

**Date:** Tuesday, April 9, 2024  
**Chair:** P. Thompson  
**Host:** Assurant Canada

**Time:** 3:00 – 5:00 p.m. EST  
**Dial-In:** 173-243.2.68  
**Phone Conference ID:** 263 430 25463

**Location:** TD Tower; 66 Wellington St. West, Floor 9  
Algonquin Room, Toronto, Ontario

**Meeting Password:** XBhHfuHb298

**Virtual:** [Virtual Meeting Link](#)

**Dial-In (Audio Only):** [One-Click Connect](#)

| 1. Welcome, Call to Order, Meeting Confirmation, and Board Constitution Matters | 3:00 p.m. | Presenter   | Action | Document |
|---|-----------|-------------|--------|----------|
| a. Welcome and Call to Order  | 3:00 p.m. | P. Thompson |        |          |
| b. Land Acknowledgment  | 3:01 p.m. | P. Cosgrove |        |          |
| c. Welcome to New CAFII Director Konstance Allain (CIBC)                        | 3:03 p.m. | P. Thompson |        | ✓        |
| d. Declaration of Meeting Properly Called and Constituted                       | 3:07 p.m. | P. Thompson |        |          |
| e. Approval of Agenda   | 3:07 p.m. | P. Thompson |        |          |

| 2. Consent Items                                      | 3:08 p.m. | Presenter | Action | Document |
|---|-----------|-----------|--------|----------|
| a. Draft Minutes of December 5/23 CAFII Board Meeting |           |           |        | ✓        |
| b. Summary of Board and EOC Action Items              |           |           |        | ✓        |
| c. Consultations/Submissions Timetable                |           |           |        |          |
| d. Regulatory and Policy-Maker Visit Recap            |           |           |        |          |
| e. Committee Reports Addressing CAFII Priorities      |           |           |        | ✓        |

| 3. Governance Matters   | 3:08 p.m. | Presenter | Action | Document |
|---|-----------|-----------|--------|----------|
| a. Update on Implementation of Board-Approved “New CAFII Management Structure (Post-2023)”, Including Plans for Shanay Smith and Robyn Jennings to Meet All EOC Members Virtually | 3:08 p.m. | K. Martin | Update |          |
| b. CAFII Succession Plan  | 3:11 p.m. | K. Martin | Update |          |
| c. CAFII Policies and Procedures Demo   | 3:14 p.m. | S. Smith  | Update |          |

| 4. Financial Management   | 3:16 p.m. | Presenter   | Action                             | Document |
|---|-----------|-------------|------------------------------------|----------|
| a. Draft CAFII 2023 Audited Financial Statements and Independent Auditor’s Report Thereon | 3:16 p.m. | H. Lopez    | Update/<br>Discussion/<br>Approval | ✓        |
| b. Timelines for Membership Approval of CAFII 2023 Audited Financial Statements           | 3:26 p.m. | S. Smith    | Update                             | ✓        |
| c. CAFII 2024 Operating Budget  | 3:28 p.m. | K. Martin   | Approval                           | ✓        |
| d. CAFII Financial Statements as at February 29/24  | 3:32 p.m. | D. Hinnecke | Update/<br>Approval                | ✓        |
| e. Receipt of 2024 CAFII Member Dues Payments and Associate Dues Payments                 | 3:37 p.m. | S. Smith    | Update                             |          |

| 5. Strategic and Regulatory Matters  | 3:38 p.m. | Presenter                 | Action                | Document |
|--|-----------|---------------------------|-----------------------|----------|
| a. Key Items from Regulatory Updates   | 3:38 p.m. | R. Jennings               | Update                |          |
| b. CAFII 3-5 Year Strategic Plan Review – Options and Recommendations from the Executive Director                          | 3:42 p.m. | K. Martin/<br>P. Thompson | Update                |          |
| c. Board Support of DEI Working Group to Increase Member Engagement  | 3:45 p.m. | P. Thompson/<br>K. Martin | Update/<br>Discussion | ✓        |
| d. Update on Questionnaire on DEI Initiatives Among Members  | 3:48 p.m. | R. Jennings/<br>K. Martin | Update                |          |
| e. Updates on Request to AMF to Extend Deadline for Cancellation of Spousal Policies; and New AMF Organizational Structure | 3:52 p.m. | K. Martin                 | Update                | ✓ (4)    |
| f. CAFII’s Media Strategy – Options and Recommendations  | 3:56 p.m. | W. Bairos                 | Update/<br>Discussion | ✓ (2)    |
| g. March 19/24 Webinar on Results of the LIMRA Research with Regulators and Policy-Makers                                  | 4:02 p.m. | K. Martin                 | Update                | ✓ (2)    |
| h. March 20/24 Public Release of the CAFII 2023 Research Project with LIMRA on Insurance Amongst Canadian Homeowners       | 4:06 p.m. | K. Martin                 | Update                | ✓ (4)    |
| i. Plans for Annual Members Luncheon on May 28/24  | 4:12 p.m. | S. Smith                  | Update                |          |

|    |  |           |          |        |  |
|----|--|-----------|----------|--------|--|
| j. | Plans for Immediately Ensuing April 9/24 Reception Event with Melissa Carruthers, Partner at Deloitte as Guest Speaker | 4:21 p.m. | S. Smith | Update |  |
|----|--|-----------|----------|--------|--|

| 6. | Read Only Items  | 4:21 p.m. | Presenter | Action | Document |
|----|--|-----------|-----------|--------|----------|
| a. | Update on In-Person Meeting with Yves Ouellet on December 14/23  |           |           |        | ✓        |
| b. | AMF's Publication of the Regulation Respecting Complaint Processing and Dispute Resolution in the Financial Sector, with an In-Force Date of July 1/25 |           |           |        | ✓ (5)    |
| c. | Final Submission to FSRA on Vulnerable Populations   |           |           |        | ✓        |
| d. | Final Submission to FCNB on Rule INS-001   |           |           |        | ✓        |
| e. | Final Submission to FCAC on Insurance Complaints   |           |           |        | ✓        |
| f. | Final Submission to CCIR on Complaints   |           |           |        | ✓        |
| g. | Briefing Note on FSRA Exchange Event March 4/24  |           |           |        | ✓        |
| h. | Briefing Note on K. Martin's Meeting with M. Beaudoin February 27/24   |           |           |        | ✓        |
| i. | K. Martin Appointment as Executive Director Press Release  |           |           |        | ✓ (2)    |
| j. | Update on 2023 Website Achievements  |           |           |        | ✓        |
| k. | Board-Approved CAFII 2024 Schedule of Meetings and Events  |           |           |        | ✓        |
| l. | Plans for a Mental Health in the Workplace Webinar on April 25/24  |           |           |        | ✓        |

| 7. | In-Camera Session (Suggested Agenda Topics)                                       | 4:21 p.m. | Presenter                   | Action | Document |
|----|---|-----------|-----------------------------|--------|----------|
| a. | Request from Retiring Member to Participate in CAFII Committees – Need for Policy |           | R. Dobbins/<br>K. Kasperski |        |          |
| b. | Update on Vote on Operating Budget  |           | P. Thompson                 |        |          |
| c. | Update on Co-Executive Director Performance Review Process                        |           | R. Dobbins/<br>K. Kasperski |        |          |

**Next Board Meeting:** Tuesday, June 4, 2024, 2:30 to 5:00 p.m. EDT, followed by 5:30 to 7:30 p.m. Reception (Hybrid Meeting, Hosted by Securian Canada  
Location 120 Adelaide St W, Toronto, ON M5H 1S3 – Bourse Room

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 1(a)**

**Welcome, Call to Order, Meeting Confirmation, and Board Constitution Matters — Welcome and Call to Order**

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### **Purpose of this Agenda Item—Start of Meeting**

Formal start of meeting.

### **Background Information**

The meeting will be called to order by Board Chair Peter Thompson.

### **Recommendation / Direction Sought—Start of Meeting**

Start of meeting.

### **Attachments Included with this Agenda Item**

No attachments.

## **Briefing Note**

CAFII BOD Meeting 09 April 2024—Agenda Item 1(b)

Welcome, Call to Order, Meeting Confirmation, and Board Constitution Matters — Land Acknowledgment

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### **Purpose of this Agenda Item—Start of Meeting**

To acknowledge all traditional lands and territories.

### **Background Information**

CAFII Board Member Paul Cosgrove will deliver the land acknowledgment on behalf of Assurant, which is the host for this Board meeting.

### **Recommendation / Direction Sought—Start of Meeting**

No action required.

### **Attachments Included with this Agenda Item**

No attachments.



## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 1(c)**

**Welcome, Call to Order, Meeting Confirmation, and Board Constitution Matters — Welcome to New CAFII Director Konstance Allain (CIBC)**

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## **Purpose of this Agenda Item—Update/Start of Meeting**

Welcome to new Board member Konstance Allain (CIBC) who will briefly introduce herself.

## **Background Information**

CAFII Board Chair Peter Thompson will invite Konstance Allain of CIBC Insurance to introduce herself.

## **Recommendation / Direction Sought—Update/Start of Meeting**

Update only.

## **Attachments Included with this Agenda Item**

One (1) attachment.

## Konstance Allain AVP, Creditor Insurance

Konstance is currently **Associate Vice President, Creditor Insurance, CIBC**, providing leadership of all aspects of the Creditor Insurance business including product, acquisition and direct channel teams. Konstance's mandate is to drive greater value into CIBC Creditor Insurance protection product offering and to maintain and build on the delivery of consistent and quality protection conversations with CIBC clients.

Konstance is a seasoned insurance professional and has been with CIBC Insurance for over 21 years. She has held senior roles across CIBC Insurance including leadership within the product, strategy and risk teams within CIBC, CIBC Life Insurance Company, CIBC Insurance Agency and including Life & Health, Home & Auto, Travel & Creditor Insurance.

Prior to CIBC, Konstance worked in multiple insurance sectors including CIGNA Insurance Company and Aon Direct Group where she led various teams accountable for product, sales, marketing and relationship management. Konstance holds an Honours Bachelor of Business Administration from Brock University and is a Chartered Insurance Professional (CIP).

Outside of work Konstance fills her time with her family and friends and enjoys fundraising for the Canadian Cancer Society including CIBC Run for the Cure.



## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 1(d)**

**Welcome, Call to Order, Meeting Confirmation, and Board Constitution Matters — Declaration of Meeting Properly Called and Constituted**

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### **Purpose of this Agenda Item—Update/Start of Meeting**

To declare the meeting properly called and constituted.

### **Background Information**

The meeting will be called and constituted by CAFII Board Chair Peter Thompson.

### **Recommendation / Direction Sought—Update/Start of Meeting**

No action required.

### **Attachments Included with this Agenda Item**

No attachments.

## **Briefing Note**

CAFII BOD Meeting 09 April 2024—Agenda Item 1(e)

**Welcome, Call to Order, Meeting Confirmation, and Board Constitution Matters — Approval of Agenda**

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### **Purpose of this Agenda Item—Approval**

Approval of the agenda.

### **Background Information**

CAFII Board Chair Peter Thompson will ask the Board to approve the agenda for the April 9/24 Board of Directors meeting.

### **Recommendation / Direction Sought—Approval**

Board approval will be sought.

### **Attachments Included with this Agenda Item**

No attachments.

## **Summary of K. Martin's Meeting with AMF's President Yves Ouellet on December 14/24**

CAFII met with new AMF President and CEO Yves Ouellet from 3.30-4.30pm on 14 December, 2023 in Montreal. The AMF organized the meeting and offered to have an in-person and virtual element, but requested that the in-person session be small.

In attendance in-person from CAFII:

Board Chair Peter Thompson;

Board Vice-Chair Paul Cosgrove;

Co-Executive Director Keith Martin.

In attendance in-person from the AMF:

Yves Ouellet, President and CEO;

Éric Jacob, Executive Director, Enforcement and Superintendent, Client Services and Distribution Oversight (Interim).

In attendance virtually from CAFII:

Board member Louis Georgakis (Canada Life);

Board member Simon Hubert-Lacroix (Desjardins);

Board member Julie Gaudry (RBC Insurance);

EOC Chair Rob Dobbins (Assurant);

EOC Vice Chair Karyn Kasperski (RBC Insurance);

CAFII Operations Manager Shanay Smith;

CAFII Research Analyst Robyn Jennings.

In attendance virtually from the AMF:

Christian Beaulieu, Directeur principal des opérations d'encadrement de la distribution;

Mario Beaudoin, directeur des pratiques de distribution alternatives (DPDAA).

The meeting began with introductions, with both Yves Ouellet and Éric Jacob saying that they were pleased to meet with CAFII's Board members and that they felt that this sort of interaction was important. Peter Thompson made some opening comments, both in French and English, in which he emphasized how important it was to CAFII to have this sort of interaction and engagement with key regulators.

Keith Martin then made a short powerpoint presentation which included the following points:

- CAFII is a non-profit Association focused on credit protection insurance and travel insurance;

## **Briefing Note**

### **CAFII BOD Meeting 09 April 2024—Agenda Item 2(a-e) Consent Items**

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#### **Purpose of this Agenda Item—Information Only**

To provide documentation for the Board to review, which does not require updates, discussion, or decision-making.

#### **Background Information**

CAFII Board Chair Peter Thompson will present the following consent items, none of which require any discussion or decision:

- a. Draft Minutes of December 05/23 CAFII Board Meeting
- b. Summary of Board and EOC Action Items
- c. Consultations/Submissions Timetable
- d. Regulatory and Policy-Maker Visit Recap
- e. Committee Reports Addressing CAFII Priorities

In the Attachments section is a link to the Consultation/Submissions Timetable. Below are the new items added to this document since the previous Board meeting (December 5/23):

#### ***March 2024:***

**FCNB:** CAFII written submission to FCNB on ongoing/lingering concerns about Rule INS-001, and problems with FCNB licensing portal for obtaining an RIR licence—Submitted on March 6, 2024

**AMF:** CAFII submits letter to Véronique Martel, directrice de la surveillance des pratiques commerciales, on the issue of spousal policy coverage—submitted on March 6, 2024

**FSRA:** CAFII response submission to FSRA's consultation on Proposed Approach to Strengthening Protection of Vulnerable Consumers – Consultation (Deadline of March 8, 2024)-Submitted on March 8, 2024

#### ***January 2024:***

**FCAC:** Submission to FCAC on its consultation on the Proposed Guideline on CHPs for Trust and Loan Companies and Insurance Companies (Deadline of February 5, 2024)

**AMF:** CAFII submits RSM Canada report on attrition of spousal policies to AMF staff executives (January 8, 2024)

#### **Recommendation / Direction Sought—Information Only**

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Chair Peter Thompson will call for a Board resolution to approve the Draft Minutes of the December 05/23 CAFII Board Meeting (item 2(a)) and receive for the record Consent Items 2(b) through 2(e) via a single omnibus motion.

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### Attachments Included with this Agenda Item

Three (3) attachments.

**Link:** [CAFII April 9/24 BOD Meeting Google Drive Document Repository](#). This link includes documents for:

- Regulatory and Policy-Maker Visit Recap
- Consultations/Submissions Timetable

**BOARD MEETING**  
**CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE**  
**In-Person/Hybrid Meeting at Scotiabank in Toronto, Ontario**  
**Tuesday, December 5, 2023**  
**3:00 to 5:00 p.m. EDT**  
**Minutes**

**Board Members**

**Present In Person:**

|                   |   |
|-------------------|---|
| Peter Thompson    | National Bank Insurance and Chair       |
| Paul Cosgrove     | Assurant and Vice Chair                 |
| Rohit Thomas      | BMO Insurance                           |
| Louie Georgakis   | The Canada Life Assurance Company       |
| Konstance Allain  | CIBC Insurance (representing Ian Oncea) |
| Heather McLachlin | CUMIS/The Co-operators                  |
| Julie Gaudry      | RBC Insurance                           |
| Wayne Hewitt      | Scotia Insurance                        |
| Nigel Branker     | Securian Canada                         |
| Valerie Gillis    | TD Insurance                            |
| Louie Georgakis   | The Canada Life Assurance Company       |
| Nicole Benson     | Valeyo                                  |

**Virtually:**

|                      |                    |
|----------------------|--------------------|
| Adam Vespi           | Canadian Tire Bank |
| Simon Lacroix-Hubert | Desjardins         |
| Andrew Kugler        | Manulife Financial |

**Regrets:**

|             |  |
|-------------|--|
| Rahul Kakar | Chubb Life Insurance Company of Canada |
| Ian Oncea   | CIBC Insurance                         |

**Also Present:**

Brendan Wycks, *Co-Executive Director*  
Keith Martin, *Co-Executive Director*  
Rob Dobbins, *Secretary*  
Karyn Kasperski, *Vice-Secretary*  
Donald Hinnecke, *Treasurer*  
Robyn Jennings, *Research Analyst*  
Shanay Smith, *Operations Manager*  
Troy Woodland, *Association Administrator*



## **Item 1: Welcome, Call to Order, Meeting Confirmation, and Board Construction Matters**

### **Item 1(a): Welcome and Call to Order**

CAFII Board Chair Peter Thompson welcomed all to this meeting of the CAFII Board of Directors, which was hosted by Scotiabank in Toronto, Ontario, as well as virtually on the Microsoft Teams platform, and called the meeting to order at 3:05 p.m. CAFII's Research Analyst, Robyn Jennings, acted as Recording Secretary.

### **Item 1(b): Land Acknowledgement**

CAFII Board Member Wayne Hewitt shared a land Acknowledgement for the meeting.

### **Item 1(c): Welcome to New CAFII Director: Andrew Kugler, Manulife**

CAFII Board Chair Peter Thompson welcomed CAFII's New Director, Andrew Kugler (Manulife), who joined virtually. A. Kugler was officially voted onto CAFII's Board of Directors by electronic vote on November 9/2023. A. Kugler made some brief introductory comments.

### **Item 1(d): Declaration of Meeting Properly Called and Constituted**

Board Secretary Rob Dobbins confirmed that there was a quorum of Board members present for the meeting; and that the meeting had been properly called and constituted.

### **Item 1(e): Approval of Agenda**

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that the meeting Agenda be and is approved.*

## **Item 2: Consent Items**

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that the Consent Agenda items itemized below be and are approved or received for the record, as indicated in the Action column in the Consent section of the agenda.*

- a. Draft Minutes, October 10, 2023, CAFII Board Meeting
- b. Summary of Board and EOC Action Items
- c. October 2023 and November 2023 Regulatory Updates
- d. Consultations/Submissions Timetable
- e. Regulator and Policy-Maker Visit Plan Recap
- f. Committee Reports Addressing CAFII Priorities
- g. Board-Approved CAFII 2024 Schedule of Meetings and Events

*Further, **IT WAS RESOLVED** that the minutes of the meeting of the CAFII Board of Directors held October 10, 2023, be and are adopted in the form presented and that copies of those minutes be signed and placed in the minute book of the Corporation.*

## **Item 3: Governance Matters**

### **Item 3(a): CAFII-Relevant News from Securian Canada**

CAFII Board Member Nigel Branker shared Securian Canada's decision to reintegrate Valeyo under the Securian Canada banner. N. Branker will remain Securian Canada's CAFII Board representative, but Nicole Benson, who

represented Valeyo, will be stepping down as a CAFII Board Member. This is N. Benson's final meeting with CAFII, and Peter Thompson thanked her for her service as a Board member and as a former Board Chair.

**Item 3(b): Implementation of Board-Approved "New CAFII Management Structure (Post-2023)"**

CAFII Co-Executive Director Keith Martin updated the Board on CAFII's new management structure, which included a significant overlap between the new hires and Co-Executive Director Brendan Wycks' retirement. To adequately prepare for B. Wycks' departure, Operations Manager Shanay Smith has created a Policies and Procedures manual, which will aid in the transfer of knowledge from B. Wycks to the rest of the team. The Manual will act as a permanent repository for the documentation of all CAFII deliverables, processes, documents, and records.

**Item 4: Financial Management**

**Item 4(a): CAFII Financial Statements as at October 31/23**

CAFII Treasurer Donald Hinnecke provided an overview of the Association's financial statements as at October 31/23, noting that the Association's finances were in a strong position, with additional revenues over the budget due to a new member joining, and expenses being managed effectively.

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that the CAFII financial statements as at October 31/23 be and are approved.*

**Item 4(b): Forecast for CAFII 2023 Fiscal Year as at October 31/23**

CAFII Treasurer Donald Hinnecke provided an update on the forecast for CAFII's 2023 fiscal year, noting that revenue was ahead of expectations due to higher investment income and an additional member. Overall, while there are still outstanding expenses accruing, CAFII is well positioned for ending 2024 with a lower than budgeted deficit.

**Item 4(c): Proposed 2024 Operating Budget<sup>1</sup> (may be assigned to In Camera Session, following initial discussion, if desired by Board)**

CAFII Treasurer Donald Hinnecke and Co-Executive Director Keith Martin provided an overview of CAFII's Proposed 2024 Operating Budget, noting that CAFII will continue with the implementation of the Board-Approved Strategic Plan. While CAFII's Proposed 2024 Budget has taken a conservative approach to spending, there is a one-time 40k new spend recommended in 2024 to rebuild CAFII's website's backend. The proposed budget does not plan for a major regulatory tour in 2024, but there is a provision for some visits to Quebec to meet with the AMF. The operating budget recommendation includes provisions for a research initiative in 2024, for investments to the CAFII website, and a \$30K provision for legal fees in the event that such an expenditure is necessary.

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<sup>1</sup> Plan/expectation is that Proposed 2024 Operating Budget will be discussed in open portion of this Board meeting; further discussed in In Camera Session of this meeting, if desired by the Board; and then approved in January 2024 via either an Electronic Vote of the Board, Outside of a Board Meeting or a Special Purpose Board Meeting.

## **Item 5: Strategic and Regulatory Matters**

### **Item 5(a): CAFII Implications of Éric Jacob's Transition into AMF Head of Enforcement Role and Departure as Superintendent, Client Services and Distribution Oversight**

Co-Executive Director Keith Martin reported that, although it is unfortunate for CAFII that Éric Jacobs will no longer be AMF's Superintendent, it is important that CAFII maintain its strong working relationship with his replacement and, more generally, with the AMF. Furthermore, É. Jacob communicated to Peter Thompson and Keith Martin that, though his role will be different, he will remain accessible within the AMF.

### **Item 5(b): Insights Gained from November 24/23 Quarterly Virtual Liaison Meeting Between CAFII Board Chair P. Thompson and AMF Superintendent É. Jacob**

CAFII Board Chair Peter Thompson reported that the virtual meeting between himself and the AMF's Superintendent Clients Services and Distribution Oversight Éric Jacobs went well. He reassured P. Thompson that, concerning Credit Card Embedded Insurance, the verbal agreement established between CAFII and É. Jacobs will be honoured, regardless of E. Jacob's new position within the AMF—that agreement, he stated, was not with Mr. Jacobs but rather with the AMF. Furthermore, P. Thompson expressed his confidence that if CAFII can provide the AMF with a report on the attrition of spousal policies, É. Jacobs will remain a vocal ally for CAFII on this topic. É. Jacobs communicated that Christian Beaulieu would play an important role after Mr. Jacob left his current role and that he was a solution-finder and collaborative.

### **Item 5(c): Plans for December 14/23 Hybrid Get Acquainted and Dialogue Meeting with AMF's New CEO Yves Ouellet**

Co-Executive Director Keith Martin informed the Board that Yves Ouellet, the AMF's new CEO, and CAFII will hold a hybrid get-acquaintance and dialogue meeting on December 14/23. CAFII Chair Peter Thompson, Vice Chair Paul Cosgrove, and K. Martin will attend in person, and Mr. Martin will present on CAFII's priorities and key messages.

### **Item 5(d): Insights Gained from Recent CAFII Insurance Regulator and Policy-Maker Tour Visits:**

- i. Meeting with Nova Scotia Superintendent of Insurance and Staff Members, October 18/23**
- ii. Meeting with Newfoundland and Labrador Superintendent of Insurance and Staff Members, October 19/23**

Co-Executive Directors Keith Martin and Brendan Wycks reported how appreciative both the Nova Scotia and Newfoundland and Labrador Superintendents of Insurance and staff were of the meetings and information sharing with them during the Atlantic portion of the Regulatory and Policy-Maker Tour. Both superintendents were open to participating in a webinar with CAFII in 2024.

