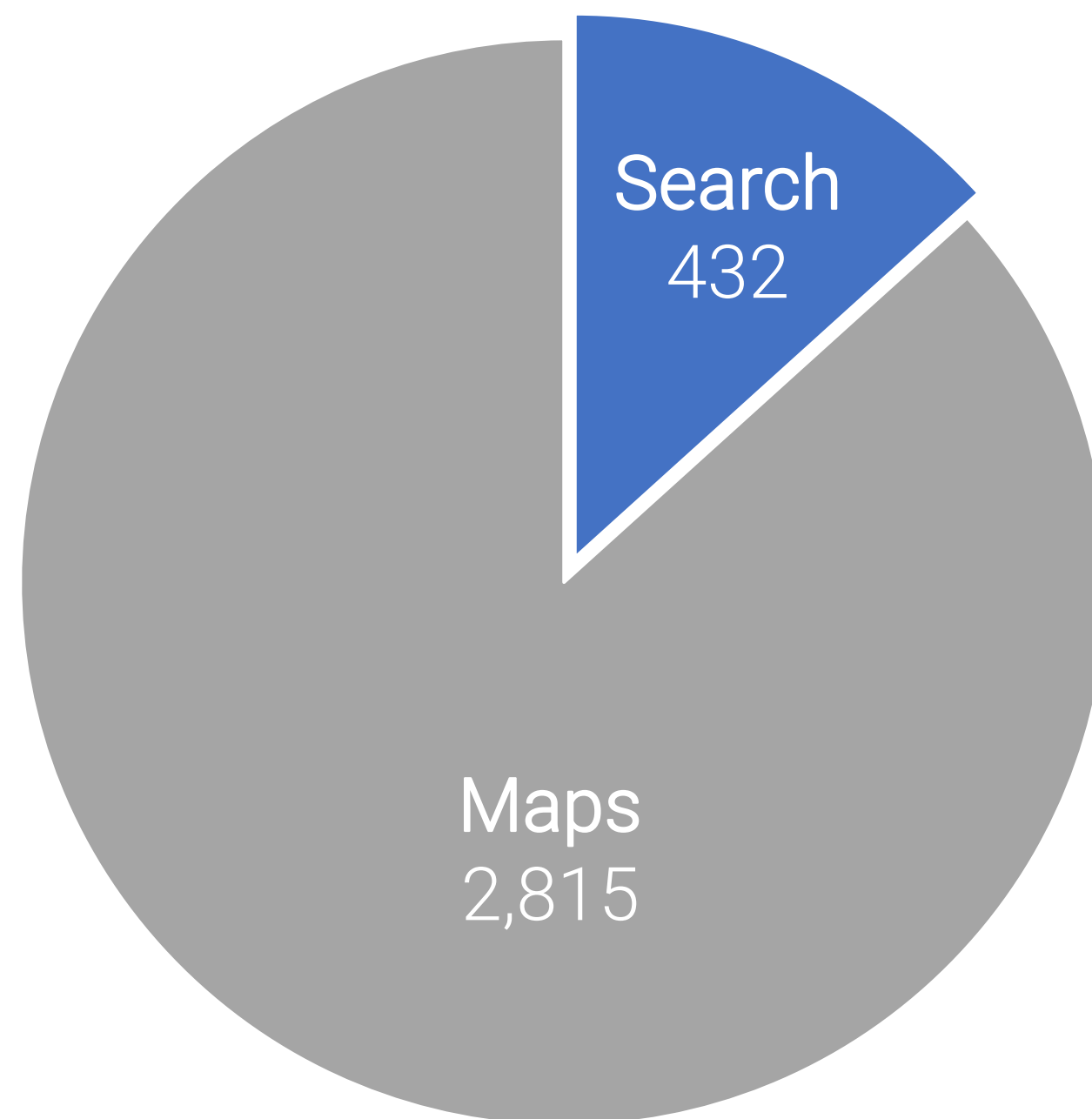
14 ▲ 37 “is credit card insurance worth it”