### **Item 5(e): Update on November 29/23 Special-Purpose EOC and Quebec/AMF Issues Committee Meeting on the RSM Canada Study on Attrition of Spousal Insurance Policies in Quebec**

- i. Possible Release of RSM Canada Study on Attrition of Spousal Insurance Policies in Quebec to the AMF**

Co-Executive Director Keith Martin was joined by RSM Canada partner Fabricio Naranjo, and staff lead Jamie Wong to update the Board on the Study on Attrition of Spousal Insurance Policies in Quebec. The goal completion date for the final version of the study is the end of December 2023 or the first week of January 2024.

From Dec. 31, 2019, to Dec. 31, 2023, the report found an average attrition rate of 9.8% annually and projects that attrition rate or higher will continue moving forward to the end of Dec. 31, 2029, and beyond. At the end of 2024, the report projects that 41% or 367,332 of the number of policies in force at the beginning of 2020 will have been eliminated. At the end of 2029, approximately 579,224 spousal policies are projected to be eliminated, representing 65% of the 2020 figures. CAFII will suggest to the AMF that these figures show that the natural attrition strategy is working and will continuously reduce the number of policies over time. In the discussion, it was suggested that the comment that spousal policies are free to be removed, and instead, the report simply says that removing the policy from a spouse will not result in a reduction of premium.

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that CAFII moving ahead with the RMS Canada Study, as well as RMS Canada participating in a presentation to the AMF, be and is approved.*

**Item 5(f): Next Steps in Completed CAFII 2023 Research Project with LIMRA on CPI's Accessibility to and Utility for Canadian Consumer Segments**

This item was not discussed due to time constraints.

**Item 5(g): Introduction of CAFII's New Media Consultant, Wendy Bairos**

Co-Executive Director Keith Martin introduced CAFII's new Media Consultant, Wendy Bairos, who then provided a brief overview of her vision for CAFII's media and communications strategy.

**Item 5(h): Plans for December 5/23, 5:30 to 7:30 p.m. CAFII Year-End/Holiday Season Reception, Immediately Following This Board Meeting**

CAFII Operations Manager Shanay Smith briefly reminded the Board of CAFII's Holiday Reception Party occurring immediately following the Board Meeting.

**Item 6: Meeting Termination**

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that this meeting of the CAFII Board of Directors be terminated at 4:35 p.m.*

| #  | Source                 | Action Item   | Owner                     | Deadline  | Status as at April 2/24 |
|--|------------------------|---|---------------------------|-----------|-------------------------|
| <b>Association Strategy, Governance and Financial Management</b> |                        |   |                           |           |                         |
| 1  | BOD<br>June 9/20       | Revisit the launch of the CAFII Working Group on A Proposed Lower Dues Category Of CAFII Membership once the economic environment stabilizes, via a first meeting and a draft Terms of Reference for this Working Group.  | K. Martin                 | 31-Dec-23 | In Progress             |
| 2  | EOC<br>May 29/18       | Develop a summary job description for the CAFII EOC Chair role and circulate it to EOC Members.   | B. Wycks/<br>K. Martin    | 31-Dec-23 | In Progress             |
| 3  | EOC<br>February 27/18  | Document in writing the process for reviewing, approving, and admitting applicants for CAFII Members and Associate status   | S. Smith                  | 31-Dec-23 | Completed               |
| 4  | EOC<br>November 14/23  | Create a revised Critical Path for Development of the 2024 CAFII Operating Budget to present at the next EOC meeting (November 14/23) for review and approval   | B. Wycks                  | 10-Nov-23 | Completed               |
| <b>Regulatory Initiatives</b>                                    |                        |   |                           |           |                         |
| 5  | BOD<br>December 6/22   | Maintain ongoing dialogue with AMF Superintendent Eric Jacob and keep CAFII management and EOC Chair and Vice-Chair informed of any developments re resolving impasse issue re RADM's applicability to credit card-embedded insurance benefits and any other CAFII Member-relevant issues | P. Thompson               | Ongoing   | Ongoing                 |
| 6  | EOC<br>September 19/23 | Make a CAFII request of the AMF, through Superintendent Eric Jacob, that any existing Spousal Insurance policies be run-off through natural attrition over an indefinite period of time. If this is not accepted, the request of another deadline extension should be made instead.       | P. Thompson               | 31-Dec-23 | In Progress             |
| 7  | EOC<br>November 14/23  | Present Insights Gained from In-Person CAFII 2023 Atlantic Canada Insurance Regulators and Policy-Makers Visits Tour: Phase 1 (PEI and New Brunswick) and Phase 2 (Nova Scotia and Newfoundland). [R. Jennings and K. Martin; November 10, 2023].   | K. Martin/<br>R. Jennings | 10-Nov-23 | Completed               |
| <b>Association Operations</b>                                    |                        |   |                           |           |                         |
| 8  | EOC<br>May 17/22       | Regularly scan website videos to ensure that they are up-to-date and don't include broken links   | K. Martin/<br>S. Smith    | Ongoing   | Ongoing                 |
| 9  | EOC<br>September 19/23 | Distribute the Survey of CAFII Member Companies on Distribution Methods of CPI Fulfilment Packages [EOC members; September 22, 2023].   | B. Wycks/<br>K. Martin    | 24-Oct-23 | Completed               |

## **Committee Reports Addressing CAFII Priorities as at April 2, 2024**

### **Diversity, Equity, Inclusion Working Group (Chair: Tejal Harri-Morar)**

The Working Group has significantly expanded its membership in recent months. The priorities of the Working Group are:

- To assemble information and knowledge about the DEI activities of CAFII's membership;
- To assemble a repository of documents from other organizations around best practices in DEI;
- To provide a forum for Working Group members to share insights about DEI initiatives and experiences;
- To develop and circulate a questionnaire to CAFII members to learn about what members are currently focused on around DEI.

### **Market Conduct & Licensing Committee (Chair: Brad Kuiper; Vice-Chair: Fay Coleman)**

Since the last Board meeting, the Committee has overseen the following regulatory submissions:

- **FCNB:** CAFII written submission to FCNB on ongoing/lingering concerns about Rule INS-001, and problems with FCNB licensing portal for obtaining an RIR licence—Submitted on March 6, 2024;
- **AMF:** CAFII submits letter to Véronique Martel, directrice de la surveillance des pratiques commerciales, on the issue of spousal policy coverage—submitted on March 6, 2024;
- **FSRA:** CAFII response submission to FSRA's consultation on Proposed Approach to Strengthening Protection of Vulnerable Consumers – Consultation (Deadline of March 8, 2024)-Submitted on March 8, 2024;
- **FCAC:** Submission to FCAC on its consultation on the Proposed Guideline on CHPs for Trust and Loan Companies and Insurance Companies (Deadline of February 5, 2024);
- **AMF:** CAFII submits RSM Canada report on attrition of spousal policies to AMF staff executives (January 8, 2024);

### **Media Advocacy Committee (Chair: Jacqlyn Marcus)**

The Media Advocacy Committee has been focused on supporting the media strategy for the release of the LIMRA research on homeowners and insurance coverage. A webinar on the research was held on March 19, 2024 and the research was publicly released and posted on CAFII's website on March 20, 2024. There was a newswire news release about the research with the following trade press pickup:

1. **Assurance:** [La plupart des propriétaires canadiens ne sont pas suffisamment assurés](#)
2. **Insurance Portal:** [Most Canadian homeowners do not carry sufficient coverage](#)
3. **Insurance Business Magazine:** [CAFII study shines light on 'concerning trend' among homeowners.](#)

The Committee has also been supporting investments in the CAFII website, including the intention to get quotes through an RFP for investments in the front end of the website, as CAFII has decided not to continue with Operatic Agency as its website provider; and the rebuilding of the backend of the website.

Media Consultant Wendy Bairos has worked with the Committee to develop strong content on LinkedIn, and to develop some options around media strategy for presentation to the EOC and Board.

### **Networking & Events Committee (Chair: Carmelina Manno; Vice-Chair: Marco DeiCont)**

Since early December, the Networking & Events Committee has been engaged in planning and delivering the following CAFII events:

- Assisting CAFII staff in the identification of an appropriate speaker/panelists for the 2024 Annual Members and Associates Luncheon that will take place on May 28/24;
- A presentation at the reception following the Board meeting on April 9/24 by Deloitte partners Melissa Carruthers and Azadeh Dehghanpour;
- A presentation at the reception following the Board meeting by Keegan Iles, partner at PWC;
- A February 1/24 webinar on Artificial Intelligence, Technology, and the Impact of Life and Health Insurance in Canada with guest speaker Amber Mac, who is an expert in this field;
- A March 19/24 webinar on Results of the LIMRA Research with Regulators and Policy-Makers, with guest presenter Justeena Zaki-Azat from LIMRA's research team; and
- An upcoming April 25/24 Webinar on Mental Health Issues in the Workplace, with guest speakers Jeff Scott, BMO; Jennifer Heaslip, Canada Life; Paula Allen, Telus Health.

**Quebec/AMF Issues Committee (Chair: Jennifer Russell; Vice-Chair: Jason Beauchamp)**

Since the CAFII Board's last meeting on December 5/23, the Quebec/AMF Issues Committee has been focusing mainly on the attrition of spousal insurance policies in Quebec issue, with efforts to get the AMF to agree to extending the deadline for cancellation of these coverages. The Committee has also been monitoring the publication of the AMF Regulation respecting complaint processing and dispute resolution.

**Research & Education Committee (Chair: Andrea Stuska; Vice-Chair: Michelle Costello)**

The Research & Education Committee has been actively involved in the various strategies around the release of the LIMRA study on *Credit Protection Insurance's Accessibility to and Utility for Canadian Consumer Segments*. The research has been shared with regulators and policy-makers in a March 19, 2024 webinar at which 29 regulators and policy-makers attended; and has been publicly released and posted on CAFII's website. The Committee is now turning to what it will recommend that CAFII focus on for 2024 research.

**Travel Insurance Experts Committee (Chair: Katia Umutoniwase)**

The Travel Insurance Experts Committee has not met since the December 5, 2023 Board meeting.



## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 3(a)**

**Governance Matters - Update on Implementation of Board-Approved “New CAFII Management Structure (Post-2023)”, Including Plans for Shanay Smith and Robyn Jennings to Meet All EOC Members Virtually**

---

### **Purpose of this Agenda Item—Update**

To provide an update to the Board on the implementation of the Board-Approved “New CAFII Management Structure (Post-2023),” including the plans for Shanay Smith and Robyn Jennings to meet all EOC members virtually.

### **Background Information**

CAFII Operations Manager Shanay Smith will update the Board on the progress of the implementation of the Board-Approved “New CAFII Management Structure (Post-2023),” including the 2024 plans for Shanay Smith and Robyn Jennings to meet all EOC members virtually. S. Smith and R. Jennings will be setting up meetings with each EOC member independently to both raise their profiles within the EOC and gather EOC feedback on CAFII.

### **Recommendation / Direction Sought—Update**

This is an update item.

### **Attachments Included with this Agenda Item**

No attachments.

## **Briefing Note**

### **CAFII BOD Meeting 09 April 2024—Agenda Item 3(b) Governance Matters – CAFII Succession Plan**

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#### **Purpose of this Agenda Item—Update**

To provide an update to the Board on CAFII's succession plan.

#### **Background Information**

CAFII Executive Director Keith Martin will provide an update to the Board on CAFII's succession plan.

#### **Recommendation / Direction Sought—Update**

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This is an update item.

#### **Attachments Included with this Agenda Item**

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No attachments.

## **Briefing Note**

### **CAFII BOD Meeting 09 April 2024—Agenda Item 3(c) Governance Matters – CAFII Policies and Procedures Demonstration**

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#### **Purpose of this Agenda Item—Update**

To provide an update to the Board on CAFII's Policies and Procedures Manual.

#### **Background Information**

CAFII Operations Manager Shanay Smith will present CAFII's Policies and Procedures Manual to the Board. Initiated in late 2023, the P&P Manual was created to act as a repository for all things CAFII-related, including but not limited to CAFII's policies and their timelines, deadlines, procedures (step-by-step), internal documents, etc. S. Smith worked with Brendan Wycks (while he was still Co-Executive Director) and continues to work with Keith Martin to capture all CAFII's processes and procedures.

#### **Recommendation / Direction Sought—Update**

This is an update item.

#### **Attachments Included with this Agenda Item**

No attachments.

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 4(a)**

**Financial Management – Draft CAFII 2023 Audit Financial Statements and Independent Auditor's Report**

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### **Purpose of this Agenda Item—Update/Discussion/Approval**

To provide an update to the Board on the draft of CAFII's 2023 Audit Financial Statements and the independent auditor's report.

### **Background Information**

CAFII partner at CAFII auditor KPMG Huston Lopez will provide an update to the Board on the status of CAFII's draft 2023 audit of financial statements as well as the independent auditor's report.

### **Recommendation / Direction Sought—Update/Discussion/Approval**

This is an update item with the opportunity for discussion and a request for approval.

### **Attachments Included with this Agenda Item**

One (1) attachment.

Financial Statements of

**CANADIAN ASSOCIATION OF  
FINANCIAL INSTITUTIONS IN  
INSURANCE**

And Independent Auditors' Report thereon

Year ended December 31, 2023

# CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

## **DRAFT** Statement of Financial Position

December 31, 2023, with comparative information for 2022

|                         | 2023         | 2022         |
|-------------------------|--------------|--------------|
|                         | General Fund | General Fund |
| <b>Assets</b>           |              |              |
| Current assets:         |              |              |
| Cash                    | \$243,378    | \$741,352    |
| Short-term investments  | 404,603      | -            |
| Accounts receivable     | 1,594        | -            |
| Other receivables       | 709          | -            |
| Prepaid expense         | 5,780        | 6,398        |
|                         | \$656,064    | \$747,750    |
| Capital assets (note 4) | 7,643        | 2,148        |
|                         | \$663,707    | \$749,898    |

## Liabilities and Fund Balances

|  |           |           |
|--|-----------|-----------|
| Current liabilities:                     |           |           |
| Accounts payable and accrued liabilities | \$62,590  | \$80,623  |
| Fund balances (note 2)                   | 601,117   | 669,275   |
|  | \$663,707 | \$749,898 |

The accompanying notes are an integral part of the financial statements.

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

# CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

## **DRAFT** Statement of Operations and Changes in Fund Balances

Year ended December 31, 2023, with comparative information for 2022

|  | 2023             | 2022             |                 |
|--|------------------|------------------|-----------------|
|  | General Fund     | General Fund     | Restricted Fund |
| Revenue:                                     |                  |                  |                 |
| Membership dues                              | \$953,098        | \$991,653        | -               |
| Interest Revenue                             | 23,278           | 2,579            | -               |
| Miscellaneous Revenue                        | 380              | 360              | -               |
|  | <u>976,756</u>   | <u>994,592</u>   | -               |
| Expenses:                                    |                  |                  |                 |
| Association operating                        | 761,961          | 605,680          | -               |
| Research and education committee             | 152,427          | 140,826          | -               |
| Market conduct committee                     | 36,385           | 9,206            | -               |
| Networking and events committee              | 56,062           | 45,760           | -               |
| Media and advocacy strategy committee        | 38,079           | 41,896           | -               |
|  | <u>1,044,914</u> | <u>843,368</u>   | -               |
| (Deficiency)/excess of revenue over expenses | (68,158)         | 151,224          | -               |
| Fund balances, beginning of year (note 2)    | 669,275          | 505,900          | 12,151          |
| Inter-fund transfers                         | -                | 12,151           | (12,151)        |
| Fund balances, end of year                   | <u>\$601,117</u> | <u>\$669,275</u> | -               |

The accompanying notes are an integral part of the financial statements.

# CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

## **DRAFT** Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

|   | 2023         | 2022         |                 |
|---|--------------|--------------|-----------------|
|   | General Fund | General Fund | Restricted Fund |
| Cash (used in)/provided by:                     |              |              |                 |
| Operating activities:                           |              |              |                 |
| (Deficiency)/Excess of expenses over revenue    | (68,158)     | \$151,224    | -               |
| Amortization of capital assets                  | 1,507        | 716          | -               |
| Change in non-cash operating working capital    | (19,718)     | (5,544)      | -               |
| Cash (used in)/provided by operating activities | (86,369)     | 146,396      | -               |
| Investing activities:                           |              |              |                 |
| Purchase of capital assets                      | (7,002)      | -            | -               |
| Short-term investments, net                     | (404,603)    | -            | -               |
| Cash used in investing activities               | (411,605)    | -            | -               |
| Financing activities:                           |              |              |                 |
| Inter-fund transfers                            | -            | 12,151       | (12,151)        |
| (Decrease)/increase in cash                     | (497,974)    | 158,547      | (12,151)        |
| Cash, beginning of year                         | 741,352      | 582,805      | 12,151          |
| Cash, end of year                               | \$243,378    | \$741,352    | -               |

The accompanying notes are an integral part of the financial statements.



# CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

## **DRAFT** Notes to Financial Statements

Year ended December 31, 2023

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The Canadian Association of Financial Institutions in Insurance ("CAFII") is a not-for-profit association incorporated under the Canada Not-for-profit Corporations Act on August 25, 2014. CAFII was originally incorporated under the Canada Corporations Act on October 29, 1997 and commenced operations on January 1, 1998. CAFII was established to provide an industry-based forum to represent a range of financial institutions in insurance in Canada and to work in partnership with regulators to create an efficient and effective regulatory framework that provides consumer choice in the purchase of insurance products and services. CAFII's members provide life, property and casualty, travel and credit insurance, reinsurance and other products and services through a wide variety of distribution systems. CAFII is exempt from income taxes under paragraph 149(1)(l) of the Income Tax Act (Canada).

### **1. Significant accounting policies:**

#### (a) General:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants of Canada Handbook.

#### (b) Revenue recognition:

CAFII derives its revenue primarily through membership dues. Dues are recognized as revenue in the membership period (January 1, 2023 to December 31, 2023) to which they relate.

#### (c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and deposits which are highly liquid with original maturities of less than three months.

#### (d) Short-term investments:

Short-term investments represent interest-bearing guaranteed investment certificates issued and guaranteed by a Canadian bank, with a duration of twelve months or less.

# CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

## **DRAFT** Notes to Financial Statements (continued)

Year ended December 31, 2023

### 1. Significant accounting policies (continued):

#### (e) Capital assets:

Tangible capital assets are recorded at cost. When a tangible capital asset no longer contributes to CAFII's ability to provide services, its carrying amount is written down to its residual value.

Tangible capital assets consist of computer equipment and are amortized on a straight-line basis over five years.

#### (f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. CAFII has not elected to carry any such financial instruments at fair value.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, CAFII determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount CAFII expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

#### (g) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of capital assets. Actual results could differ from those estimates.

# CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

## **DRAFT** Notes to Financial Statements (continued)

Year ended December 31, 2023

### 2. Fund balances - General Fund:

The General Fund reports unrestricted resources. If resources are to be used for special purpose, these would be reported in restricted fund.

CAFII's Board of Directors aims to maintain unrestricted net assets (financial reserves) within a range of between 25% of total annual operating expenses and 50% of total annual operating expenses. Management intends to utilize unrestricted net assets on CAFII-mandated projects, as determined by the Board of Directors.

### 3. Financial instruments:

The carrying amounts of financial assets and liabilities approximate their fair values due to the short-term nature of these financial instruments.

### 4. Capital assets:

| 2023               | Cost      | Accumulated<br>amortization | Net book<br>value |
|--------------------|-----------|-----------------------------|-------------------|
| Computer equipment | \$ 9,866  | \$ 2,223                    | \$ 7,643          |
| 2022               | Cost      | Accumulated<br>amortization | Net book<br>value |
| Computer equipment | \$ 10,878 | \$ 8,730                    | \$ 2,148          |

# CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

**DRAFT** Notes to Financial Statements (continued)

Year ended December 31, 2023

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## 5. Financial risks:

### (a) Liquidity risk:

Liquidity risk is the risk that CAFII will be unable to fulfill its obligations on a timely basis or at a reasonable cost. CAFII manages its liquidity risk by monitoring its operating requirements. CAFII prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2022.

### (b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations, resulting in a financial loss. CAFII is exposed to credit risk in relation to its cash, short-term investments, accounts receivable and other receivables.

The maximum exposure to credit risk is the carrying value of these financial assets on the statement of financial position.

### (c) Interest risk:

Interest rate risk arises from the possibility that changes in interest rates will affect the value of financial instruments or investment income at maturity.

CAFII's exposure to interest rate risk arises from its interest-bearing short-term investments. The weighted-average yield of the Company's short-term investments is 4% (2022 - nil). A ten percent increase or decrease in investment yields would affect (Deficiency)/excess of revenue over expenses and Fund balances by \$1,618 (2022 – nil).

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 4(b)**

**Financial Management – Timelines for Membership Approval of CAFII 2023 Audited Financial Statements**

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### **Purpose of this Agenda Item—Update**

To provide an update to the Board on the timelines for membership approval of CAFII's audited financial statements.

### **Background Information**

CAFII Operations Manager Shanay Smith will provide an update to the Board on the timelines for membership approval of CAFII's 2023 audited financial statements.

### **Recommendation / Direction Sought—Update**

This is an update item.

### **Attachments Included with this Agenda Item**

One (1) attachment.

### Critical Path with KPMG for CAGII 2023 Audited Financial Statements

| Task  | Owner   | Timing/Deadline               |
|---|---|-------------------------------|
| Prepare Draft CAFII 2023 Financial Statements   | R. Nason,<br>Managing Matters   | February 5/24                 |
| Distribute Critical Path to KPMG and inquire about the audit process and who they are assigning as a Lead                                 | S. Smith, H. Lopez<br>(KPMG)  | February 6/24                 |
| Conduct audit of Draft CAFII 2023 Financial Statements  | KPMG  | February and early March 2024 |
| Provide Draft 1 of CAFII 2023 Audited Financial Statements for circulation prior to March 26/24<br>CAFII EOC Meeting                      | KPMG (reviewed<br>and facilitated by S.<br>Smith, D.<br>Hinnecke, K.<br>Martin, R. Nason) | March 18/24                   |
| Provide feedback on Draft 1 of CAFII 2023 Audited Financial Statements  | EOC   | March 26/24                   |
| Provide Draft 2 of CAFII 2023 Audited Financial Statements for circulation prior to April 9/24<br>CAFII Board Meeting                     | KPMG (reviewed<br>and facilitated by S.<br>Smith, D.<br>Hinnecke, K.<br>Martin, R. Nason) | April 2/24                    |
| Approve Draft 2 of CAFII 2023 Audited Financial Statements for presentation to membership at 2024<br>Annual Meeting of Members            | CAFII Board   | April 10/24                   |
| Provide Final Draft of CAFII 2023 Audited Financial Statements for inclusion in CAFII 2024 Annual<br>Meeting of Members Materials Package | KPMG (facilitated<br>by R. Nason, T.<br>Woodland)   | April 23/24                   |
| Circulate CAFII 2024 Annual Meeting of Members Materials Package  | T. Woodland   | April 24/24                   |
| Approve CAFII 2023 Audited Financial Statements At 2024 Annual Meeting of Members   | Membership  | June 4/24                     |

## **Briefing Note**

### **CAFII BOD Meeting 09 April 2024—Agenda Item 4(c) Financial Management – CAFII 2024 Operating Budget**

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#### **Purpose of this Agenda Item—Update/Approval**

To provide an update to the Board on CAFII's operating budget, and to have the Board pass a motion approving it so it can be captured in the minutes.

#### **Background Information**

CAFII Treasurer Donald Hinnecke will update the Board on CAFII's 2024 operating budget, which was approved by the Board by an electronic vote of Board members.

#### **Recommendation / Direction Sought—Update/Approval**

This is an update item with approval sought.

#### **Attachments Included with this Agenda Item**

One (1) attachment.