Google My Business

January 1 – August 31, 2018
January 1 – August 31, 2017

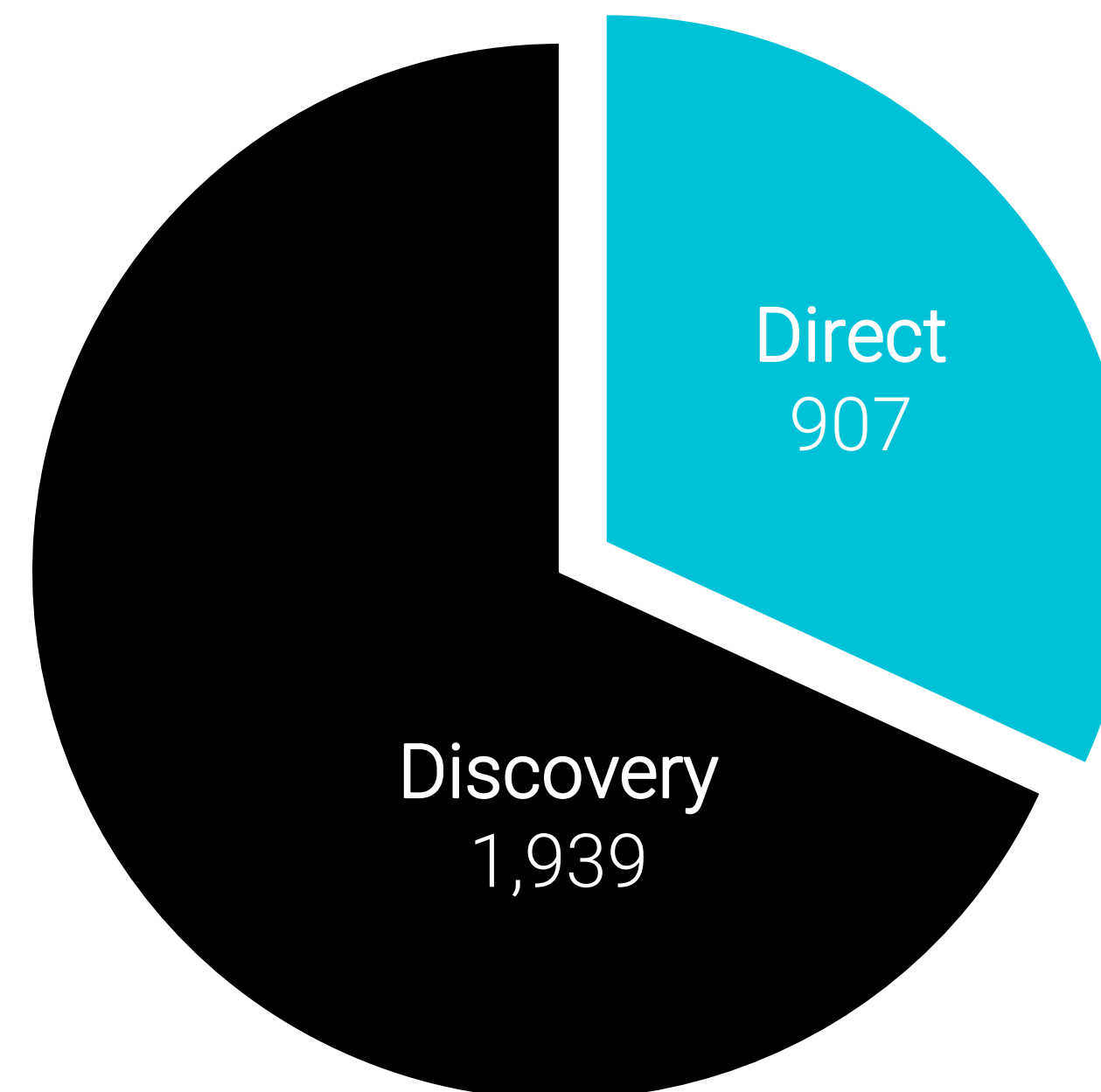
Impressions

3,427



Search

2,846



Actions

56



We Placed CAFII's Business Information on the Top 100 Directories

Insights & Next Steps

January 1 – August 31, 2018
January 1 – August 31, 2017

INSIGHTS

- **79%** of users enter the website from an insurance product information page.
- **32%** of users will navigate to the about or contact page once they have landed on the website.
- **68%** of Google My Business Search visibility was discovery.

NEXT STEPS

- Expand FAQ content
- Expand consumer examples
- Place CAFII introduction video on about CAFII page & contact page.



05 Thought Starters & Discussion

Insurance Product Videos



creditor group insurance|



The Pitfalls of Creditor Insurance

GPFG INC. • 191 views • 4 years ago

The pitfalls of creditor insurance.

Insurance Product Videos



1. Travel Insurance
2. Creditor Group Insurance
3. Job Loss Insurance
4. Mortgage Disability & Critical Illness Insurance
5. Life Insurance for Personal Loans
6. Disability Insurance for Loans
7. Credit Protection Insurance
8. Mortgage Disability Insurance
9. Payment Protection Insurance for Loans
10. Credit Card Insurance
11. Mortgage Life Insurance
12. Mortgage Critical Illness Insurance
13. Trip Cancellation & Interruption Insurance
14. Critical Illness Insurance for Loans
15. Travel Medical Insurance
16. Other Insurance

Membership Badge



Goal

1. Enhance CAFII Website Performance

Example Pages for Placement

1. Creditor-insurance page(s)
2. General resources page(s)
3. Helpful links page(s)
4. FAQ page

Subject: CAFII - Membership Badge

EOC Members:

As Co-Executive Directors, we are pleased to recommend a new and effective vehicle through which member companies can help elevate our Association's profile and cachet, while at the same time driving more traffic to our consumer-focused CAFII website by enhancing its competitive credibility and improving its display rankings when individuals search for information on insurance, particularly the products and services offered by our members.

RankHigher, our website and Search Engine Optimization advisory firm, has provided compelling evidence that one of the most effective ways for an organization to improve its internet search results is by having its website/organization "validated" by other, credible organizations.

The new and effective vehicle we are proposing would involve CAFII members discreetly placing a "membership badge" on a section of their corporate websites. Search engines look favourably on such links between websites, and this simple gesture will be of great help in building positive momentum for our Association.

The process would involve having your web-team upload the badge attached to this email to your site, using the instructions provided below. The goal is to allow the CAFII badge to be seamlessly integrated into your website, without intruding on your primary insurance product pages. As such, RankHigher recommends that the CAFII membership badge be placed on one of the following page types:

1. Creditor-insurance page(s)
2. General resources page(s)
3. Helpful links page(s)
4. FAQ page

We will be putting this recommendation on the agenda for discussion at the September 25/18 Executive Operations Committee meeting; and are providing this information, along with the associated instructions, as background information prior to that discussion.

Warm Regards,



Keith Martin
Co-Executive Director



Brendan Wycks
Co-Executive Director



INSTRUCTIONS FOR BADGE UPLOAD FOR WEB-TEAM:

Please have your web-team upload the badge to your site, using the following code:

``

Note: where the src in the img tag (/images/cafii_badge.png) is replaced with the path to the image on the corresponding site.