2024 CAFII OPERATING BUDGET (\$ CAD)

|   | 2022<br>Actuals  | YTD<br>Sep 2023  | 2023 Budget        | 2023<br>Forecast   | CAFII 2024<br>Budget | 2024 Modified<br>Budget | Growth %<br>(2024 Base<br>Case vs 2023<br>Forecast) | Comment/Rationale  |
|---|------------------|------------------|--------------------|--------------------|----------------------|-------------------------|---|--|
| <b>Revenue</b>  |                  |                  |                    |                    |                      |                         |   |  |
| Member and Associate Dues   | 991,653          | \$714,823        | \$929,964          | \$953,097          | \$916,342            | \$916,342               |   | No Member Dues Increase; Loss of Valeyo as a Member; Increase in Associate Dues from \$4800 to \$5,000 (first increase since 2011)   |
| Miscellaneous (One time event fees)   | 12,511           | \$380            | \$5,500            | \$22,831           | \$15,000             | \$15,000                |   | Surplus cash invested in short-term GICs (e.g. 100 days)   |
| <b>TOTAL REVENUE</b>  | <b>1,006,743</b> | <b>\$731,561</b> | <b>\$935,464</b>   | <b>\$976,308</b>   | <b>\$931,342</b>     | <b>\$931,342</b>        | -5%   | Extra, non-complimentary seats purchased for Annual Members and Associates Luncheon  |
| <b>EXPENSE</b>  |                  |                  |                    |                    |                      |                         |   |  |
| <b>Office Costs</b>   |                  |                  |                    |                    |                      |                         |   |  |
| CAFII Staff Salaries and Benefits   |                  |                  |                    |                    | \$406,267            | \$456,767               | 0%  | 3 staff members in 2024; includes 4% increase over 2023, but pro-rated for new hires (August 2023 start), correction for benefit rates   |
| Managing Matters Contractual Fees   | 507,904          | \$451,230        | \$538,784          | \$637,578          | \$127,648            | \$127,648               | -80%  | 2.0% contractual increase over 2023  |
| New Hire for 6 months   | 7,684            | \$9,605          | \$102,895          | \$13,684           | \$11,526             | \$11,526                | -16%  | 2 webinars @ \$1700 each with HST  |
| Managing Matters Webinar Fees   | 15,187           | \$11,801         | \$16,402           | \$15,902           | \$17,000             | \$17,000                | 7%  | 8% increase on 2023 Actual amount--audit firm said this increase is coming   |
| Audit Fees  | 6,275            | \$5,515          | \$6,902            | \$7,681            | \$8,500              | \$8,500                 | 11%   | 10% on 2023 Actual amount, as per advice from insurance broker Prolink   |
| Insurance   | 7,990            | \$8,958          | \$8,810            | \$11,422           | \$11,500             | \$11,500                | 1%  | No increase in this item for annual subscriptions/fees for CG Technologies support; Constant Contact; Soda PDF Premium; Zoom; Survey Monkey; and MSTEams Virtual Platform  |
| Member Communication and Technology Tools   | 5,935            | \$4,221          | \$5,789            | \$5,824            | \$6,000              | \$6,000                 | 3%  | No increase over forecast-- Includes Office Telephone landline (\$56.50 per month), Conference Calls facility (\$47.46 per month) & Staff members' home office internet and mobile phone charges   |
| Telephone/Fax/Internet  | 60               | \$73             | \$86               | \$125              | \$200                | \$200                   | 60%   | 33% increase on 2023 Forecast amount- Occasional Cheque Mailings and Ad Hoc Mailings   |
| Postage/Courier   | 7,898            | \$2,204          | \$10,751           | \$3,267            | \$3,600              | \$3,600                 | 10%   | 5% Increase on 2023 Forecast amount: CAFII office supplies for MM and for Staff members' home offices--one more CAFII staff member in 2024   |
| Office Expenses   | 548              | \$371            | \$628              | \$682              | \$680                | \$680                   | 0%  | No increase on 2023 Forecast amount- Annual Credit Card Fee (\$190) plus monthly EFT fee (\$25 per month)  |
| Bank Charges  |                  | \$0              | \$0                | \$0                | \$0                  | \$0                     |   |  |
| New Office Equipment  | 716              | \$756            | \$2,821            | \$1,381            | \$3,217              | \$3,217                 | 133%  | Depreciations of three staff members' computer equipment plus purchase of 2 new Ipad's (Removed Brendan's equipment- which will be fully depreciated)  |
| Depreciation Computer/Office Equipment  |                  | \$0              | \$0                | \$0                | \$5,650              | \$5,650                 |   | One Job-related Professional Development program for Keith Martin  |
| Professional Development/Continuing Education   | 283              | \$0              | \$500              | \$0                | \$0                  | \$0                     |   |  |
| Miscellaneous Expense   | 560,480          | \$494,734        | \$709,736          | \$697,546          | \$601,788            | \$652,288               | -14%  |  |
| Total Office-Related Expenses   |                  | \$17,987         | \$90,400           | \$28,479           | \$30,000             | \$30,000                | 5%  | In 2022 a \$90K provision was made for legal fees, and none of that provision was used. In 2023 a \$90K provision was made for legal fees of which about \$18K was used. The forecast is for \$28K because, to be cautious, we have left an additional amount of \$10K in case some legal issue came up. At this stage, we are likely only going to see a 2023 legal expense of \$18K. There are no known legal issues for 2024 that would incur costs, but it is prudent to allocate some amount for legal fees in case an issue arises. It is proposed to allocate \$30K as a reasonable contingency for 2024 given our experience over the past two years, and given that there are no known legal issues for us to prepare for at this time. |
| Legal Counsel and Consultant Support Associated with Regulatory Submissions and Related Communications/Advocacy Initiatives |                  |                  |                    |                    |                      |                         |   |  |
| <b>Board/EOC/AGM</b>  |                  |                  |                    |                    |                      |                         |   |  |
| Annual Members and Associates Luncheon  | 13,147           | \$13,666         | \$16,120           | \$13,666           | \$14,000             | \$14,000                | 2%  | No increase from 2023 Forecast Amount  |
| Board Hosting (External)  | 203              | \$7,500          | \$24,075           | \$15,000           | \$7,500              | \$7,500                 | -50%  | CAFII Board Hosting Reimbursement Policy provides for up to \$7,500 reimbursement to Member host of a CAFII Board meeting and/or Reception event. In 2024 there are three non-Bank hosts of Board receptions that could result in a charge-back to CAFII of up to \$7500. Two of these companies have indicated that they will not take advantage of the charge-back, and the third has not yet responded. The allocation is for one member to use the charge back   |
| Board/EOC Meeting Expenses  | 11,361           | \$8,444          | \$31,089           | \$15,954           | \$16,000             | \$16,000                | 0%  | No increase from 2023 forecast   |
| Industry Conferences and Events   | 615              | \$4,184          | \$3,627            | \$4,410            | \$11,000             | \$11,000                | 149%  | Includes Travel Expenses for 3 CAFII staff members to attend May 2024 CLHIA Compliance and Consumer Complaints Annual Conference in Vancouver  |
| EOC Annual Appreciation Dinner  | 2,501            | \$2,964          | \$5,676            | \$2,964            | \$6,500              | \$6,500                 | 119%  | 14.5% increase on 2023 budget amount. CAFII's 2023 budget allocated more for the EOC appreciation dinner than what was actually incurred. We are retaining and slightly expanding on the 2023 budget allocation versus forecast in the expectation that with more EOC members and with return to office more prevalent, we will have a higher number of attendees in 2024 than in 2023.  |
| Speaker fees & travel   | -                | \$738            | \$1,500            | \$738              | \$1,600              | \$1,600                 | 117%  | No change to 2023 forecast amount - 1 speaker with fees budgeted for 2024  |
| Gifts   | 765              | \$0              | \$1,284            | \$0                | \$1,200              | \$1,200                 | 0%  | This is a placeholder of \$1200  |
| CAFII Staff/Board Relationship-Building   |                  |                  |                    |                    | \$2,000              | \$2,000                 |   | New Initiative: Provision for informal relationship-building lunches every second month for 3 CAFII staff members with each CAFII Board member and team members they may wish to bring, approximately once every 18 months or more for each Director (focused on Member satisfaction, feedback, and suggestions for improvements); as well as once a year lunch with EOC Chair, Vice Chair, and Treasurer  |
| Networking Events   | 1,854            | \$61             | \$5,650            | \$13,262           | \$2,000              | \$2,000                 | -85%  | 2023 includes one time retirement party for Brendan of ~\$10000. That is a one-time expense that will not be repeated in 2024.   |
| Miscellaneous Expenses  |                  |                  |                    |                    | \$1,000              | \$1,000                 |   | New initiative - Administration of Kolbe workstyles assessment instrument, and related results reporting for new/incoming EOC Chair and EOC Vice-Chair   |
| CAFII 25th Anniversary Celebration  | 15,315           | \$0              | \$0                | \$0                | \$0                  | \$0                     | 0%  | No provision required: next CAFII Anniversary Celebration will be 30th in 2027   |
| <b>Total Board/EOC/AGM</b>  | <b>45,761</b>    | <b>\$37,557</b>  | <b>\$89,021</b>    | <b>\$65,994</b>    | <b>\$62,800</b>      | <b>\$62,800</b>         | -5%   |  |
| <b>Regulatory and Industry</b>  |                  |                  |                    |                    |                      |                         |   |  |
| Provincial Regulatory Visits and Relationship-Building  | 9,205            | \$17,364         | \$41,000           | \$27,500           | \$6,600              | \$6,600                 | -76%  | CAFII has met all regulators in every province in Canada in 2023. In 2024, the CLHIA Conference in western Canada, at that time. Our plans for Regulatory Tours is to visit the western provinces in spring 2025, and the Atlantic Canada provinces in fall 2025. The budget allocation for this line item in 2024 is for up to 4 regulatory visits to Quebec, with the potential for the Executive Director to develop a relationship with the new AMF Superintendent of Client Services and Distribution Oversight.  |
| Federal Regulatory Visits and Relationship-Building   | -                | \$0              | \$5,000            | \$0                | \$2,000              | \$2,000                 | 0%  | Provision for return to in-person relationship-building meetings with FCAC, this is for travel to Ottawa and other expenses.   |
| Research/Studies  | 73,026           | \$10,848         | \$67,800           | \$68,814           | \$68,814             | \$68,814                | 0%  | No increase  |
| Website SEO and Enhancements  | 45,200           | \$22,600         | \$45,200           | \$45,200           | \$96,276             | \$96,276                | 113%  | Includes one-time-only 2024 provision of \$40K for rebuilding the back-end of CAFII website  |
| CAFII Benchmarking Study/RSM Canada   | 67,800           | \$33,900         | \$71,190           | \$67,800           | \$67,800             | \$67,800                | 0%  | No increase for continuation of CAFII CPI Benchmarking Study with RSM Canada, estimated at \$60K plus +HST   |
| Media Outreach  | 2,779            | \$1,735          | \$9,040            | \$2,151            | \$3,000              | \$3,000                 | 39%   | For wire services and related media release expenses, + HST-- \$300 for new Keith Martin photograph by professional photographer   |
| Media Consultant Retainer   | 37,331           | \$25,051         | \$37,500           | \$35,608           | \$36,000             | \$36,000                | 1%  | The contract with the new Media Consultant allows for the 10-hour monthly retainer, if not used in any given month, to be used in a future month. This means that if the consultant uses more than 10 hours in a month, they will not charge extra, but rather will use another month's unused allocation. Hence, the 2024 retainer costs should be slightly lower than in 2023.   |
| Marketing Collateral  | 1,787            | \$1,462          | \$7,000            | \$2,700            | \$2,700              | \$2,700                 | 0%  | Same as 2023 Forecast amount: provision for design and printing of CAFII marketing materials, such as research results leave-behinds   |
| <b>Total Regulatory and Industry</b>  | <b>237,128</b>   | <b>\$112,960</b> | <b>\$283,730</b>   | <b>\$249,773</b>   | <b>\$283,190</b>     | <b>\$283,190</b>        | 13%   |  |
| <b>TOTAL EXPENSE</b>  | <b>843,369</b>   | <b>\$663,238</b> | <b>\$1,172,887</b> | <b>\$1,041,792</b> | <b>\$977,778</b>     | <b>\$1,028,278</b>      | -6%   |  |
| <b>Excess of Revenue over Expenses</b>  | <b>163,374</b>   | <b>\$68,323</b>  | <b>\$237,423</b>   | <b>\$65,484</b>    | <b>\$46,436</b>      | <b>\$96,936</b>         |   |  |
| Unrestricted Net Assets (beginning of year)   | 230,223          | \$669,275        | \$621,727          | \$669,275          | \$603,791            | \$603,791               |   |  |
| Unrestricted Net Assets (end of year)   | 393,597          | \$737,598        | \$384,304          | \$603,791          | \$557,355            | \$506,855               |   |  |

Explanatory Notes:

(2) Amortization of office equipment based on 4 year straight line depreciation

| Actual/Forecasted Financial Reserves                  | 2021<br>Actuals | YTD<br>Oct 2022 | 2022 Plan | 2022<br>Forecast | CAFII 2024<br>Budget | 2024 Modified<br>Budget |
|---|-----------------|-----------------|-----------|------------------|----------------------|-------------------------|
| Minimum 3 months (25%) of Annual Operating Expenses = | \$210,842       | \$165,809       | \$293,222 | \$260,448        | \$244,444            | \$257,069               |
| Maximum 6 months (50%) of Annual Operating Expenses = | \$421,685       | \$331,619       | \$586,444 | \$520,896        | \$488,889            | \$514,139               |
| Actual/Forecasted Level of Financial Reserves:        | \$393,597       | \$737,598       | \$384,304 | \$603,791        | \$557,355            | \$506,855               |
| Actual/Forecasted Level of Financial Reserves %:      | 47%             | 93%             | 33%       | 58%              | 57%                  | 49%                     |



## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 4(d)**  
**Financial Management – CAFII Financial Statements as at February 29/24**

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### **Purpose of this Agenda Item—Update/Approval**

To provide an update to the Board on CAFII's financial statements as at February 29/24.

### **Background Information**

CAFII Treasurer Donald Hinnecke will update the Board on CAFII's financial statements as at February 29/24. After the update, D. Hinnecke will seek approval from the Board.

### **Recommendation / Direction Sought—Update/Approval**

This is an update item with approval sought.

### **Attachments Included with this Agenda Item**

One (1) attachment.

CAFII

411 Richmond Street E, Suite 200  
Toronto, ON M5A 3S5

Statement of Operations  
As at Feb 29th, 2024

|  | Current<br>Month | Budget<br>Feb-24 | Variance to<br>Monthly Budget | Current<br>YTD   | Budget '24<br>YTD | Variance<br>Budget to YTD | Budget<br>2024     |
|--|------------------|------------------|-------------------------------|------------------|-------------------|---------------------------|--------------------|
| <b>Revenue</b>   |                  |                  |                               |                  |                   |                           |                    |
| Member and Associate Dues                              | \$77,195         | \$76,362         | \$833                         | \$153,557        | \$152,724         | \$833                     | \$916,342          |
| Interest   | \$337            | \$1,250          | (\$913)                       | \$752            | \$2,500           | (\$1,748)                 | \$15,000           |
| 45030 Interest-Savings, Short-term CD                  | \$1,286          | \$0              | \$1,286                       | \$2,660          | \$0               | \$2,660                   | \$0                |
| Miscellaneous (One time event fees)                    | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$0                |
| <b>TOTAL REVENUE</b>                                   | <b>\$78,818</b>  | <b>\$77,612</b>  | <b>\$ 1,206</b>               | <b>\$156,970</b> | <b>\$155,224</b>  | <b>\$1,746</b>            | <b>\$931,342</b>   |
| <b>Expenses</b>  |                  |                  |                               |                  |                   |                           |                    |
| <b>Office Costs</b>                                    |                  |                  |                               |                  |                   |                           |                    |
| CAFII Staff Salaries and Benefits                      | \$40,418         | \$34,712         | (\$5,706)                     | \$77,038         | \$69,424          | (\$7,614)                 | \$456,767          |
| Managing Matters Contractual Fees                      | \$10,637         | \$10,637         | \$1                           | \$21,273         | \$21,275          | \$1                       | \$127,648          |
| New Hire for 6 months                                  | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$0                |
| Managing Matters Webinar Fees                          | \$1,921          | \$0              | (\$1,921)                     | \$1,921          | \$1,921           | \$0                       | \$11,526           |
| Audit Fees   | \$1,417          | \$1,417          | (\$0)                         | \$2,834          | \$2,833           | (\$1)                     | \$17,000           |
| Insurance  | \$722            | \$708            | (\$14)                        | \$1,444          | \$1,416           | (\$27)                    | \$8,500            |
| Member Communication and Technology Tools              | \$642            | \$958            | \$317                         | \$1,627          | \$1,917           | \$289                     | \$11,500           |
| Telephone/Fax/Internet                                 | \$676            | \$500            | (\$176)                       | \$924            | \$1,000           | \$76                      | \$6,000            |
| Postage/Courier  | \$0              | \$16             | \$16                          | \$0              | \$32              | \$32                      | \$200              |
| Office Expenses  | \$51             | \$300            | \$249                         | \$112            | \$600             | \$488                     | \$3,600            |
| Bank Charges   | \$25             | \$57             | \$32                          | \$50             | \$114             | \$64                      | \$680              |
| New Office Equipment                                   | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$0                |
| Depreciation Computer/Office Equipment                 | \$215            | \$268            | \$53                          | \$429            | \$536             | \$107                     | \$3,217            |
| Professional Development/Continuing Education          | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$5,650            |
| Miscellaneous Expense                                  | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$0                |
| <b>Total Office-Related Expenses</b>                   | <b>\$56,723</b>  | <b>\$49,573</b>  | <b>(\$7,149)</b>              | <b>\$107,652</b> | <b>\$101,068</b>  | <b>(\$6,585)</b>          | <b>\$652,288</b>   |
| Legal Counsel and Consultant Support                   |                  |                  |                               |                  |                   |                           |                    |
| Associated with Regulatory Submissions                 | \$0              | \$3,000          | \$3,000                       | \$0              | \$3,000           | \$3,000                   | \$30,000           |
| and Related Communications/Advocacy                    |                  |                  |                               |                  |                   |                           |                    |
| Initiatives  |                  |                  |                               |                  |                   |                           |                    |
| <b>Board/EOC/AGM</b>                                   |                  |                  |                               |                  |                   |                           |                    |
| Annual Members and Associates Luncheon                 | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$14,000           |
| Board Hosting (External)                               | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$7,500            |
| Board/EOC Meeting Expenses                             | \$146            | \$0              | (\$146)                       | \$178            | \$0               | (\$178)                   | \$16,000           |
| Industry Conferences and Events                        | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$11,000           |
| EOC Annual Appreciation Dinner                         | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$6,500            |
| Speaker fees & travel                                  | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$1,600            |
| Gifts  | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$1,200            |
| CAFII Staff/Board Relationship-Building                | \$0              | \$330            | \$330                         | \$0              | \$330             | \$330                     | \$2,000            |
| Networking Events                                      | \$852            | \$0              | (\$852)                       | \$852            | \$0               | (\$852)                   | \$2,000            |
| Miscellaneous Expenses                                 | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$1,000            |
| CAFII 25th Anniversary Celebration                     | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$0                |
| <b>Total Board/EOC/AGM</b>                             | <b>\$998</b>     | <b>\$330</b>     | <b>(\$668)</b>                | <b>\$1,030</b>   | <b>\$330</b>      | <b>(\$700)</b>            | <b>\$62,800</b>    |
| <b>Regulatory and Industry</b>                         |                  |                  |                               |                  |                   |                           |                    |
| Provincial Regulatory Visits and Relationship-Building | \$612            | \$0              | (\$612)                       | \$924            | \$0               | (\$924)                   | \$6,600            |
| Federal Regulatory Visits and Relationship-Building    | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$2,000            |
| Research/Studies                                       | \$690            | \$0              | (\$690)                       | \$690            | \$0               | (\$690)                   | \$68,814           |
| Website SEO and Enhancements                           | \$0              | \$12,769         | \$12,769                      | \$0              | \$12,769          | \$12,769                  | \$96,276           |
| CAFII Benchmarking Study/RSM Canada                    | \$0              | \$16,950         | \$16,950                      | \$0              | \$16,950          | \$16,950                  | \$67,800           |
| Media Outreach   | \$429            | \$0              | (\$429)                       | \$457            | \$0               | (\$457)                   | \$3,000            |
| Media Consultant Retainer                              | \$2,543          | \$3,000          | \$458                         | \$5,085          | \$6,000           | \$915                     | \$36,000           |
| Marketing Collateral                                   | \$0              | \$0              | \$0                           | \$0              | \$0               | \$0                       | \$2,700            |
| <b>Total Regulatory and Industry</b>                   | <b>\$4,273</b>   | <b>\$32,719</b>  | <b>\$28,446</b>               | <b>\$7,156</b>   | <b>\$35,719</b>   | <b>\$28,563</b>           | <b>\$283,190</b>   |
| <b>TOTAL EXPENSE</b>                                   | <b>\$61,993</b>  | <b>\$85,622</b>  | <b>\$23,629</b>               | <b>\$115,839</b> | <b>\$140,117</b>  | <b>\$24,278</b>           | <b>\$1,028,278</b> |
| <b>NET INCOME</b>                                      | <b>\$16,825</b>  | <b>(\$8,011)</b> | <b>24,836</b>                 | <b>\$41,131</b>  | <b>\$15,107</b>   | <b>\$ 26,024</b>          | <b>(\$96,936)</b>  |
| proof  | -                | -                | -                             | -                | 0                 | -                         | 0                  |

Explanatory Notes:  
1 - Amortization of office equipment based on 4 year straight line depreciation  
2 - Management fees includes Managing Matters and Executive Director  
3 - Website includes hosting cafii.com, subscription and website improvements.

**CAFII**  
411 Richmond Street E, Suite 200  
Toronto, ON M5A 3S5  
**Balance Sheet**  
**As at Feb 29th, 2024**

|   | CAFII Operations   |                    |                  |
|---|--------------------|--------------------|------------------|
| ASSETS  | 29-Feb<br>2024     | 31-Jan<br>2024     | 31-Dec<br>2023   |
| <b>Current Assets</b>   |                    |                    |                  |
| Bank Balance  | \$731,609          | \$224,060          | \$35,071         |
| Savings Account   | \$149,058          | \$148,721          | \$208,306        |
| TD Investment in GIC- 1104 8045480 01                                       | \$404,603          | \$404,603          | \$404,603        |
| Undeposited Funds   | \$66,688           | \$0                | \$0              |
| Accounts Receivable   | \$97,110           | \$723,568          | \$1,594          |
| Interest Receivable   | \$3,370            | \$2,084            | \$709            |
| Prepaid Expenses  | \$4,400            | \$4,713            | \$5,780          |
| Computer/Office Equipment   | \$10,303           | \$10,303           | \$9,866          |
| Accumulated Depreciation -Comp/Equip  | (\$2,653)          | (\$2,438)          | (\$2,223)        |
| <b>Total Current Assets</b>   | <b>\$1,464,488</b> | <b>\$1,515,614</b> | <b>\$663,706</b> |
| <b>TOTAL ASSETS</b>   | <b>\$1,464,488</b> | <b>\$1,515,614</b> | <b>\$663,706</b> |
| <b>LIABILITIES</b>  |                    |                    |                  |
| Current Liabilities   |                    |                    |                  |
| Accrued Liabilities   | \$21,455           | \$20,039           | \$18,622         |
| Credit Card   | \$642              | \$445              | \$441            |
| Account Payable   | \$32,357           | \$29,726           | \$43,527         |
| Deferred Revenue  | \$767,786          | \$839,981          | \$0              |
| Total Current liabilities   | \$822,240          | \$890,191          | \$62,590         |
| <b>TOTAL LIABILITIES</b>  | <b>\$822,240</b>   | <b>\$890,191</b>   | <b>\$62,590</b>  |
| <b>UNRESTRICTED NET ASSETS</b>  |                    |                    |                  |
| Unrestricted Net Assets, beginning of year                                  | \$601,117          | \$601,117          | \$669,275        |
| Excess of revenue over expenses   | \$41,131           | \$24,306           | (\$68,158)       |
| Total Unrestricted Net Assets   | \$642,248          | \$625,423          | \$601,117        |
| <b>Total Unrestricted Net Assets</b>  | <b>\$642,248</b>   | <b>\$625,423</b>   | <b>\$601,117</b> |
| <b>TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS</b>                        | <b>\$1,464,488</b> | <b>\$1,515,614</b> | <b>\$663,706</b> |
|   | <b>0</b>           | <b>0</b>           | <b>-</b>         |
| <b>Financial Reserves Targets as per 2023 Budget:</b>                       |                    |                    |                  |
| Minimum 3 months (25%) of Annual Operating Expenses=                        |                    | \$ 257,070         | 36,152.46        |
| Maximum 6 months (50%) of Annual Operating Expenses=                        |                    | \$ 514,139         | 72,304.92        |
| <b>Current Level of Financial Reserves</b> (total unrestricted net assets): |                    | <b>\$642,248</b>   |                  |
| <b>Current Level of Financials Reserve (%)</b> :                            |                    | <b>62%</b>         | 0.08             |

CAFII

411 Richmond Street E, Suite 200  
Toronto, ON M5A 3S5

Membership Fees

|   |                                      | <u>Jan-24</u> |                 |                          |                      |
|---|--------------------------------------|---------------|-----------------|--------------------------|----------------------|
|   |                                      | <u>Billed</u> | <u>Received</u> | <u>Method of Payment</u> | <u>Received Date</u> |
| TD Insurance                                    | 2024 Upper Tier Member               | \$ 77,110     | \$ 77,110       | Cheque                   | 02-Feb-24            |
| BMO Bank of Montreal                            | 2024 Upper Tier Member               | \$ 77,110     | \$ 77,110       | Direct Payment - EFT     | 15-Feb-24            |
| CIBC Insurance                                  | 2024 Upper Tier Member               | \$ 77,110     | \$ 77,110       | Direct Payment - EFT     | 01-Feb-24            |
| RBC Insurance                                   | 2024 Upper Tier Member               | \$ 77,110     | \$ 77,110       | Direct Payment - EFT     | 02-Feb-24            |
| Scotia Insurance                                | 2024 Upper Tier Member               | \$ 77,110     | \$ 77,110       | Direct Payment - EFT     | 29-Jan-24            |
| Desjardins Financial Security Life Assura       | 2024 Upper Tier Member               | \$ 77,110     |                 |                          |                      |
| National Bank Insurance                         | 2024 Upper Tier Member               | \$ 77,110     | \$ 77,110       | Direct Payment - EFT     | 31-Jan-23            |
| Manulife Financial                              | 2024 Upper Tier Member               | \$ 77,110     | \$ 77,110       | Direct Payment - EFT     | 01-Feb-24            |
| The Canada Life Assurance Company               | 2024 Upper Tier Member               | \$ 77,110     | \$ 77,110       | Direct Payment - EFT     | 28-Feb-24            |
| Securian Canada                                 | 2024 Lower Tier Member               | \$ 38,555     | \$ 38,555       | Cheque                   | undeposited funds    |
| Assurant  | 2024 Lower Tier Member               | \$ 38,555     | \$ 38,555       | Direct Payment - EFT     | 25-Jan-24            |
| CUMIS Group Ltd                                 | 2024 Lower Tier Member               | \$ 38,555     | \$ 38,555       | Cheque                   | 02-Feb-24            |
| Canadian Tire Bank                              | 2024 Lower Tier Member               | \$ 38,555     | \$ 38,555       | Direct Payment - EFT     | 09-Feb-24            |
| Chubb Life Insurance Company of Canada          | 2024 Initiation Members (Lower Tier) | \$ 23,133     | \$ 23,133       | Cheque                   | undeposited funds    |
| RSM Canada                                      | Associate                            | \$ 5,000      | \$ 5,000        | Cheque                   | 09-Feb-24            |
| Willis Towers Watson                            | Associate                            | \$ 5,000      | \$ 5,000        | Direct Payment - EFT     | 26-Feb-24            |
| KPMG LLP  | Associate                            | \$ 5,000      |                 |                          |                      |
| Optima Communications                           | Associate                            | \$ 5,000      | \$ 5,000        | Direct Payment - EFT     | 26-Feb-24            |
| RGA Life Reinsurance Company of Canada          | Associate                            | \$ 5,000      | \$ 5,000        | Direct Payment - EFT     | 06-Mar-24            |
| Torys LLP                                       | Associate                            | \$ 5,000      | \$ 5,000        | Direct Payment - EFT     | 23-Feb-24            |
| Stikeman Elliott                                | Associate                            | \$ 5,000      | \$ 5,000        | Cheque                   | 02-Feb-24            |
| Norton Rose Fulbright Canada                    | Associate                            | \$ 5,000      |                 |                          |                      |
| Royal & Sun Alliance Insurance Company          | Associate                            | \$ 5,000      | \$ 5,000        | Cheque                   | undeposited funds    |
| PWC   | Associate                            | \$ 5,000      |                 |                          |                      |
| January Invoices                                |                                      | \$921,343     | \$829,233       |                          |                      |
| Total Membership Fees                           |                                      | \$921,343     |                 |                          |                      |
| Total amount to realocate monthly Jan-Dec. 2024 |                                      | \$76,778.58   |                 |                          |                      |

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 4(e)**

**Financial Management – Receipt of 2024 CAFII Member Dues Payments and 2024 Associate Dues Payments**

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### **Purpose of this Agenda Item—Update**

To provide an update to the Board on the receipts of the 2024 CAFII member dues payments and the 2024 Associate dues payments.

### **Background Information**

CAFII Operations Manager Shanay Smith will update the Board on the receipts of the 2024 CAFII member dues payments and the 2024 Associate dues payments.

### **Recommendation / Direction Sought—Update**

This is an update item.

### **Attachments Included with this Agenda Item**

No attachments.

## **Briefing Note**

### **CAFII BOD Meeting 09 April 2024—Agenda Item 5(a) Strategic and Regulatory Matters – Key Regulatory Updates**

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#### **Purpose of this Agenda Item—Update**

To provide an update to the Board on the key regulatory updates from January 2024 and February 2024.

#### **Background Information**

CAFII Research Analyst Robyn Jennings will update the Board on the key regulatory updates from January and February 2024, as written in the previously circulated January and February Regulatory Update documents.

#### **Recommendation / Direction Sought—Update**

This is an update item.

#### **Attachments Included with this Agenda Item**

No attachments.

**Link:** [CAFII April 9/24 BOD Meeting Google Drive Document Repository](#). This link includes documents for:

- January 2024 Regulatory Updates
- February 2024 Regulatory Updates

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 5(b)**  
**Strategic and Regulatory Matters – CAFII 3-5 Year Strategic Plan Review – Options and Recommendations from the Executive Director**

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### **Purpose of this Agenda Item—Update**

To provide an update to the Board on the review of CAFII's 3-5 year strategic plan with options and recommendations from the Executive Director.

### **Background Information**

CAFII Executive Director Keith Martin and CAFII Chair of the Board Peter Thompson will update the Board on the review of CAFII's 3-5 year strategic plan with an overview of options and recommendations from the Executive Director.

### **Recommendation / Direction Sought—Update**

This is an update item.

### **Attachments Included with this Agenda Item**

No attachments.

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 5(c)**  
**Strategic and Regulatory Matters – Board Support of DEI Working Group to Increase Member Engagement**

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### **Purpose of this Agenda Item—Update/Discussion**

To provide an update to the Board on its support of increasing member engagement of CAFII's DEI Working Group.

### **Background Information**

CAFII Chair of the Board Peter Thompson and CAFII Executive Director Keith Martin will update the Board on its support of increasing member engagement with CAFII's DEI Working Group.

### **Recommendation / Direction Sought—Update/Discussion**

This is an update item with the opportunity for discussion.

### **Attachments Included with this Agenda Item**

One (1) attachment.



## CAFII Diversity, Equity, and Inclusion Working Group Members

### CAFII Diversity, Equity, and Inclusion Working Group

| First     | Last          | Email  | Company                | BOD/EOC/Committee                              |
|-----------|---------------|--|------------------------|--|
| Jennifer  | Russell       | <a href="mailto:Jennifer.russell@assurant.com">Jennifer.russell@assurant.com</a>       | Assurant Canada        | Diversity, Equity, and Inclusion Working Group |
| Megan     | Bolton-Mclean | <a href="mailto:megan.bolton-mclean@assurant.com">megan.bolton-mclean@assurant.com</a> | Assurant Canada        | Diversity, Equity, and Inclusion Working Group |
| Tejal *   | Harri-Morar   | <a href="mailto:Tejal.HarriMorar@bmo.com">Tejal.HarriMorar@bmo.com</a>                 | BMO Insurance          | Diversity, Equity, and Inclusion Working Group |
| Kody      | Kilbourne     | <a href="mailto:kody.kilbourne@canadalife.com">kody.kilbourne@canadalife.com</a>       | Canada Life            | Diversity, Equity, and Inclusion Working Group |
| David     | Self          | <a href="mailto:David.Self@wi.cibc.com">David.Self@wi.cibc.com</a>                     | CIBC Insurance         | Diversity, Equity, and Inclusion Working Group |
| Sania     | Abdul Malak   | <a href="mailto:sania.abdulmalak@cibc.com">sania.abdulmalak@cibc.com</a>               | CIBC Insurance         | Diversity, Equity, and Inclusion Working Group |
| Tamar     | Soltys        | <a href="mailto:tamar.soltys@cumis.com">tamar.soltys@cumis.com</a>                     | CUMIS/The Co-operators | Diversity, Equity, and Inclusion Working Group |
| Dominique | Lavoie        | <a href="mailto:DominiqueA.Lavoie@desjardins.com">DominiqueA.Lavoie@desjardins.com</a> | Desjardins             | Diversity, Equity, and Inclusion Working Group |
| Karyn     | Kasperski     | <a href="mailto:karyn.kasperski@rbc.com">karyn.kasperski@rbc.com</a>                   | RBC Insurance          | Diversity, Equity, and Inclusion Working Group |
| Sushil    | Masih         | <a href="mailto:sushil.masih@rbc.com">sushil.masih@rbc.com</a>                         | RBC Insurance          | Diversity, Equity, and Inclusion Working Group |
| Stephanie | Kotani        | <a href="mailto:Stephanie.Kotani@scotiabank.com">Stephanie.Kotani@scotiabank.com</a>   | Scotiabank             | Diversity, Equity, and Inclusion Working Group |
| Lauren    | Round         | <a href="mailto:lauren.round@securiancanada.ca">lauren.round@securiancanada.ca</a>     | Securian Canada        | Diversity, Equity, and Inclusion Working Group |
| Andrea    | Stuska        | <a href="mailto:andrea.stuska@td.com">andrea.stuska@td.com</a>                         | TD Insurance           | Diversity, Equity, and Inclusion Working Group |
| * Chair   |               |  |                        |  |

The number of **new members** that have joined the DEI Working Group since December 5 is 7.

The additions have been:

Kody Kilbourne – Canada Life  
Sania Abdul Malak – CIBC Insurance  
Tamar Soltys – CUMIS/The Co-operators  
Dominique Lavoie – Desjardins  
Sushil Masih – RBC Insurance  
Stephanie Kotani – Scotiabank  
Lauren Round – Securian Canada

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 5(d)**

**Strategic and Regulatory Matters – Update of Questionnaire on DEI Initiatives Amongst Members**

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### **Purpose of this Agenda Item—Update**

To provide an update to the Board on the status of the questionnaire on DEI initiatives amongst members.

### **Background Information**

CAFII Executive Director Keith Martin and CAFII Research Analyst Robyn Jennings will update the Board on the status of the questionnaire on DEI initiatives among members.

Since the beginning of 2024, the DEI working group has been brainstorming around developing a questionnaire to be sent to EOC and Board members. In January, R. Jennings created and sent the first draft of the questionnaire to the chair of the DEI working group, Tejal Harri-Morar, and CAFII Executive Director K. Martin for editing. After their input, R. Jennings circulated a second draft to DEI working group members who expressed an interest in the questionnaire. Several members provided feedback, which was incorporated. Currently, R. Jennings, T. Harri-Morar, and K. Martin are in the process of finalizing the questionnaire to be sent out to the Board and EOC members for responses.

### **Recommendation / Direction Sought—Update**

This is an update item.

### **Attachments Included with this Agenda Item**

No attachments.

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 5(e)**

**Strategic and Regulatory Matters – Updates on Request to Extend Deadline for Cancellation of Spousal Policies; and New AMF Organizational Structure**

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### **Purpose of this Agenda Item—Update**

To provide an update to the Board on the status of discussions with AMF regarding an extension to the deadline for cancelling spousal policies, and the new structural changes that have occurred since the start of 2024.

### **Background Information**

CAFII Executive Director Keith Martin will update the Board on discussions CAFII has had with the AMF regarding an extension to the deadline for cancelling spousal policies and its new structural changes that have occurred since the start of 2024.

### **Recommendation / Direction Sought—Update**

This is an update item.

### **Attachments Included with this Agenda Item**

Four (4) attachments.

Le 6 mars 2024

Véronique Martel, directrice de la surveillance des pratiques commerciales  
Autorité des marchés financiers  
Place de la Cité, tour Cominar  
2640, boulevard Laurier, bureau 400  
Québec (Québec) G1V 5C1

c.c.

Patrick Déry, surintendant des institutions financières  
Éric Jacob, directeur général du contrôle des marchés et surintendant de l'assistance aux clientèles et de l'encadrement de la distribution (intérim)  
Nathalie Sirois, directrice principale de la surveillance prudentielle  
Christian Beaulieu, directeur principal des opérations d'encadrement de la distribution  
Mario Beaudoin, directeur des pratiques de distribution alternatives en assurance  
Geneviève Komenda, coordonnatrice experte en surveillance et contrôle

Madame,

Nous avons été informés par certains de nos membres que l'AMF les avait approchés pour obtenir des détails sur leur plan quant à l'annulation des polices d'assurance des conjoints. Comme certaines de ces questions concernent plutôt l'industrie dans son ensemble, nos membres pourraient avoir de la difficulté à répondre en toute connaissance de cause. Il leur manque des données et du contexte pour fournir une réponse utile. De plus, chaque entreprise membre de l'ACIFA a des caractéristiques et des polices uniques.

Par contre, l'ACIFA, en tant qu'association, est bien positionnée pour répondre aux questions plus générales concernant l'industrie. Nous sommes donc heureux de fournir, au nom de nos membres, des réponses à certaines des questions posées lors de vos réunions. Nous comprenons que l'AMF a aussi demandé à certains de nos membres de lui fournir les données de leur entreprise relatives à l'attrition des polices d'assurance des conjoints. Ils vous transmettront ces données directement.

### **Contexte**

Comme vous le savez, les membres de l'ACIFA ont obtenu une prolongation pour l'annulation des polices d'assurance des conjoints. La date limite a été reportée au 1<sup>er</sup> janvier 2025 afin de réduire naturellement le nombre de polices. En 2023, alors que la date limite initiale approchait, nous avons demandé à l'AMF d'accorder une prolongation pour tirer profit de l'attrition naturelle.

L'AMF nous a demandé de préparer un rapport sur la réduction du nombre de polices en vigueur grâce à l'attrition, ainsi que le nombre prévu de polices restantes à la fin de 2029. Nous avons retenu les services d'une firme d'actuariat (RMS Canada) pour faire l'analyse. Les résultats indiquent qu'entre le 31 décembre 2019 et le 31 décembre 2024, il y a eu une diminution considérable, par attrition, du nombre de polices en vigueur, et que ce nombre continuerait de baisser si la date limite était repoussée. En effet, 65 % des polices en vigueur seraient naturellement éliminées d'ici la fin de 2029.

Nous estimons que l'attrition est une meilleure approche à adopter pour éliminer ces polices puisque l'annulation des polices actuelles ne constitue pas une bonne expérience client et n'apporte aucun avantage pour les consommateurs. Nous apprécions grandement la souplesse dont fait preuve l'AMF quant à la prolongation du délai, et nous croyons que les données démontrent que près de 10 % des polices seront naturellement éliminées chaque année. Nous évoluons dans la bonne direction.

***Les distributeurs (établissements financiers) ont-ils des attentes ou des exigences différentes de celles des assureurs?***

Il peut être utile de fournir des renseignements supplémentaires sur la structure de l'industrie, qui comprend un éventail de modèles opérationnels.

Le modèle le plus courant est celui où un distributeur (comme une banque ou une caisse populaire) offre une assurance protection de crédit ou une assurance de protection de solde à un consommateur, puis un assureur partenaire émet la police.

Un autre modèle est celui où le distributeur est aussi l'émetteur des polices, par l'intermédiaire de sa division interne des assurances. C'est d'ailleurs le modèle utilisé par les deux membres québécois de l'ACIFA, soit Desjardins Assurances et Banque Nationale Assurances.

D'après notre expérience, les distributeurs et les assureurs, peu importe le modèle utilisé, ont pris l'engagement commun d'offrir la meilleure expérience possible aux consommateurs en respectant toutes les exigences réglementaires en vigueur.

***Quelle est la raison pour laquelle certains assureurs ont besoin de plus de temps, alors que d'autres ont déjà réduit leur volume d'affaires relatif aux polices d'assurance des conjoints à zéro? Est-il juste de reporter la date limite alors que certains assureurs ont déjà annulé toutes leurs polices d'assurance des conjoints?***

Chaque établissement financier a sa propre tolérance au risque et a dû prendre des décisions sur la façon de composer avec l'incertitude, à savoir si l'AMF allait reporter la date limite ou non. Par contre, d'autres membres continuent d'espérer que l'AMF accordera une prolongation plus longue afin d'atténuer l'expérience possiblement négative pour les clients si les polices devaient être annulées.

Il est également primordial de souligner que l'annulation des polices d'assurance des conjoints est une tâche fastidieuse pour nos membres. Il est donc essentiel qu'ils aient suffisamment de temps si l'AMF tranche en faveur de l'annulation des polices. Nos membres croient toujours que la réduction naturelle du nombre de polices grâce à l'attrition est la meilleure approche à adopter pour toutes les parties.

De plus, plusieurs circonstances peuvent mener à l'annulation des polices. Par exemple, l'annulation d'une carte peut entraîner la résiliation de la couverture du conjoint, mais elle ne découlerait pas de la résiliation de la couverture en tant que telle. Elle serait plutôt le résultat indirect de l'annulation de la carte. Il s'agit d'un cas différent de l'annulation directe d'une couverture du conjoint, qui constitue une expérience négative pour les clients.

### ***Autres facteurs à considérer***

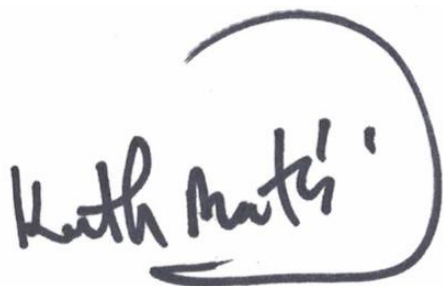
La discussion initiale sur les attentes de l'AMF quant à l'annulation des polices d'assurance des conjoints, au cours de laquelle l'AMF a indiqué qu'il n'y avait aucun intérêt pécuniaire en jeu, était axée sur une interprétation juridique pour laquelle nous n'étions pas d'accord et sur laquelle l'AMF insistait. Cependant, nos membres offrent la couverture des conjoints depuis plus d'une décennie (et continuent de l'offrir dans toutes les provinces, sauf au Québec), et pour fermer un volume d'affaires qui a considérablement augmenté au fil des années, sans engendrer de préoccupation, il faut du temps.

La nature juridique de la situation liée aux assurances des conjoints est importante. En effet, nous ne croyons pas que ces polices sont visées par les plaintes déposées auprès de l'AMF ou de l'industrie. Elles peuvent être annulées par les clients, s'ils le désirent. De plus, nous ne croyons pas qu'elles causent des préjudices aux consommateurs. Nous avons précédemment soulevé ces points à l'AMF et nous sommes d'avis qu'ils ont été pris en considération lors de la décision initiale visant à repousser la date limite pour annuler les polices en vigueur. Selon nous, ces points sont toujours valables.

À la lumière de l'évolution de la situation et des changements continus qui surviennent dans le monde de l'assurance pour l'AMF et l'industrie, notamment les percées technologiques, les risques relatifs à la cybersécurité et la transformation de l'environnement concurrentiel, nous croyons que l'annulation immédiate ou rapide de ces polices (ce qui nécessiterait des ressources et des efforts considérables pour offrir, malheureusement, une expérience négative aux clients) n'est pas la solution. Nous sommes reconnaissants des efforts importants déployés par l'AMF quant à son engagement continu à traiter les consommateurs de façon juste et à la protection des consommateurs. Ces priorités doivent être la fondation du partenariat entre l'AMF et l'ACIFA.

Si vous souhaitez obtenir de plus amples renseignements de la part de l'ACIFA ou rencontrer des représentants de notre Association au sujet de ce projet ou de toute autre question, veuillez communiquer avec Keith Martin, Directeur général de l'ACIFA, à l'adresse [keith.martin@cafii.com](mailto:keith.martin@cafii.com) ou au numéro 647-647-7725.

Cordialement,

A handwritten signature in dark ink that reads "Keith Martin". The signature is enclosed within a large, hand-drawn oval loop.

Keith Martin, Directeur général, ACIFA

## **À propos de l'ACIFA**

L'ACIFA est une association sectorielle à but non lucratif qui se consacre au développement d'un marché de l'assurance ouvert et flexible. Notre association a été créée en 1997 pour donner une voix aux institutions financières qui vendent des assurances par l'entremise de divers canaux de distribution. Nos membres proposent des assurances par l'intermédiaire de centres d'appels, d'agents et de courtiers, d'agences de voyage, de publipostage, de succursales d'institutions financières et d'Internet.

L'ACIFA croit que les consommateurs sont mieux servis lorsqu'ils ont un choix significatif dans l'achat de produits et services d'assurance. Nos membres offrent l'assurance voyage, l'assurance vie, l'assurance maladie, l'assurance dommages et l'assurance-crédit collective dans tout le Canada. En particulier, l'assurance-crédit collective et l'assurance voyage sont les gammes de produits sur lesquels se concentre l'ACIFA, car nos membres ont un point commun.

La diversité des membres de l'ACIFA permet à notre association d'avoir une vue d'ensemble du régime réglementaire qui régit le marché de l'assurance. Nous travaillons avec les gouvernements et les organismes de réglementation (principalement provinciaux et territoriaux) afin d'élaborer un cadre législatif et réglementaire pour le secteur de l'assurance qui contribue à garantir que les consommateurs canadiens obtiennent les produits d'assurance qui répondent à leurs besoins. Notre objectif est d'assurer la mise en place de normes appropriées pour la distribution et la commercialisation de tous les produits et services d'assurance.

Les 14 membres de l'ACIFA comprennent les branches d'assurance des principales institutions financières du Canada – BMO Assurance, Assurance CIBC, Desjardins Assurances, Banque Nationale Assurances, RBC Assurances, Assurance Scotia, et TD Assurance – ainsi que les principaux acteurs de l'industrie : Assurant, Assurance-vie-Canada, Chubb Compagnie d'Assurance-Vie du Canada, CUMIS Services Incorporated, la Banque Canadian Tire, Manuvie (La Compagnie d'Assurance-Vie Manufacturers), et Securian Canada.



March 6, 2024

Ms. Véronique Martel, Directrice de la surveillance des pratiques commerciales  
Autorité des marchés financiers  
Place de la Cité, tour Cominar  
2640, boulevard Laurier, bureau 400  
Québec (Québec) G1V 5C1

C.C.

Mr. Patrick Déry, Surintendant des institutions financières  
Mr. Éric Jacob, Directeur général du contrôle des marchés et Surintendant de l'assistance aux clientèles  
et de l'encadrement de la distribution (intérim)  
Ms. Nathalie Sirois, Directrice principale de la surveillance prudentielle  
Mr. Christian Beaulieu, Directeur principal des opérations d'encadrement de la distribution  
Mr. Mario Beaudoin, Directeur des pratiques de distribution alternatives en assurance  
Ms. Geneviève Komenda, coordonnatrice experte en surveillance et contrôle.

Dear Ms. Martel:

I have been advised by some of our members that the AMF has approached them for more information about their plans around the cancellation of spousal coverage. Some of the questions asked by the AMF to our members might be difficult for them to answer as they were questions posed at an industry level, and an individual member might not have the information or context to answer such a general question. As well, each CAFII member company has its own unique characteristics and policies.

CAFII as an industry Association is well placed on the other hand to respond to those sorts of more general industry-level questions, and to ensure you receive comprehensive answers to your questions CAFII is providing the AMF with the answers to some of the questions asked in your meetings on behalf of our members. We understand that the AMF has also requested that some of our members provide you with the numbers around attrition of spousal coverage for their company, and those companies that were asked to provide those numbers will share that information with you directly.

### **Background**

As you know, CAFII members were provided an extension to the deadline for cancelling spousal coverage to 1 January, 2025 so that the number of such policies could be reduced through natural attrition. As that date approached, we requested of the AMF in 2023 an extension of the deadline to allow for natural attrition to continue.

We were asked by the AMF to produce a report on the reduction in policies in-force through natural attrition, as well as project the expected decline to the end of 2029. We contracted an actuarial firm (RSM Canada) to do this analysis, which found that from December 31, 2019 to December 31, 2024 there was a significant reduction through attrition in the number of in-force policies, and the number would continue to decline if the deadline was extended, such that 65% of the original in-force policies would be eliminated by the end of 2029.

It is our view that attrition is a better approach to eliminating these policies than cancellation, as cancelling existing policies is not a good customer experience and produces no benefit to the consumer whose policy is cancelled. We greatly appreciate the AMF's flexibility in providing the original deadline extension, and we believe the data show that with nearly 10% of policies naturally being eliminated every year, we are moving in the right direction.

***Is this about distributors (banks) having a different expectation or requirement than insurers?***

It could be helpful to provide some additional information on the structure of the industry, which includes a variety of different business models.

The most common model in the industry is for a distributor, like a bank or credit union, to offer credit protection insurance or balance protection insurance to a customer, and have an insurer partner actually underwrite the policy.

Another model in the marketplace is for the company that distributes a policy to also underwrite it through their insurance division internally, and that is the business model for the two Quebec-based CAFII members, Desjardins and National Bank Insurance.

It is our experience that distributors and insurers, regardless of the model used, share a commitment to the best customer experience while fully complying with all regulatory requirements.

***What is the reason that some insurers need longer when other insurers have already reduced their spousal policy book of business to zero? And is it fair to extend beyond the current the requirement to cancel when other insurers have already cancelled all their spousal policies?***

Each financial institution has its own risk appetite and has had to make its own decisions about how to respond to the uncertainty of whether the AMF would further extend the deadline. However, other members continue to hope for the AMF's granting of a further extension to mitigate the negative customer experience that would occur if spousal policies must be cancelled. It is also important to remember that cancelling these spousal policies is a significant work effort for our members so sufficient lead time is essential if this is ultimately decided by the AMF. However, our members continue to

believe the opportunity to reduce spousal policies through attrition is the best approach for all stakeholders.

As well, there are different circumstances that can lead to the cancellation of policies. For example, the cancelation of a card could result in the spousal coverage being terminated, but that would not be due to the termination of the spousal coverage alone but rather an outcome associated with the cancelation of the card overall. That is a different circumstance from cancelling the spousal coverage alone, which is a negative customer experience.

### ***Other Considerations***

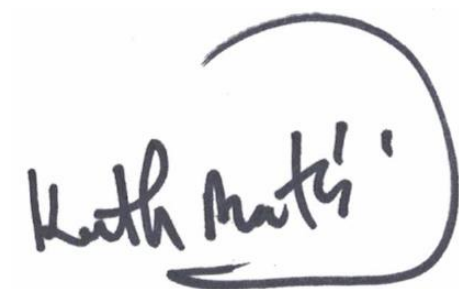
The original discussion around the AMF expectation to cancel spousal coverage where the AMF felt there was no pecuniary interest was based on a legal interpretation that we did not agree with, but which the AMF was insistent on. However, our members had been offering this spousal coverage (as it still does currently in every province other than Quebec) for over a decade, and to unwind a book of business that has been built up over such a considerable time, without our having any concerns raised, requires time.

The legal nature of the challenge of the offering of these spousal policies is important because we do not believe that these coverages are the subject of complaints to the AMF or industry, they are all capable of being cancelled by customers themselves if they do not want them, and we do not believe that they are creating any consumer harm. We have previously made these points to the AMF and we believe these considerations were factored into the original decision to allow for an extension to the deadline to cancel these in-force policies, and we believe these considerations continue to be relevant.

When we consider the pace of change and challenge of ongoing changes in the insurance environment for the AMF and industry, including technological changes, cyber-security risks, and changes to the competitive landscape, we believe that rapid or immediate cancellation of these policies, which would take considerable resources and effort for something that would produce a negative consumer experience, should not be something that has to be done so rapidly. We note the AMF's considerable achievements around and continued commitment to the fair treatment of customers and the priority of focusing on the protection of consumers, and that these important priorities should be what we emphasize in the partnership between the AMF and CAFII.

Should you require further information from CAFII or wish to meet with representatives from our Association on this letter or any other matter at any time, please contact Keith Martin, CAFII Executive Director, at [keith.martin@cafii.com](mailto:keith.martin@cafii.com) or 647-460-7725.

Sincerely,

A handwritten signature in dark ink that reads "Keith Martin". The signature is enclosed within a large, hand-drawn circular loop.

Keith Martin, Executive Director, CAFII

## **About CAFII**

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

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

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

CAFII's 14 members include the insurance arms of Canada's major financial institutions--BMO Insurance, CIBC Insurance, Desjardins Insurance, National Bank Insurance, RBC Insurance, Scotia Insurance, and TD Insurance, along with major industry players Assurant Canada, The Canada Life Assurance Company, Canadian Tire Bank, Chubb Life Insurance Company of Canada, CUMIS Services Incorporated, Manulife (The Manufacturers Life Insurance Company), and Securian Canada.

Bonjour M. Martin,

Nous vous remercions pour votre lettre et les informations partagées.

Nous avons effectivement entamé des démarches auprès des principales sociétés concernées afin de faire un suivi sur certaines préoccupations qui nous avaient été soulevées et obtenir des informations additionnelles sur leur situation et sur les enjeux qu'elles rencontrent de manière plus spécifique.

À la suite de ces démarches, nous souhaitons vous rencontrer accompagné des personnes ou membres de l'ACIFA qui le souhaiteront afin de discuter et planifier la suite de ce dossier plus globalement.

Nous vous contacterons au cours des prochaines semaines afin de fixer une plage horaire qui vous convient pour cette rencontre.

Vous remerciant à nouveau pour votre collaboration, nous sommes disponibles si vous avez des questions ou besoins d'informations additionnelles.

Cordialement,

Véronique Martel, notaire, LL. M.

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Hello Mr. Martin,

Thank you for your letter and for the information you shared with us.

We have indeed approached the main companies concerned in order to follow up on certain matters that have been raised with us and to obtain additional information on their situation and on the more specific issues they are facing.

Following these steps, we would like to meet with you, along with any other CAFII members or individuals who may wish to attend, in order to discuss and plan the next steps in this matter more generally.

We will contact you in the coming weeks to arrange a convenient time for this meeting.

Thank you once again for your cooperation. Please do not hesitate to contact us if you have any questions or if you require additional information.

Sincerely,

Véronique Martel, notary, LL.M.

## AMF Organizational Changes

The AMF has recently announced some significant organizational changes.

A high-level overview of the changes can be found through this news release:

[AMF organizational structure adapted to address changes in the financial sector \(newswire.ca\)](#)

As well, the changes are reflected in an updated AMF Organizational Chart:

<https://lautorite.qc.ca/en/general-public/about-the-amf/senior-management-and-internal-audit>

Earlier today April 2, 2024, I had a 45-minute virtual meeting with Mario Beaudoin, who offered to walk me through the changes and provide context.

**Marie-Pier Langelier, Previously Executive Director of the Office of the President and CEO, becomes Vice-President, Strategy and Risks**

Marie-Pier Langelier has worked closely with the new AMF President and CEO Yves Ouellet for over twenty years and is a close advisor, and was brought by him to the AMF from his previous government role, and has been promoted to a position that will take over many of the roles of the previous strategy vice president Kim Lachapelle. Ms. Langelier will be responsible for the office of the President, and will have a Director reporting into her to manage all of those activities. She will be responsible for strategy, risk assessment at the AMF, and for annual planning.





## Marie-Pier Langelier

Vice-President, Strategy and Risks

[Read the biography →](#)

- **Lise Estelle Brault**  
Senior Director, Fintech and Innovation
  - ↳ **Marie-Ève Lainez**  
Director, Fintech and Innovation
- **Virginie Chane-Teng**  
Senior Director, Monitoring, Risks and Performance
  - ↳ **Mario Houle**  
Chief Economist
  - ↳ **Carl Ouellet**  
Director, Integrated Risk and Performance Management
- **Vacancy**  
Director, President and CEO's Office
  - ↳ **Marie-Claude Dubeault**  
(absent)
  - ↳ **Mélanie Laterreur**  
Director, Internal Communications (interim)

### **Patrick Déry Takes Over the Alternative Distribution Department from Former Superintendent of Client Services and Distribution**

Mario Beaudoin will now be reporting into Nathalie Sirois in Patrick Déry's area as Superintendent, Financial Institutions. M. Beaudoin said that this made sense because Nathalie Sirois' department already needed to be consulted on many of the initiatives around alternative distribution practices, and so it makes sense to have all of this in one area.



## Patrick Déry

Superintendent, Financial Institutions

[Read the biography →](#)


- **Julien Reid**  
Senior Director, Policy and Resolution
  - ↳ **Alain Angora**  
Director, Licensing and Resolution
  - ↳ **Luc Naud**  
Director, Capital and Liquidity Policy
  - ↳ **Hélène Samson**  
Director, Prudential Policy and Simulations
- **Paulin Roy**  
Senior Director, Solvency and Data Value Creation
  - ↳ **Vadim Cebotari**  
Director, Supervision – Models
  - ↳ **Ibrahima Khaya**  
Director, Business Intelligence and Analytics
  - ↳ **Isabelle Berthiaume**  
Director, Supervision – Financial Condition
- **Nathalie Sirois** ←  
Senior Director, Prudential Supervision
  - ↳ **Véronique Martel** ←  
Director, Supervision – Commercial Practices
  - ↳ **Hicham Djab**  
Director, Supervision – Emerging Risks
  - ↳ **Pascal Michaud**  
Director, Supervision – Governance and Management Practices
  - ↳ **Mario Beaudoin** ←  
Director, Alternative Insurance Distribution Practices

Mario Beaudoin also said that 80% of the premium from direct sales of insurance on the Internet are from insurers or agents acting for insurers, so in this respect it also makes sense for him to be in the Superintendent Financial Institutions area.

### **Éric Jacob Becomes Permanent Executive Director, Enforcement**

Mr. Jacob now heads one of the largest groups in the AMF, the enforcement branch. His trajectory at the AMF has been impressive. He has been in this post on an interim basis for about a year, replacing Jean François Fortin, following this announcement from the Prime Minister's office last March 7, 2023: "Jean-François Fortin, currently Executive Director, Enforcement, Autorité des marchés financiers, becomes Associate Deputy Minister of Justice, effective March 27, 2023."

Originally, when he first arrived at the AMF, Mr. Jacob reported to Kim Lachapelle. He has subsequently been given increasingly larger roles.



## Éric Jacob

Executive Director, Enforcement

[Read the biography →](#)

- **Vacancy**  
 Senior Director, Investigations
  - ↳ **Stéphane Castilloux**  
Director, Computer Forensics
  - ↳ **Édouard DeBlois**  
Director, Market Abuse Investigations
  - ↳ **Christian Desjardins**  
Director, Case Assessment and Intelligence
  - ↳ **Éric Desrosiers**  
Director, General Investigations
  - ↳ **Marie-Isabelle Dionne**  
Director, Cyber and Joint Investigations
  - ↳ **Pierre-Yves L'Espérance**  
Director, Business Intelligence and Analytics
- **Annie Pigeon**  
 Senior Director, Litigation
  - ↳ **Brigitte Bélair**  
Director, Litigation – Montréal
  - ↳ **Sylvie Boucher**  
Director, Litigation – Québec City
  - ↳ **Brigitte Gobeil**  
Director, Litigation – Montréal
- **Christine Vachon**  
 Senior Director, Inspections
  - ↳ **Éric Boutin**  
Director, Inspections – Securities
  - ↳ **Geneviève Vigneault**  
Director, Inspections – Distribution of Financial Products and Services

**Kim Lachapelle Takes Over Revamped Role as Superintendent, Client Services and Financial Education (formerly Superintendent, Client Services and Distribution Oversight)**

As noted, Distribution Oversight has been transferred to Patrick Déry. Ms. Lachapelle's role will strongly reflect Yves Ouellet's desire to enhance consumer education and financial literacy initiatives. Christian Beaulieu, Mario Beaudoin's former boss, reports into Ms. Lachapelle with responsibility for certification and licensing exams.



**Kim Lachapelle**

Superintendent, Client Services and Financial Education

[Read the biography →](#)

- **Christian Beaulieu**  
Senior Director, Distribution Practices
  - ↳ **Louis Letellier**  
Director, Certification and Registration
  - ↳ **Geneviève Tourigny**  
Director, Qualifications
- **Antoine Bédard**  
Senior Director, Client Services and Education Programs
  - ↳ **Caroline Néron**  
Director, Complaints and Compensation
  - ↳ **Sonia Richard**  
Director, Information Centre
  - ↳ **Antoine Bédard**  
Director, Education Programs (interim)
  - ↳ **Camille Beaudoin**  
Director, Financial Education Expertise and Partnerships

**Louise Gauthier Moves into Hugo Lacroix's Area**

One of the more perplexing changes is the move for Louise Gauthier into the Superintendent, Securities Markets and Distribution area. Mario Beaudoin said that this was to reduce duplication and redundancy within the AMF, although it appears that responsibilities for distribution now are in many different areas. M. Beaudoin suggested that CAFII may wish to get to know Mr. Lacroix better as he will have oversight for some of the AMF activities that affect CAFII.



## Hugo Lacroix

Superintendent, Securities Markets and Distribution

[Read the biography](#) →

- **Frédéric Belleau**  
Senior Director, Investment Products and Sustainable Finance
  - ↳ **Bruno Vilone**  
Director, Investment Products Oversight
  - ↳ **Olivier Girardeau**  
Director, Sustainable Finance Oversight and Supervision
  - ↳ **Sophie Hamel**  
Director, Investment Products Supervision
- **Benoit Gascon**  
Senior Director, Corporate Finance
  - ↳ **Patrick Théorêt**  
Director, Corporate Finance Transactions
  - ↳ **Marie-Claude Brunet-Ladrie**  
Director, Supervision of Issuers and Insiders
  - ↳ **Martine Barry**  
Director, Supervision of Financial Reporting
  - ↳ **Michel Bourque**  
Director, Regulatory Supervision (interim)
- **Dominique Martin**  
Senior Director, Market Activities and Derivatives
  - ↳ **Houcine Kabbaj**  
Director, Market Data Intelligence
  - ↳ **Jean-Simon Lemieux**  
Director, Oversight of Trading Activities
  - ↳ **Herman Hsin Ming Tan**  
Director, Oversight of Clearing Activities
- **Louise Gauthier**  
Senior Director, Distribution Policies
  - ↳ **Mélissa Perreault**  
Director, Distribution Practices and SROs
  - ↳ **Pascale Toupin**  
Director, Supervision of Intermediaries

### Concluding Comments

CAFII staff will be working with volunteers on next steps including opportunities for relationship building with some of the staff executives with new or enhanced oversight over CAFII members.

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 5(f)**

**Strategic and Regulatory Matters – CAFII's Media Strategy – Options and Recommendations**

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### **Purpose of this Agenda Item—Update/Discussion**

To provide an update to the Board on options around CAFII's media strategy.

### **Background Information**

CAFII Media Consultant Wendy Bairos and CAFII Executive Director Keith Martin will update the Board on options around CAFII's media strategy. W. Bairos will ask for input and feedback from the Board.

### **Recommendation / Direction Sought—Update/Discussion**

This is an update item with the opportunity for discussion.

### **Attachments Included with this Agenda Item**

Two (2) attachments.



## PR Coverage – CAFII & LIMRA Homeowners Report 2024

### OVERVIEW

This outlines the media coverage secured following the release of CAFII's latest report on homeowners' insurance in Canada. The press release announcing the reports was released on March 20, 2024 across Canada News Wire in both English and French, maximizing its reach across the country. Additionally, the release was offered to a targeted list of reporters under embargo in advance of the March 20th release date.

### OVERVIEW

The following are the PR and media activities to support the report

- Approximately 20 reporters were emailed under embargo prior to the news release crossing the wire.
- To date, 3 reporters have written stories about the report
- There is a series of scheduled LinkedIn Posts (English and French) that will continue to be posted throughout the month to continue to promote the report

### NEWS RELEASE PICKUP:



The total potential audience for the news release was 57.1M. Pickup Included, [Ottawa Times](#), [Canadian Insider](#), [Private Capital Newswire](#), [Yahoo Finance](#), and [L'annonceur.ca](#).

There were 103 click-throughs to CAFII.com, 64 click-throughs to the report. To date the following unique articles have been written about the report.

1. **Assurance:** [La plupart des propriétaires canadiens ne sont pas suffisamment assurés](#)
2. **Insurance Portal:** [Most Canadian homeowners do not carry sufficient coverage](#)
3. **Insurance Business Magazine:** [CAFII study shines light on 'concerning trend' among homeowners](#)



## CAFII Media Engagement – Strategy & Considerations

**Overview:** To date CAFII has chosen to limit its engagement with mainstream media. However, their goal is to inform and educate the public and government stakeholders on behalf of their members. Additionally, CAFII aims to ensure proper standards for the distribution and marketing of all insurance products and services, working with legislative and regulatory groups to establish the framework.

**Objective:** CAFII seeks to expand its role in educating the public about the range of insurance products offered by its members. This will provide a balance or counterpoint to some of the misinformation (or incomplete information) that can be found in the media.

**Approach:** To bring CAFII's message to more consumers and establish itself as a trusted resource, here are a few approaches and considerations.

| Tactic   | Pros/Cons   |
|--|---|
| Media outreach and 1:1 background conversations with reporters – Introduce CAFII and Keith to reporters and influencers<br>As a means to establish CAFII and Keith as a trusted resource for reporters and influencers.<br>With a goal to ensure accurate insurance information reaches the target audience, ultimately solidifying CAFII as the source of truth on insurance. | <p><b>Pros:</b> Increased visibility and raised profile establishing CAFII and Keith as thought leaders in the insurance industry. Engaging with reporters could ensure accurate information gets in front of the public and positions CAFII as a reliable source for insurance knowledge.</p> <p><b>Cons:</b> Engaging with media will lead to increased interest in interviews that require time and resources. Even with careful messaging, there's a slight risk that interview requests could be misinterpreted as negativity or unwillingness to engage.</p> <p><b>Recommendation:</b> Select 2-3 reporters to engage with proactively outside of trade publications.</p> <p><b>Suggestion:</b> General Assignment reporters such as Ana Perreira at the Toronto Star, and Personal finance reporter at Financial Post Jason Heath.</p> |
| Submit contributed content and byline articles to consumer facing media  | <b>Pros:</b> Contributed content will raise awareness of CAFII's mission and expertise.   |

|   |  |
|---|--|
|   | <p>Publishing high-quality content in consumer facing media positions CAFII as a thought leader and trusted source of information. Contributed content, and CAFII owned media, means that CAFII owns the narrative without</p> <p><b>Cons:</b> Creating effective content requires time and effort and without guarantee of publishing.</p> <p><b>Suggestion:</b> Test with a byline focused around recent research. Pitch to Financial Post as an op-ed. If there is budget, we can pay to place the article as sponsored content. Also suggest working with MoneySense as an option.</p> |
| Increase owned content published on both CAFII website and on LinkedIn. | <p><b>Pros:</b> By publishing content on website and LinkedIn, CAFII maintains control over messages it delivers.</p> <p><b>Cons:</b> It can be challenging to reach entirely new audiences. Owned content is most often read by those that are already familiar with CAFII.</p> <p><b>Suggestion:</b> If the goal is to build audience, suggest testing promoting content (possibly paid campaign).</p>   |

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 5(g)**

**Strategic and Regulatory Matters – March 19/24 Webinar on Results of the LIMRA Research with Regulators and Policy-Makers**

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### **Purpose of this Agenda Item—Update**

To provide an update to the Board on the March 19/24 webinar results of the LIMRA Research with regulators and policy-makers.

### **Background Information**

CAFII Executive Director Keith Martin will update the Board on the March 19/24 webinar which summarized the results of the LIMRA research.

Many representatives from CAFII's 14 member companies and 9 Associates attended the webinar, as did representatives from allied industry Associations such as the Canadian Life and Health Insurance Association, or CLHIA; the Travel and Health Insurance Association, or THIA; the Canadian Bankers Association, or CBA; the Canadian Association of Direct Relationship Insurer, or CADRI. Several insurance and financial services regulators and policy-making authorities attended as well, including the following:

- The Office of the Superintendent of Financial Institutions, or OSFI;
- The Autorité des marchés financiers, or the AMF;
- The Financial Services Regulatory Authority of Ontario, or FSRA;
- The New Brunswick Financial and Consumer Services Commission, or FCNB;
- The Insurance Councils of Saskatchewan, or ICS;
- The Government of Saskatchewan;
- The Government of Alberta;
- The Alberta Insurance Council, or AIB;
- The British Columbia Financial Services Authority, or BCFSa;
- And the Insurance Council of British Columbia.

**In total, 29 regulators and policy-makers attended the webinar.**

### **Recommendation / Direction Sought—Update**

This is an update item.

### **Attachments Included with this Agenda Item**

Two (2) attachment.

Having trouble viewing this email? [Click Here](#)

Reminder: You are receiving this email because you have expressed an interest in the Canadian Association of Financial Institutions in Insurance.

Dear Shanay,

We are pleased to invite you to attend our upcoming 2024 CAFII Webinar on

***Canadian Homeowner Insurance Research***

***A webinar Sharing the Results of Groundbreaking Research by LIMRA on Insurance Among Canadian Homeowners***

Tuesday, March 19, 2024  
from 1:00pm - 2:00pm ET  
via Zoom Webinar

Featuring a Presentation of the Key Research Results by:

**Justeena Zaki-Azat**

Senior Research Analyst, Applied Research Solutions

(For capsule biography, [click here](#)).

***In this webinar, Justeena Zaki-Azat will Review LIMRA's Research Results:***

CAFII has commissioned groundbreaking research with LIMRA on life and health insurance among Canadian homeowners.

CAFII will be publicly releasing the research on March 20, 2024, and prior to that public release we are holding a pre-release webinar to share the key findings of the research with Regulators and Policy-Makers. (CAFII members and stakeholders will also be invited to attend the webinar, which will be recorded and posted on our website.)

We hope you can attend this session on the prevalence of insurance among Canadian homeowners, and the risks that Canadians are exposed to from being underinsured or uninsured.

**About LIMRA:** Serving the industry since 1916, LIMRA offers industry knowledge, insights, connections, and solutions to help more than 700 member organizations navigate change with confidence. Visit LIMRA at [www.limra.com](http://www.limra.com)

[Click Here to Register](#)

For further information or assistance, please email [zoe@managingmatters.com](mailto:zoe@managingmatters.com) or call 416-944-3183 ext. 237.

We look forward to welcoming you to this 2024 CAFII webinar .

Keith Martin  
Executive Director

**REGULATORS AND POLICY-MAKERS IN YELLOW**

**29 Regulators and Policy-Makers in Attendance**

| Attended | User Name (Original Name) | First Name     | Last Name         | Email                                  | Country/Region Name |
|----------|---------------------------|----------------|-------------------|--|---------------------|
| Yes      | Sania Abdul Malak         | Sania          | Abdul Malak       | sania.abdulmalak@cibc.com              | Canada              |
| Yes      | Brad Dance                | Brad           | Dance             | bdan@tugo.com                          | Canada              |
| Yes      | Robyn Jennings            | Robyn          | Jennings          | robyn.jennings@cafii.com               | Canada              |
| Yes      | Thembi Mathwasa           | Thembi         | Mathwasa          | thembi.mathwasa@gov.ab.ca              | Canada              |
| Yes      | Rob Dobbins               | Rob            | Dobbins           | rob.dobbins@assurant.com               | United States       |
| Yes      | Michael Camacho           | Michael        | Camacho           | mcamacho@csibrokers.com                | Canada              |
| Yes      | Geoffrey Smith            | Geoffrey       | Smith             | geoffrey.smith@cibc.com                | Canada              |
| Yes      | Marlene Salgadoinho-Tanos | Marlene        | Salgadoinho-Tanos | marlene.salgadoinho@canadalife.com     | Canada              |
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| Yes      | Peter Thorn               | Peter          | Thorn             | peter.thorn@td.com                     | Canada              |
| Yes      | Mario Beaudoin            | Mario          | Beaudoin          | mario.beaudoin@lautorite.qc.ca         | Canada              |
| Yes      | Michelle Costello         | Michelle       | Costello          | michelle.costello@cumis.com            | Canada              |
| Yes      | Monika Spudas             | Monika         | Spudas            | monika.spudas@securiancanada.ca        | Canada              |
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| Yes      | Natalie Berkheimer        | Natalie        | Berkheimer        | natalie.berkheimer@rbc.com             | Canada              |
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| Yes      | Pier-Luc Chouinard        | Pier-Luc       | Chouinard         | pier-luc.chouinard@dsf.ca              | Canada              |
| Yes      | Pierre-Olivier Cyr        | Pierre-Olivier | Cyr               | pierre-olivier.cyr@dsf.ca              | Canada              |
| Yes      | Cindy Audet               | Cindy          | Audet             | caudet2@dsf.ca                         | Canada              |
| Yes      | Manpreet Abrol            | Manpreet       | Abrol             | manpreet.abrol@bcfsa.ca                | Canada              |
| Yes      | Andrea Lewis              | Andrea         | Lewis             | andrea.r.lewis@rbc.com                 | Canada              |
| Yes      | Thomas Paré-Bourque       | Thomas         | Paré-Bourque      | thomas.pare-bourque@dsf.ca             | Canada              |
| Yes      | Dominique Lavoie          | Dominique      | Lavoie            | dominique.lavoie@desjardins.com        | Canada              |
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| Yes      | Geoffrey Beechey          | Geoffrey       | Beechey           | gbeechey@cadri.com                     | Canada              |
| Yes      | Chris Childerhouse        | Chris          | Childerhouse      | chris_childerhouse@optima.net          | Canada              |
| Yes      | Marina Makhnach           | Marina         | Makhnach          | marina.makhnach@bcfsa.ca               | Canada              |
| Yes      | Jenn Schmidt              | Jenn           | Schmidt           | jennifer.schmidt2@gov.sk.ca            | Canada              |
| Yes      | Kevin Szweras             | Kevin          | Szweras           | kevin.szweras@cibc.com                 | Canada              |
| Yes      | Dave Svadjian             | Dave           | Svadjian          | dave.svadjian@cibc.com                 | Canada              |
| Yes      | Darrell Leadbetter        | Darrell        | Leadbetter        | darrell.leadbetter@osfi-bsif.gc.ca     | Canada              |
| Yes      | Paula Augusta             | Paula          | Augusta           | paula.augusta@bcfsa.ca                 | Canada              |
| Yes      | Dennis Craig              | Dennis         | Craig             | dennis.craig@rbc.com                   | Canada              |
| Yes      | Pascale Charest-Guérin    | Pascale        | Charest-Guérin    | pascale.charest-guerin@lautorite.qc.ca | Canada              |
| Yes      | Shamir Jamal              | Shamir         | Jamal             | shamir.jamal@securiancanada.ca         | United States       |

same name often means this  
person registered others in  
their organization

|     |                    |           |           |                                    |               |
|-----|--------------------|-----------|-----------|------------------------------------|---------------|
| Yes | Christian Beaulieu | Christian | Beaulieu  | christian.beaulieu@lautorite.qc.ca | Canada        |
| Yes | Sarah Butler       | Sarah     | Butler    | sarah.butler@fcnb.ca               | Canada        |
| Yes | Eleanore Ho        | Eleanore  | Ho        | eleanore_ho@cooperators.ca         | Canada        |
| Yes | Melissa Townsend   | Melissa   | Townsend  | Melissa.Townsend@gov.ab.ca         | Canada        |
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| Yes | Julia Eldridge     | Julia     | Eldridge  | julia.eldridge@td.com              | Canada        |
| Yes | Emily Hill         | Emily     | Hill      | emily.hill@td.com                  | Canada        |
| Yes | May Sheng          | May       | Sheng     | may.sheng@cibc.com                 | Canada        |
| Yes | Rosa Massara       | Rosa      | Massara   | rosa.massara@cibc.com              | Canada        |
| Yes | Dorothy DeBono     | Dorothy   | DeBono    | dorothy.debono@cibc.com            | Canada        |
| Yes | Shahnoor K         | Shahnoor  | K         | shahnoor.khimjee@td.com            | Canada        |
| Yes | Susan Bristow      | Susan     | Bristow   | susan_bristow@cooperators.ca       | Canada        |
| Yes | Sylvie Anderberg   | Sylvie    | Anderberg | sylvie.anderberg@gov.ab.ca         | Canada        |
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| Yes | John Burns         | John      | Burns     | john.burns@securiancanada.ca       | Canada        |
| Yes | Roby Varghese      | Roby      | Varghese  | roby.varghese@cibc.com             | Canada        |
| Yes | Kimberly Hutchison | Kimberly  | Hutchison | kimberly_hutchison@cooperators.ca  | Canada        |
| Yes | Peter Thompson     | Peter     | Thompson  | peter.thompson@bnc.ca              | Canada        |
| Yes | Supan Shah         | Supan     | Shah      | supan.shah@rbc.com                 | Canada        |
| Yes | Kamilia Mir        | Kamilia   | Mir       | kamilia.mir@rbc.com                | Canada        |
| Yes | Daniel Hou         | Daniel    | Hou       | daniel.hou@rbc.com                 | Canada        |
| Yes | Astrid Parra       | Astrid    | Parra     | astrid.parra@securiancanada.ca     | United States |
| Yes | Steve Power        | Steve     | Power     | Stephen.Power@fsrao.ca             | Canada        |

| Yes            | Aloma Rasquinha   | Aloma            | Rasquinha                 | aloma.rasquinha@rbc.com                | Canada        |
|----------------|-------------------|------------------|---------------------------|--|---------------|
| Yes            | Gunther Rathgeb   | Gunther          | Rathgeb                   | gunther.rathgeb@rbc.com                | Canada        |
| Yes            | Soraya Ismail     | Soraya           | Ismail                    | soraya_ismail@cooperators.ca           | Canada        |
| Yes            | Elsa Farnsworth   | Elsa             | Farnsworth                | elsa.farnsworth@wtwco.com              | United States |
| Yes            | Elsa Farnsworth   | Elsa             | Farnsworth                | elsa.farnsworth@wtwco.com              | United States |
| Yes            | Rachel Paul       | Rachel           | Paul                      | rachel.paul@wtwco.com                  | United States |
| Yes            | Anubhav Pattanaik | Anubhav          | Pattanaik                 | anubhav.pattanaik@wtwco.com            | United States |
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| Yes            | Louie Georgakis   | Louie            | Georgakis                 | louie.georgakis@canadalife.com         | Canada        |
| No             | Serina            | Serina           | Yau                       | serina.yau@fsrao.ca                    |               |
| No             | Grace             | Grace            | Tijani                    | grace.tijani@securiancanada.ca         |               |
| No             | Suzanne           | Suzanne          | Houser                    | suzanne.houser@canadalife.com          |               |
| No             | Bradley           | Bradley          | Kuiper                    | bradley.kuiper@scotiabank.com          |               |
| No             | Nusrat            | Nusrat           | Rahman                    | nusrat.rahman@cibc.com                 |               |
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| Other Attended |                   |                  |                           |  |               |
| User Name      | Join Time         | Leave Time       | Time in Session (minutes) | Is Guest                               |               |
| 14163568694    | 2024-03-19 13:04  | 2024-03-19 13:51 | 48                        | Yes                                    |               |
| 14165811236    | 2024-03-19 13:04  | 2024-03-19 13:57 | 53                        | Yes                                    |               |

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 5(h)**

**Strategic and Regulatory Matters – March 20/24 Public Release of the CAFII 2023 Research Project with LIMRA on Insurance Amongst Canadian Homeowners**

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### **Purpose of this Agenda Item—Update**

To provide an update to the Board on the March 20/24 public release of the CAFII 2023 research project with LIMRA on insurance among Canadian homeowners.

### **Background Information**

CAFII Executive Director Keith Martin will update the Board on the March 20/24 public release of the CAFII 2023 research project with LIMRA on insurance among Canadian homeowners.

The release was picked up by three different industry trade media sources – Insurance Business, Insurance Portal, and Portail de L'Assurance. Each article has been linked below:

- Insurance Business: [\*CAFII Study Shines Light on “Concerning Trend” Among Homeowners\*](#)
- Insurance Portal: [\*Most Canadian Homeowners Do Not Carry Sufficient Coverage\*](#)
- Portail de L'Assurance: [\*La plupart des propriétaires canadiens ne sont pas suffisamment assurés.\*](#)

The research study, in its entirety, has been posted to the [CAFII website](#).

A webinar occurred on March 19/24, which detailed the research findings. An English recording ([\*CAFII & LIMRA: Insurance Among Canadian Homeowners\*](#)) as well as a French written summary ([\*Nouveau Rapport: une étude de l'ACIFA révèle un manque critique de couverture d'assurance vie de crédit parmi les propriétaires canadiens\*](#)) been posted to the website as well.

### **Recommendation / Direction Sought—Update**

This is an update item.

### **Attachments Included with this Agenda Item**

Four (4) attachments.





# Insurance Among Canadian Homeowners

CAFII

February 2024



# Contents



- Background & Research Objectives
- Methodology
- Key Findings
- Low-Income Homeowners
- Insured vs Uninsured Homeowners
- “At Risk” Homeowners
- Recommendations
- Q&A



## Background & Research Objectives

# Background

The Canadian Association of Financial Institutions in Insurance (CAFII) is seeking to understand the prevalence of insurance products among Canadian homeowners.





# Research Objectives



The goal of this study was to answer the following questions:

- Are homeowners traditionally uninsured or underinsured?
- Do more homeowners with lower income have credit protection than others?
- Is credit protection playing a disproportionately important role in the marketplace for low-income homeowners?



## Methodology

# Sample

We sampled  $n = 1,175$  Canadian homeowners with the following household income bands:

- 34% Low (fewer than \$60,000)
- 37% Middle (\$60,000 - \$124,999)
- 29% High (\$125,000 or more)

At least 55% of each income band had a mortgage, a home equity line of credit, or both.





# Survey



Participants completed an online survey that took an average of 12.5 minutes.

The survey comprised of 46 questions and covered the following topics:

- Insurance Ownership
- Financial Attitudes
- Insurance Coverage
- Demographics



## Key Findings



## Some Definitions & Short Forms

- **Credit** = Mortgage or Home Equity Line of Credit (HELOC)

The only type of credit examined in the study were home-related loans.

- **CPI** = Credit Protection Insurance

This refers to mortgage or HELOC insurance (e.g., life, disability, critical illness, job loss).

- **TLI** = Traditional Life Insurance

This refers to term, whole, universal, and employee benefit life insurance.

### Household Income Brackets:

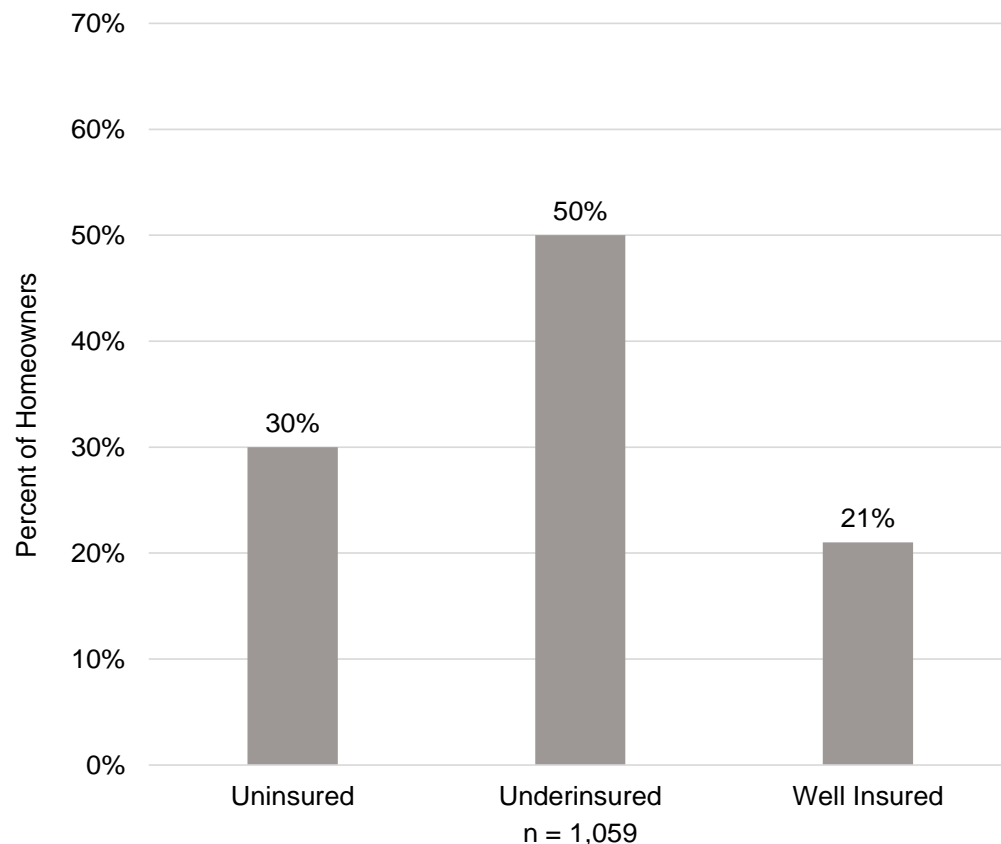
- Low = fewer than \$60,000
- Middle = \$60,000 to \$124,999
- High = \$125,000 or more

### Traditional Insurance Status:

- **Uninsured:** Do not have any TLI.
- **Underinsured:** Have TLI that cover fewer than 7 years of income.\*
- **Well Insured:** Have TLI that covers 7 or more years of income.\*

10 \* The Financial Consumer Agency of Canada recommends life insurance coverage for 7 to 10 years worth of income.

# 1. Are homeowners traditionally uninsured or underinsured?



Yes

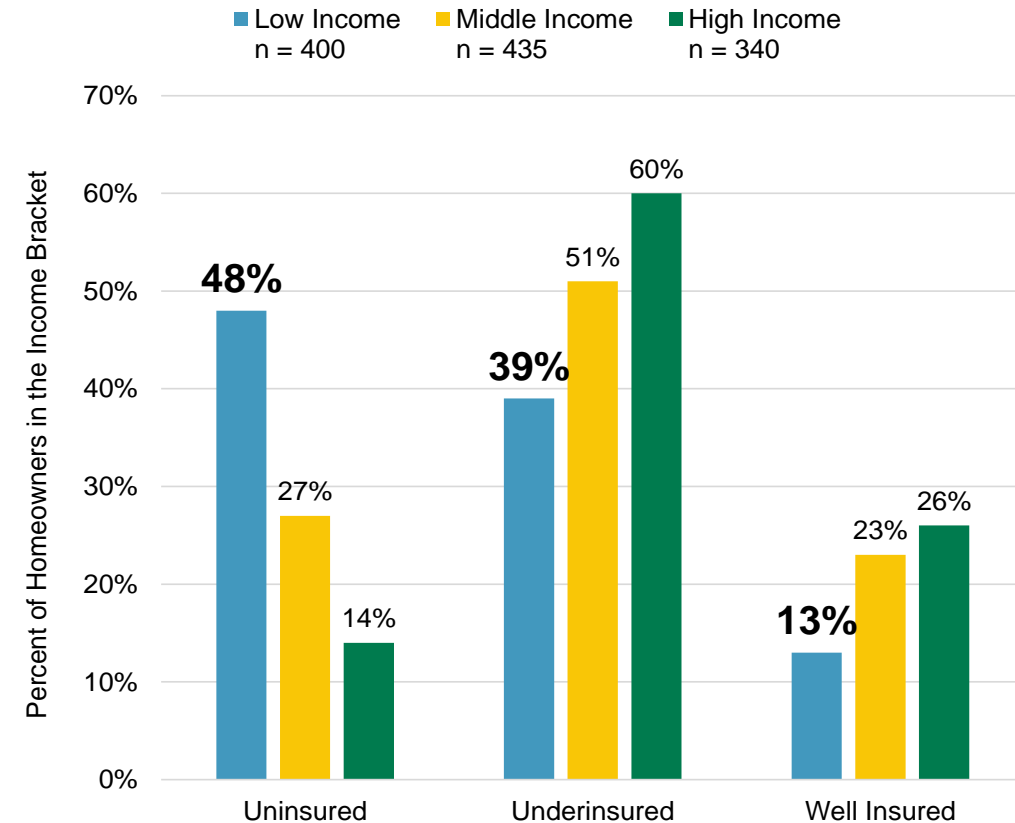
80% of Canadian homeowners uninsured (do not have traditional life insurance) or underinsured.

## 1a. Does that change depending on income bracket?

Yes

Significantly more low-income homeowners are traditionally uninsured as opposed to other income brackets.

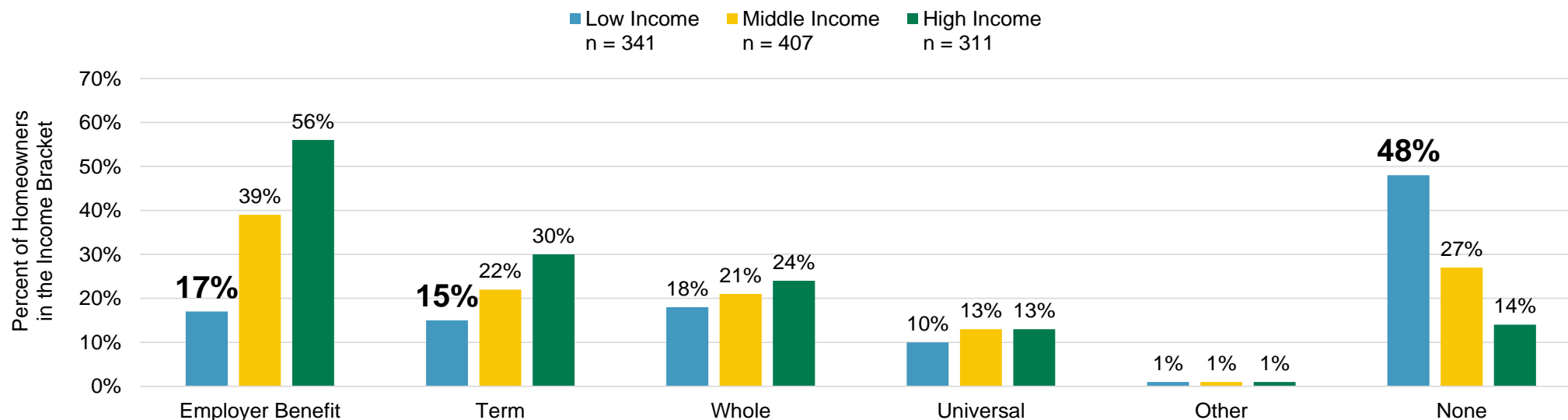
Of those insured, 75% of low-income homeowners are traditionally underinsured.



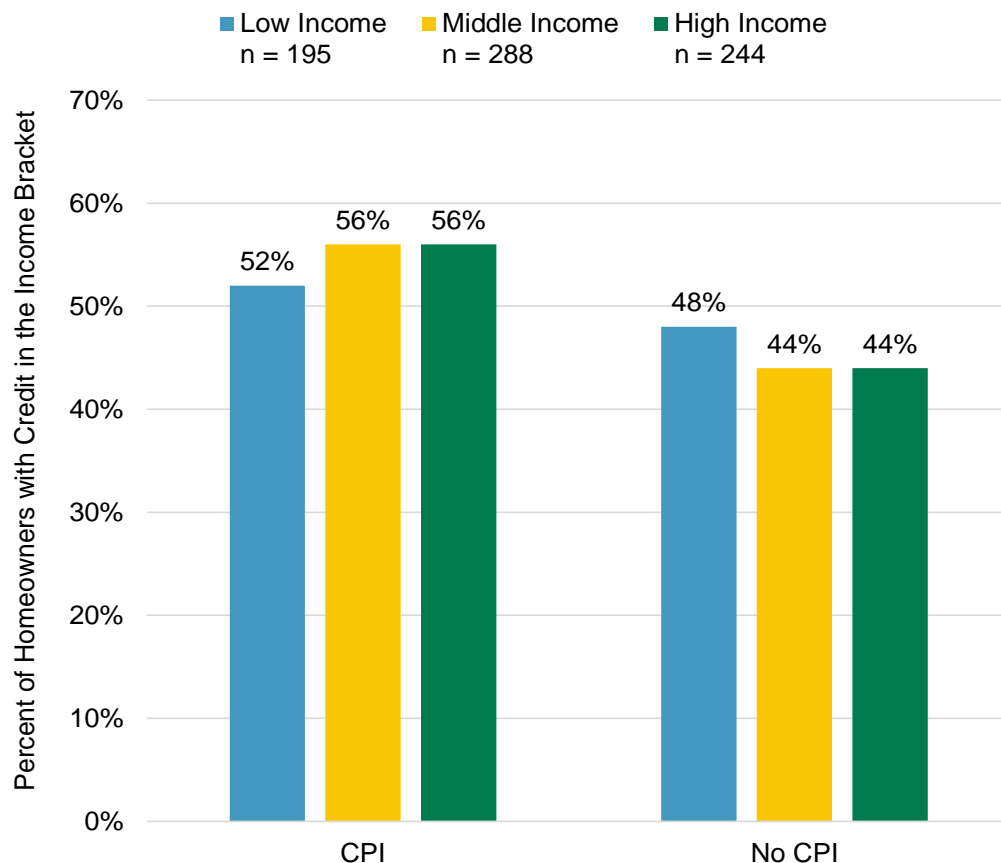
## 1b. Does ownership of TLI product depend on income bracket?

Yes

Significantly fewer low-income homeowners own employer benefit life and term life insurance than other income brackets.



## 2. Do more homeowners with lower income own CPI than others?



No

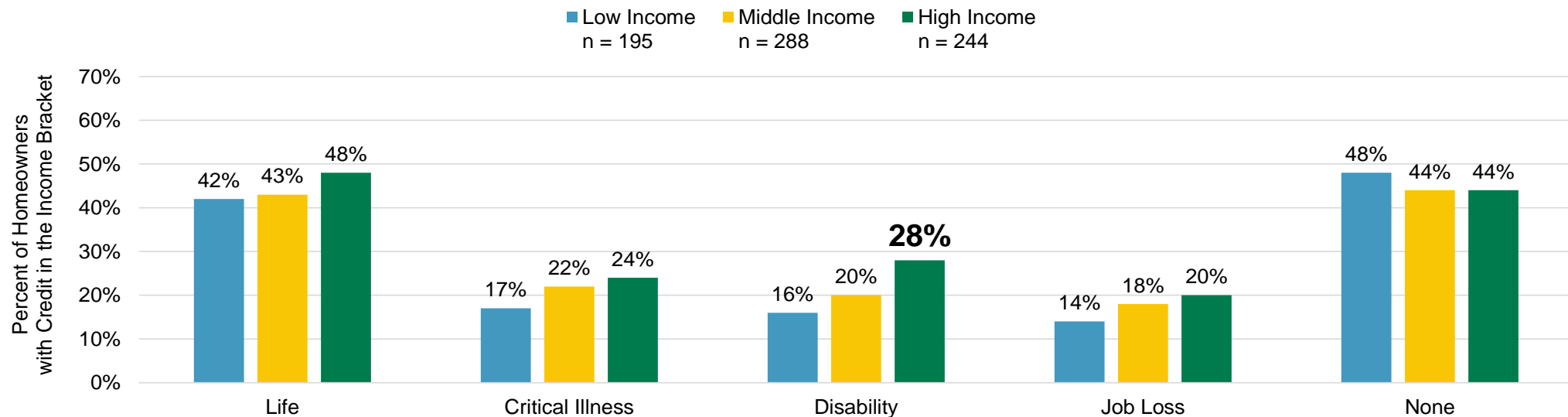
55% of all homeowners with credit own a form of CPI. There are no significant differences between income brackets.

Additionally, low-income homeowners own significantly fewer CPI products (M = 1.78) than high-income homeowners (M = 2.27).

## 2a. Does ownership of CPI product depend on income bracket?

No

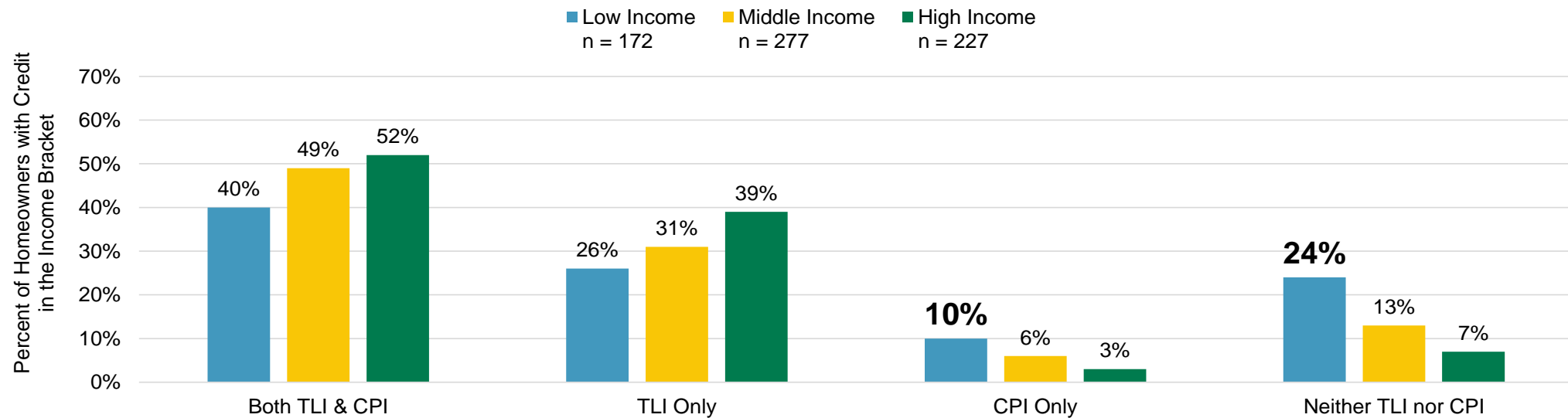
CPI product ownership follows the same pattern across all income brackets.



### 3. Is CPI playing an important role for low-income homeowners?

Possibly for a few.

Significantly more low-income homeowners with credit (10%) only own CPI compared to other income brackets.





## Low-Income Homeowners (with Credit)



## Quick Look at Demographics

- Avg 45 yrs old (30% are Boomers or older)\*\*
- 57% Female
- 52% Unpartnered (Single, Divorced, or Widowed)\*\*
- 61% No children or adult dependents\*\*
- 57% Some University or fewer\*\*
- 65% Less than \$50,000 in investible assets\*\*
- 75% Born in Canada
- 57% First-time homeowner

Low-income n = 221

\* Significantly fewer than other income groups

18 \*\* Significantly more than other income groups



# Financial Attitudes & Concerns

- 48% say they are somewhat or not at all financially knowledgeable.\*\*
- 38% say they don't have and don't want a financial professional.\*\*
- Top 3 Financial Concerns:
  1. Paying monthly bills (53%)\*\*
  2. Having enough money for a comfortable retirement (44%)\*
  3. Paying for long-term care services if I become unable to take care of myself (38%)
- 60% believe having life insurance is important or very important.\*

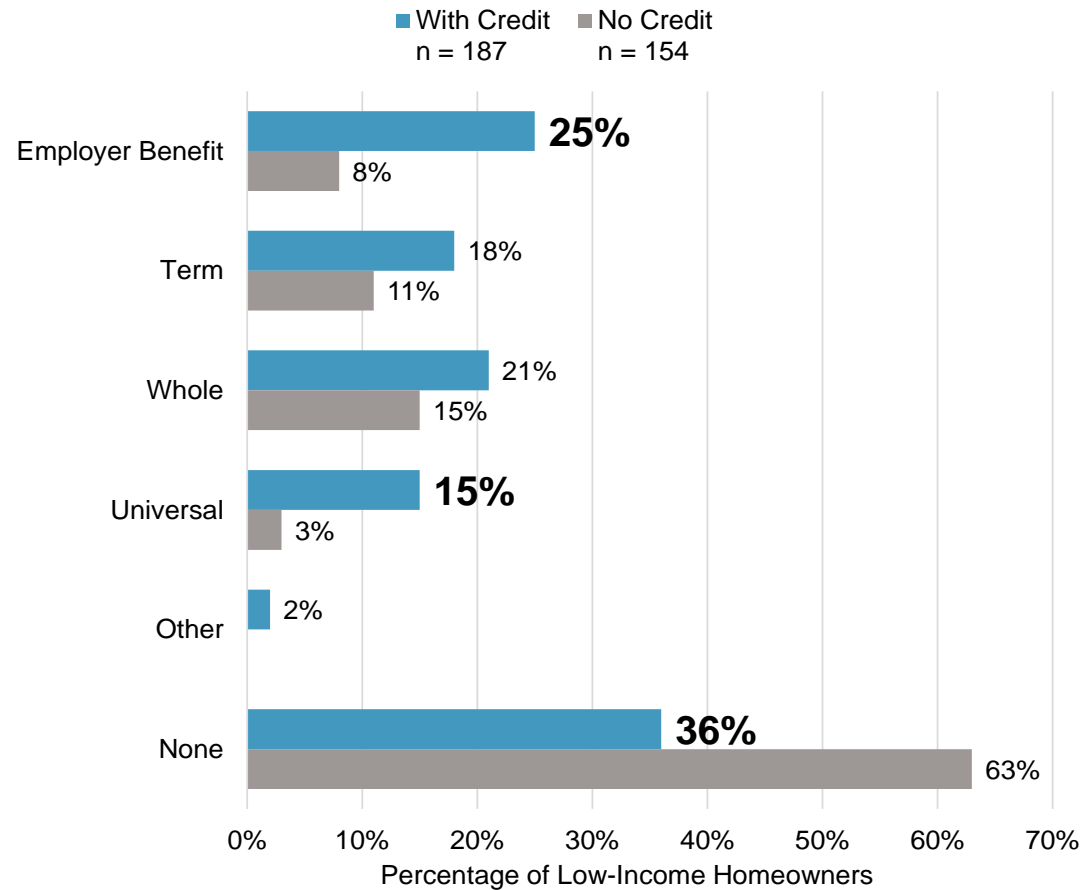
Low-income n = 221

\* Significantly fewer than other income groups

19 \*\* Significantly more than other income groups



# Traditional Life Insurance Ownership



- More Homeowners with credit are traditionally insured (with more products on average), than their counterparts without credit.
- However, they are the least insured as compared to higher income brackets.
  - Less employer benefit insurance
  - Less term insurance
  - More traditionally uninsured

# Insurance Coverage

- 60% believe they have enough life insurance.
- 76% have insurance to cover income for fewer than 7 years and 31% for 2 years or fewer.
- 52% believe they should have insurance to cover income for fewer than 7 years.
- 61% say their families would have trouble covering living expenses if the primary wage earner passed away tomorrow.

Low-income insured n = 110

\* Significantly fewer than other income groups

21 \*\* Significantly more than other income groups





# The Traditionally Uninsured Homeowner with Credit

**46%** say they can't afford life insurance...

**50%** don't have an emergency fund or other personal savings to access in place of life insurance... \*\*

**53%** say their families would have trouble covering living expenses for several months or fewer if the primary wage earner passed away tomorrow...

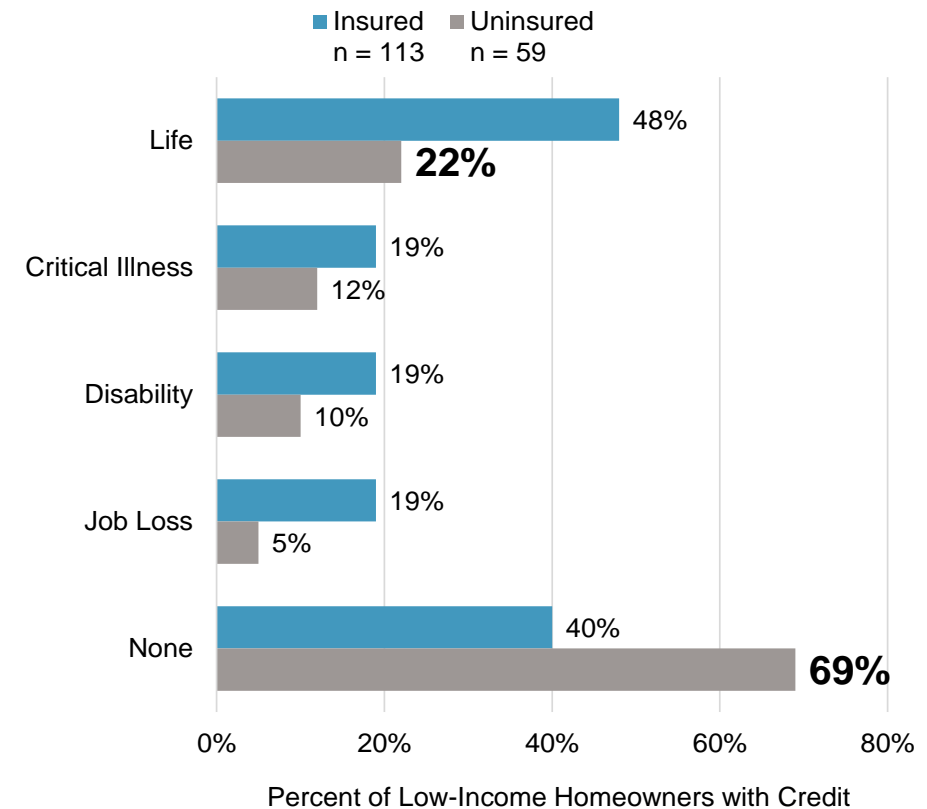
Low-income uninsured n = 68

\* Significantly fewer than other income groups

22 \*\* Significantly more than other income groups

# Credit Protection Insurance Ownership

- 31% of traditionally uninsured homeowners own at least one CPI product.
- Significantly fewer homeowners that are traditionally uninsured own Life CPI than those who are traditionally insured.
- Significantly more homeowners that are traditionally uninsured also don't own CPI, than those who are insured.
- 10% of traditionally uninsured homeowners who don't have CPI intend on purchasing it at their next mortgage renewal.



## Low-Income Homeowner Summary



- Significantly more traditionally uninsured (do not have traditional life insurance) homeowners:
  - Have the least survivorship (partner and/or dependents)
  - Lowest investible assets
  - Say they can't afford traditional insurance
- CPI could be a great solution for the uninsured low-income homeowner... but not many utilize it!





## Traditionally Insured vs Uninsured Homeowners (with Credit)



# Quick Look at Demographics

## TRADITIONALLY INSURED

- Avg Age 43 yrs old (51% Millennials or younger)\*\*
- 52% Female
- 75% Partnered \*\*
- 52% Children or adult dependents\*\*
- 65% Completed a technical, an undergrad, or a post-grad degree
- 46% \$100,000 or more in investible assets\*\*
- 48% Household income \$100,000 - \$200,000\*\*
- 77% Born in Canada
- 54% First-time homeowner

## TRADITIONALLY UNINSURED

- Avg Age 52 yrs old (67% Gen X or older)\*\*
- 59% Female
- 41% Unpartnered \*\*
- 71% No children or adult dependents \*\*
- 51% Completed a technical, an undergrad, or a post-grad degree
- 40% less than \$50,000 in investible assets\*\*
- 58% Household Income less than \$80,000\*\*
- 77% Born in Canada
- 54% First-time homeowner

Insured n = 577

Uninsured n = 154

\* Significantly fewer than others

26 \*\* Significantly more than others

# Financial Attitudes

## TRADITIONALLY INSURED

- 41% say they are somewhat or not at all financially knowledgeable.
- 49% have a financial professional.\*\*
- 80% believe it is important or very important to have life insurance.\*\*
  - 14% are neutral to the importance of having life insurance\*

## TRADITIONALLY UNINSURED

- 43% say they are somewhat or not at all financially knowledgeable.
- 45% don't have a financial professional and they don't want one.\*\*
  - Of those who don't have one, 79% have not had one in the past.\*\*
- 21% believe it is not very important or not at all important to have life insurance.\*\*
  - 47% are neutral to the importance of having life insurance\*\*

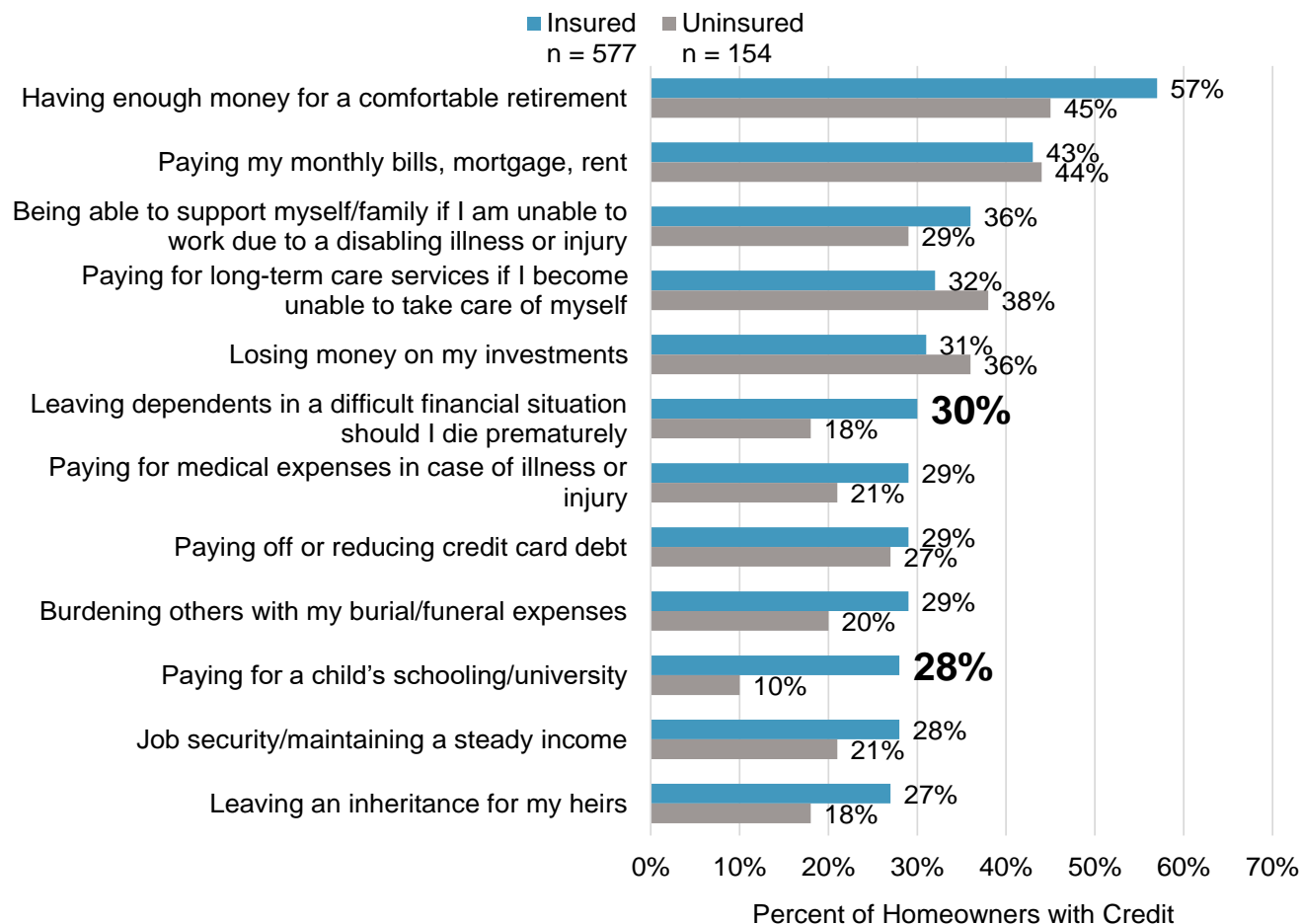
Insured n = 577

Uninsured n = 154

\* Significantly fewer than others

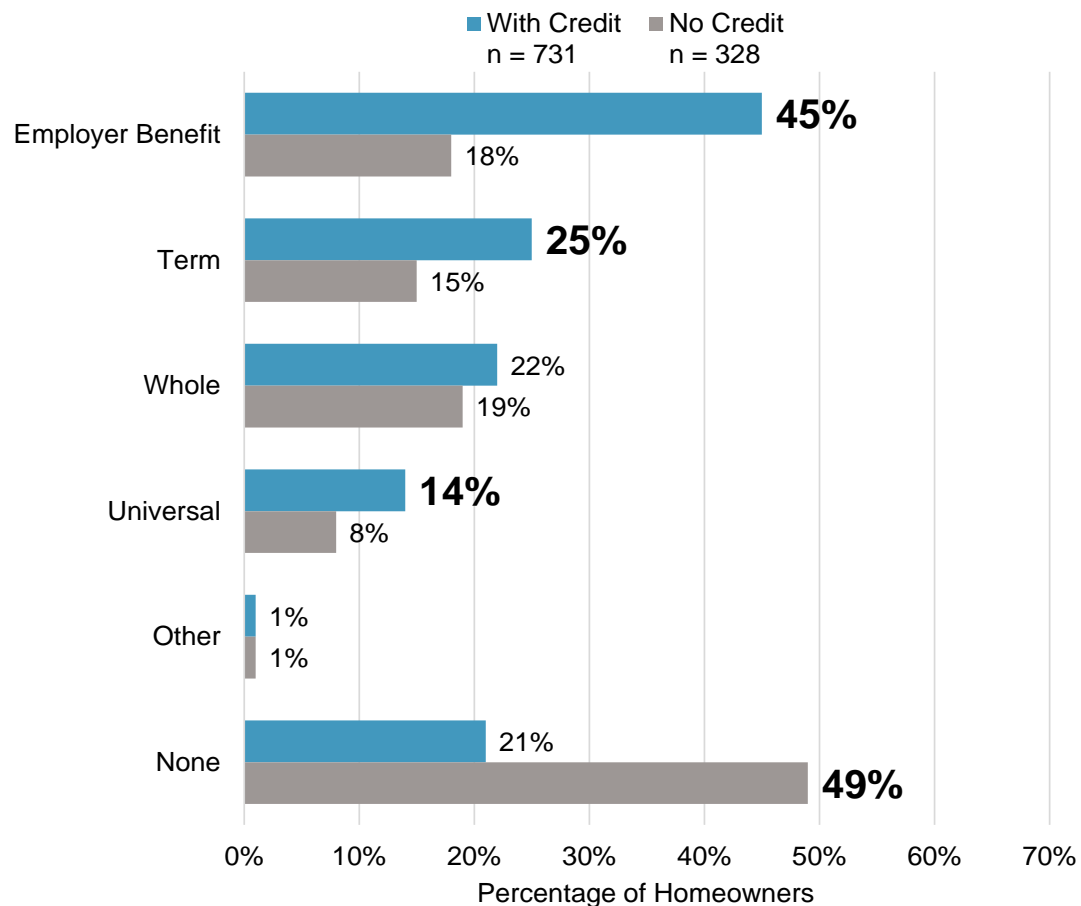
\*\* Significantly more than others

# Financial Concerns



- Top 2 financial concerns are the same among all homeowners with credit.
- Significantly more traditionally insured homeowners are concerned about leaving dependents in a difficult financial situation as well as paying for a child's education.

# Traditional Life Insurance Ownership



- Significantly more homeowners with credit have employer benefit, term, and universal life insurance than those who have no credit.
- Significantly more homeowners without credit are traditionally uninsured than those with credit.

# Insurance Coverage

- 67% believe they have enough life insurance.\*
- 72% have insurance to cover income for less than 7 years and 29% for 2 years or fewer.
- 53% believe they should have insurance to cover income for less than 7 years.
- 58% say their families would have trouble covering living expenses in a if the primary wage earner passed away tomorrow.\*\*

Insured with credit n = 536

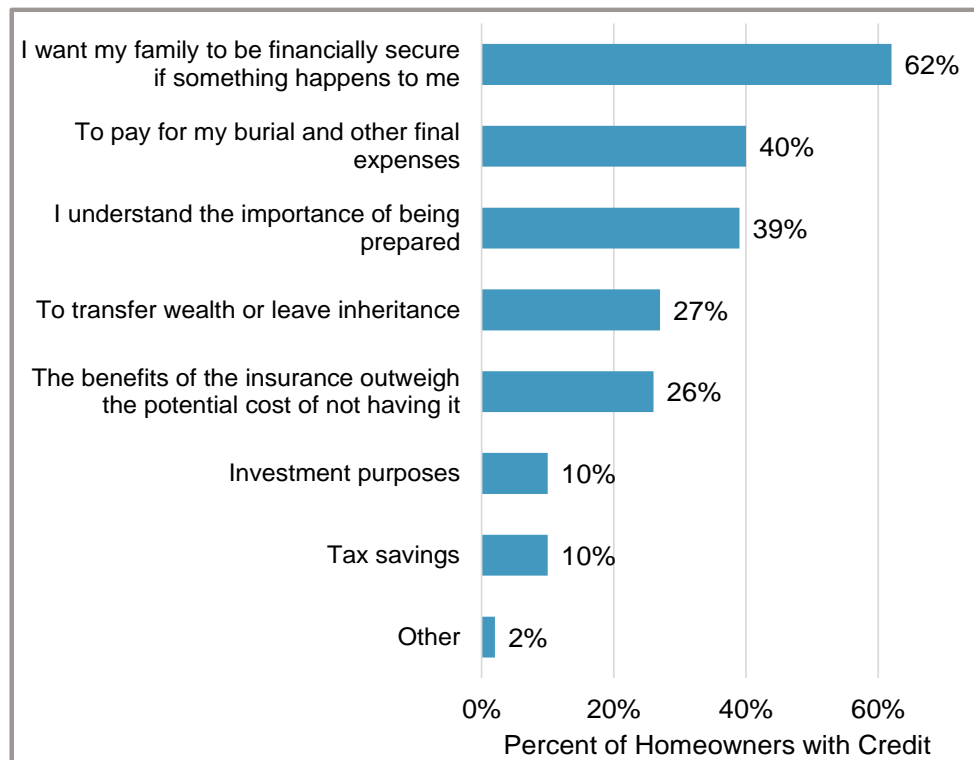
\* Significantly fewer than without credit

30 \*\* Significantly more than without credit

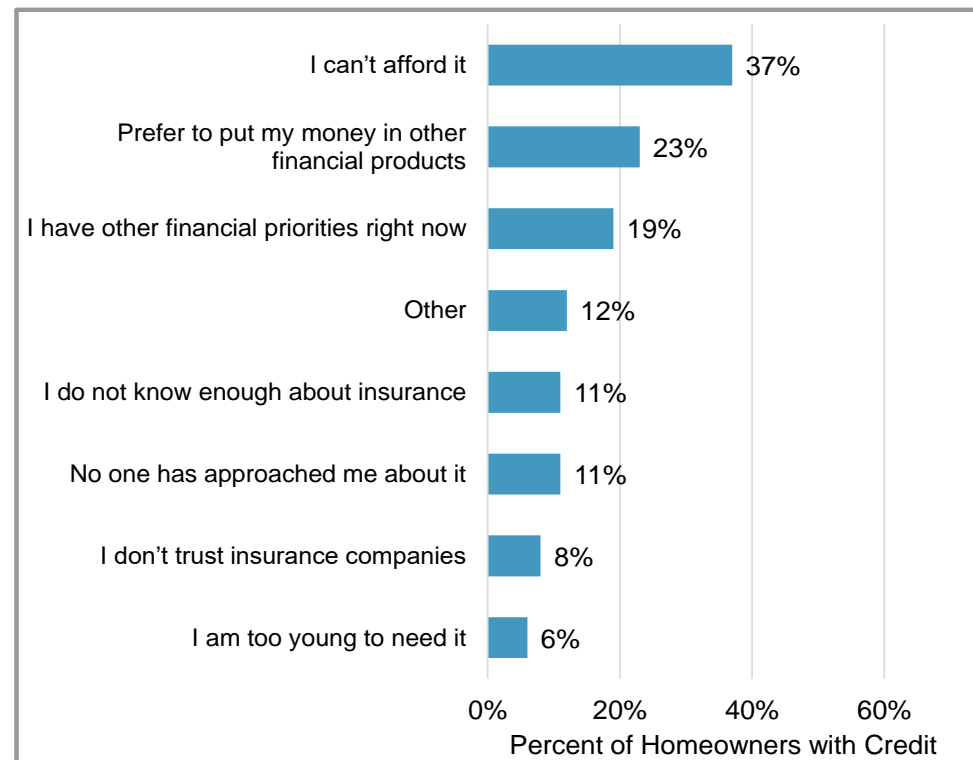


# Why do you / don't you have TLI?

## TRADITIONALLY INSURED



## TRADITIONALLY UNINSURED





# The Traditionally Uninsured Homeowner with Credit

**38%** don't have an emergency fund or personal savings to access in place of life insurance... \*\*

**52%** say their families would have trouble covering living expenses for several months or less if the primary wage earner passed away tomorrow... \*\*

Uninsured with credit n = 154

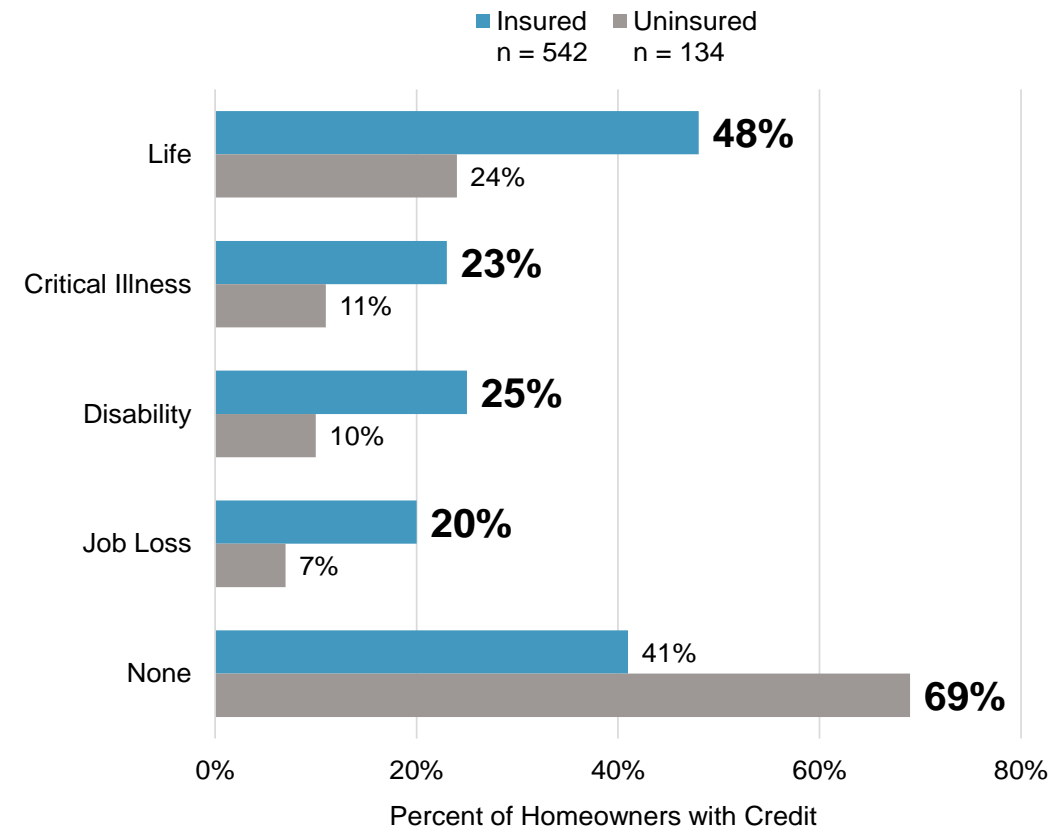
\* Significantly fewer than without credit

32 \*\* Significantly more than without credit

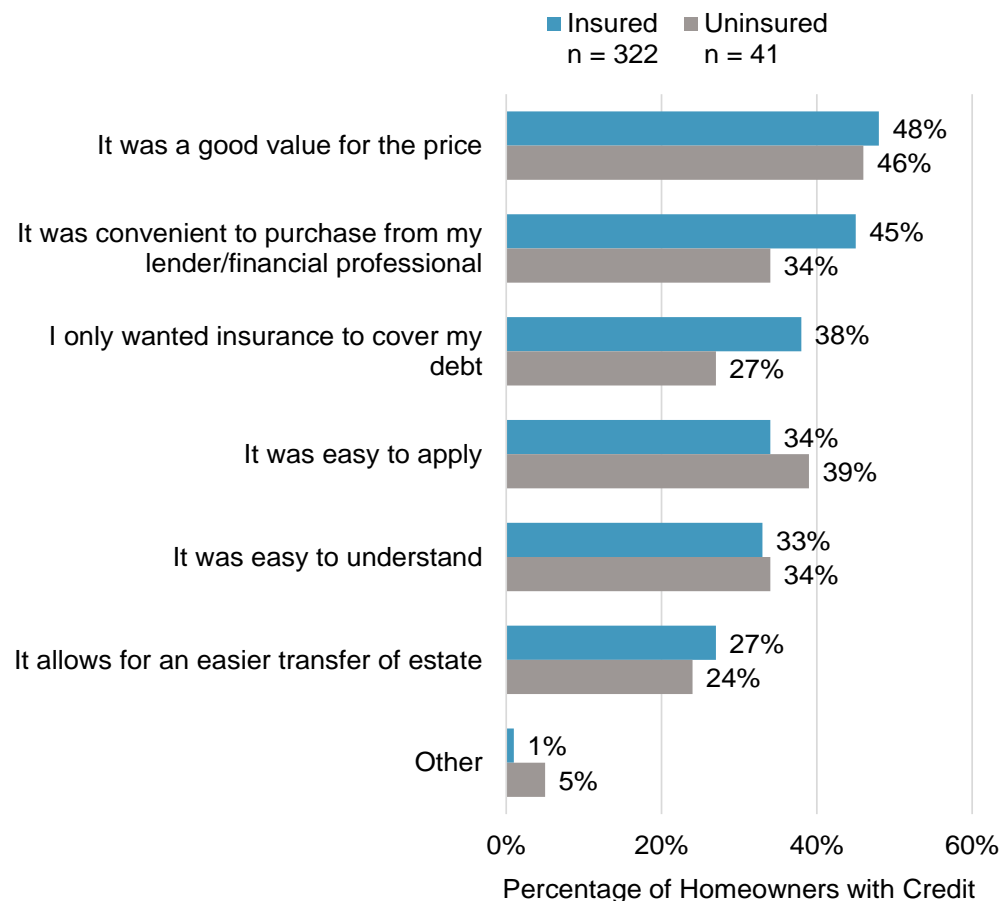


# Credit Protection Insurance Ownership

- Significantly more traditionally insured homeowners have **every** type of CPI product than those that are traditionally uninsured.
- 69% of traditionally uninsured homeowners have no CPI.



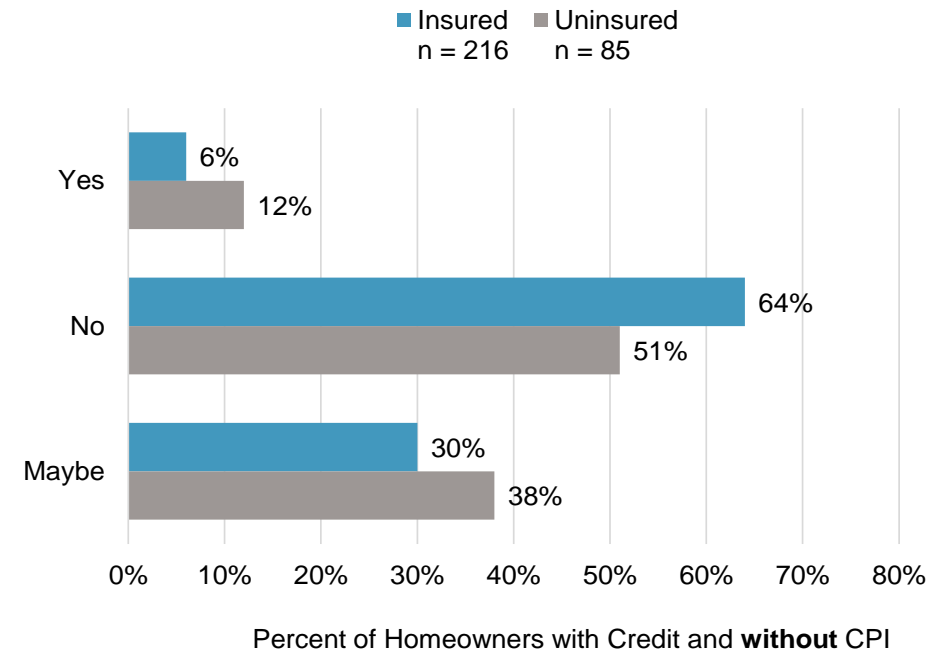
# Why do you have CPI?



- Top 3 reasons for purchasing CPI are the same among insured and uninsured homeowners.
- Of uninsured homeowners that have Life CPI (n = 32), 28% say that they only wanted insurance to cover their debt as their reason for purchasing one over the other.

# Do you intend to purchasing CPI?

- The traditionally uninsured who intend to purchasing CPI mention they would buy it for the protection it provides.
- The traditionally uninsured who don't intend to purchasing CPI mention they don't want to add additional cost to their budget.



## Traditionally Insured vs Uninsured Homeowner Summary



- The traditionally insured homeowners are utilizing CPI more than the traditionally uninsured.
- Insured have more survivorship (partner and/or dependents).
- Insured have inherent positive attitudes towards insurance.
- Majority are underinsured.
- The traditionally insured are using CPI for additional or specific coverage.



## “At Risk” Homeowners



## “At Risk” Definition



Homeowners with all three conditions:

- Credit
- Traditionally Uninsured or Underinsured
- Survivors (partnered or with young/old dependents)

**38% of all Homeowners**

## Quick Look at Demographics

- Avg 45 yrs old (78% Gen X or younger)\*\*
- 54% Female
- 89% Partnered (Married, Common law, or Living with a partner)\*\*
- 58% Children or adult dependents\*\*
- 63% Completed a technical, an undergrad, or a post-grad degree
- 51% Less than \$100,000 in investible assets
- 58% Household Income \$60,000 - \$149,999\*\*
- 75% Born in Canada
- 52% First-time homeowner

At Risk n = 431

\* Significantly fewer than others

39 \*\* Significantly more than others



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# Financial Attitudes & Concerns

- 42% say they are somewhat or not at all financially knowledgeable.
- 26% say they don't have and are looking for a financial professional.\*\*
- Top 3 Financial Concerns:
  1. Having enough money for a comfortable retirement (57%)
  2. Paying monthly bills (43%)\*\*
  3. Being able to support myself/family if I am unable to work due to a disabling illness or injury (35%)\*\*
- 72% believe having life insurance is important or very important.\*

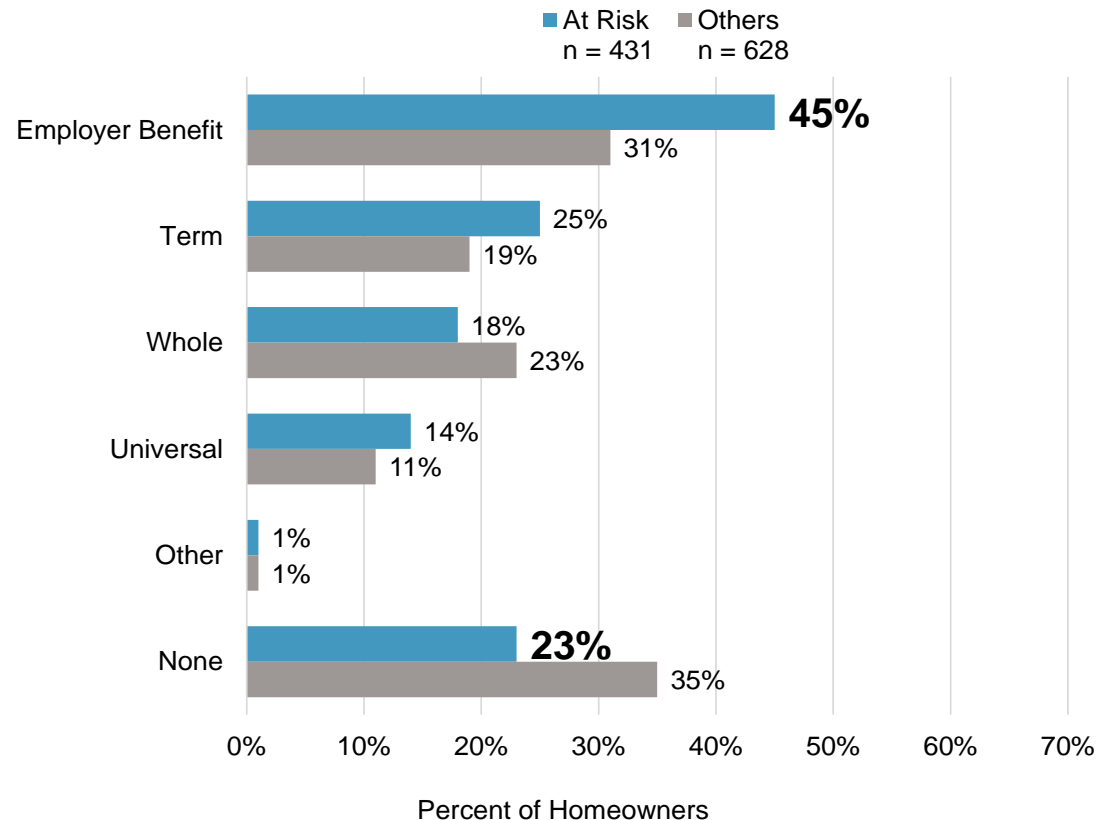
At Risk n = 431

\* Significantly fewer than others

40 \*\* Significantly more than others



# Traditional Life Insurance Ownership



- Significantly more “at risk” own life insurance through their employer than others.
- Significantly fewer “at risk” own whole life insurance than their counterparts **with credit**.
- Extremely underinsured homeowners (2 years or fewer of income coverage in traditional insurance) “at risk” own significantly fewer TLI products than others.

# Insurance Coverage

- 62% believe they have enough life insurance.\*
- 37% have insurance to cover income for 2 years or less.
- 68% believe they should have insurance to cover income for less than 7 years.\*\*
- 67% say their families would have trouble covering living expenses in a few months or less if the primary wage earner passed away tomorrow.\*\*

At Risk insured n = 311

\* Significantly fewer than others

42 \*\* Significantly more than others



# The Traditionally Uninsured Homeowner with Credit

**38%** say they can't afford life insurance...

**38%** don't have an emergency fund or personal savings to access in place of life insurance...

**62%** say their families would have trouble covering living expenses in a few months or less if the primary wage earner passed away tomorrow... \*\*

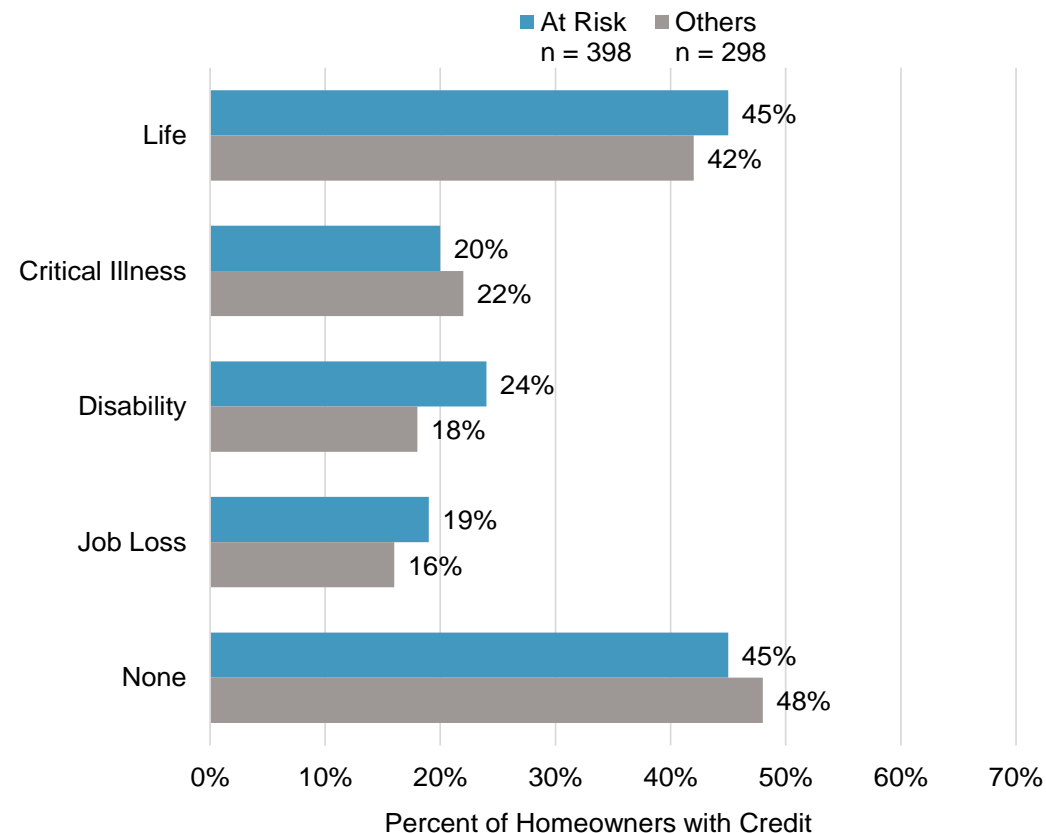
At Risk uninsured n = 97

\* Significantly fewer than others

43 \*\* Significantly more than others

# Credit Protection Insurance Ownership

- 55% of “at risk” homeowners own at least one CPI products.
  - Increases for traditionally underinsured (61%)
  - Decreases for traditionally uninsured (34%)
- 48% of extremely underinsured (2 years or less of income coverage in traditional insurance) homeowners own at least one CPI product.





## “At Risk” Homeowner Summary



- Significantly more “at risk” homeowners are relying on employer benefit life insurance. Which is contingent upon their employment.
- Most believe their family will struggle with living expenses in a few months or less after the passing of the primary wage earner.
- More than half (55%) utilize CPI!

## Recommendation regarding Canadian Homeowners

Considering 80% of Canadian homeowners are traditionally uninsured or underinsured, it is important to educate Canadian homeowners on insurance and credit protection as well as appropriate coverage.





## Recommendation regarding Canadian Homeowners with Credit

For Canadian Homeowners with credit:  
Purchasing Credit Protection Insurance  
(CPI) can fill the coverage gap for 78%  
of homeowners who are traditionally  
uninsured or underinsured.



47 Note: Base used Canadian Homeowners with Credit n = 731

## Recommendation regarding Canadian Homeowners with Credit

For Canadian Homeowners with credit:

Survivorship (having a partner and/or a dependent) should be considered as a top criterion to assess the **need** of Credit Protection Insurance (CPI) coverage.

Efforts should be made to inform the 61% of homeowners with survivorship, who are also traditionally uninsured or underinsured, how and why CPI would be especially relevant considering they are “at risk” of leaving their loved ones with no, or insufficient coverage.





Q&A

# Our Organization and Brands



**Insurance**

**Retirement  
Income**

**Workplace  
Solutions**





Advancing the financial  
services industry by  
empowering our  
members with  
**knowledge, insights,  
connections, and  
solutions**

# LIMRA Applied Research Solutions

As the premier trade association for the insurance and financial services industries, with over 700 members, including 22 members in the Fortune 100, LIMRA has a privileged view into proven best practices and emerging trends. The breadth and depth of the data flow across the industry and our unique position within it enables us to provide you with insights no one else can provide. LIMRA combines industry knowledge and research expertise that translates into a thorough understanding of the marketplace and thoughtful research design and methodology.

## CUSTOM RESEARCH

LIMRA's Applied Research team partners with you to conduct quantitative and qualitative research to capture the specific insights you need to support decision making across all product lines and distribution channels. Custom research can help you improve the customer experience, design a new product, test a product concept, explore new markets, and more.

## CONSORTIA RESEARCH

Consortia research allows members to partner with and through LIMRA to cost-effectively research hot topics. Consortia research gives companies the opportunity to play an active role with other organizations to investigate a common area of need, including exploring opportunities in emerging markets, determining the market potential for new products, understanding the buying process, positioning with producers, and more.

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# L'assurance chez les propriétaires canadiens

ACIFA

Février 2024

# Contenu



- Contexte et objectifs de la recherche
- Méthodologie
- Principales conclusions
- Propriétaires à faible revenu
- Propriétaires assurés ou non assurés
- Propriétaires « à risque »
- Recommandations
- Questions et réponses





## Contexte et objectifs de la recherche

# Contexte

L'Association canadienne des institutions financières en assurance (ACIFA) souhaite connaître dans quelle mesure les propriétaires canadiens ont des produits d'assurance.



## Objectifs de la recherche



Cette étude a été menée dans le but de répondre aux questions suivantes :

- En ce qui concerne les assurances traditionnelles, les propriétaires sont-ils non assurés ou sous-assurés?
- Les propriétaires à faible revenu sont-ils plus nombreux que les autres à disposer d'une assurance protection de crédit?
- L'assurance protection de crédit a-t-elle une importance disproportionnée sur le marché pour les propriétaires à faible revenu?





## Méthodologie



## Échantillon

Notre échantillon est composé de 1 175 propriétaires canadiens dont le revenu du ménage se situe dans l'une des catégories suivantes :

- 34 % faible (moins de 60 000 \$)
- 37 % moyen (60 000 \$ à 124 999 \$)
- 29 % élevé (125 000 \$ ou plus)

Au moins 55 % des personnes de chaque catégorie de revenus possédaient un prêt hypothécaire, une marge de crédit hypothécaire, ou les deux.



# Sondage



Les participants ont répondu à un sondage en ligne qui a duré en moyenne 12,5 minutes.

Le sondage comptait 46 questions et portait sur les sujets suivants :

- Détention de produits d'assurance
- Attitudes financières
- Couverture d'assurance
- Données démographiques



## Principales conclusions



## Quelques définitions et abréviations

- **Crédit** = prêt hypothécaire ou marge de crédit hypothécaire (MCH)

Le seul type de crédit pris en compte dans l'étude est le crédit immobilier.

- **APC** = assurance protection de crédit

Il s'agit de l'assurance du prêt hypothécaire ou de la MCH (p. ex. assurance en cas de décès, d'invalidité, de maladie grave, de perte d'emploi).

- **AVT** = assurance vie traditionnelle

Il s'agit de l'assurance vie temporaire, de l'assurance vie entière, de l'assurance vie universelle, et de l'assurance vie pour salariés.

### Catégories de revenu des ménages :

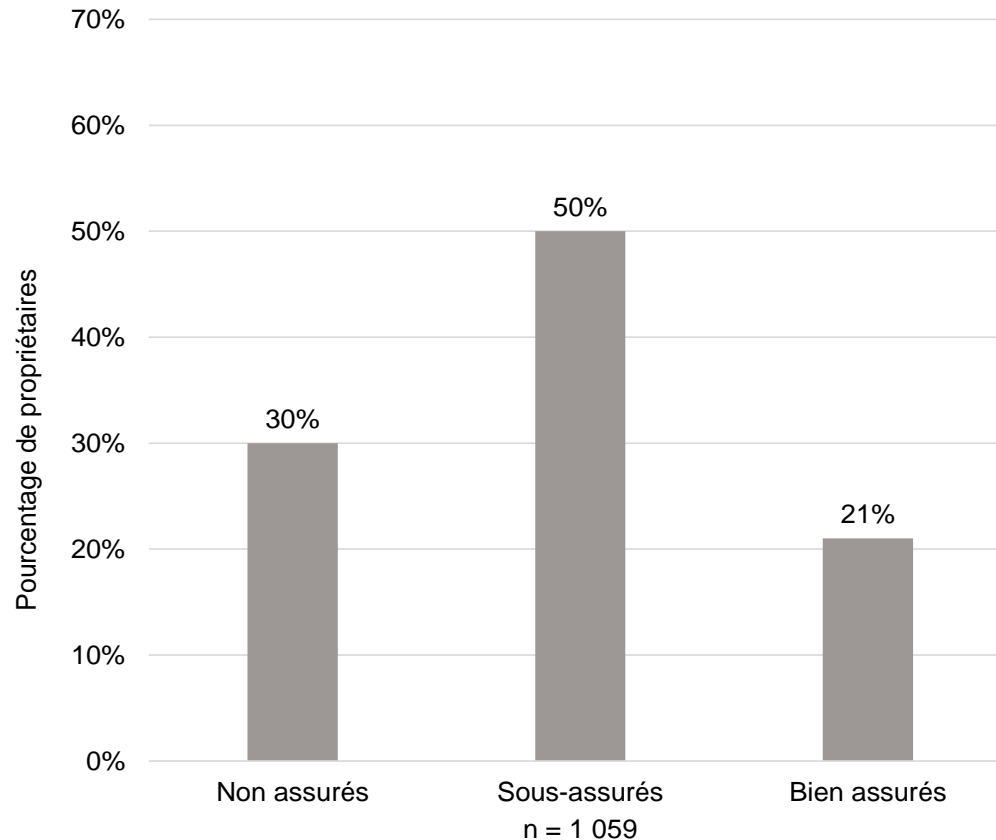
- Faible = moins de 60 000 \$
- Moyen = 60 000 \$ à 124 999 \$
- Élevé = 125 000 \$ ou plus

### Situation quant à l'assurance traditionnelle :

- **Non assuré** : n'ont pas d'AVT.
- **Sous-assuré** : ont une AVT qui couvre moins de sept années de revenu\*.
- **Bien assuré** : ont une AVT qui couvre sept années de revenu ou plus\*.

10 \* Selon la recommandation de l'Agence de la consommation en matière financière du Canada, l'assurance vie devrait couvrir sept à dix années de revenu.

## 1. Les propriétaires ont-ils généralement tendance à ne pas avoir d'assurance ou à être sous-assurés?



Oui

80 % des propriétaires canadiens ne sont pas assurés (n'ont pas d'assurance vie traditionnelle) ou sont sous-assurés.

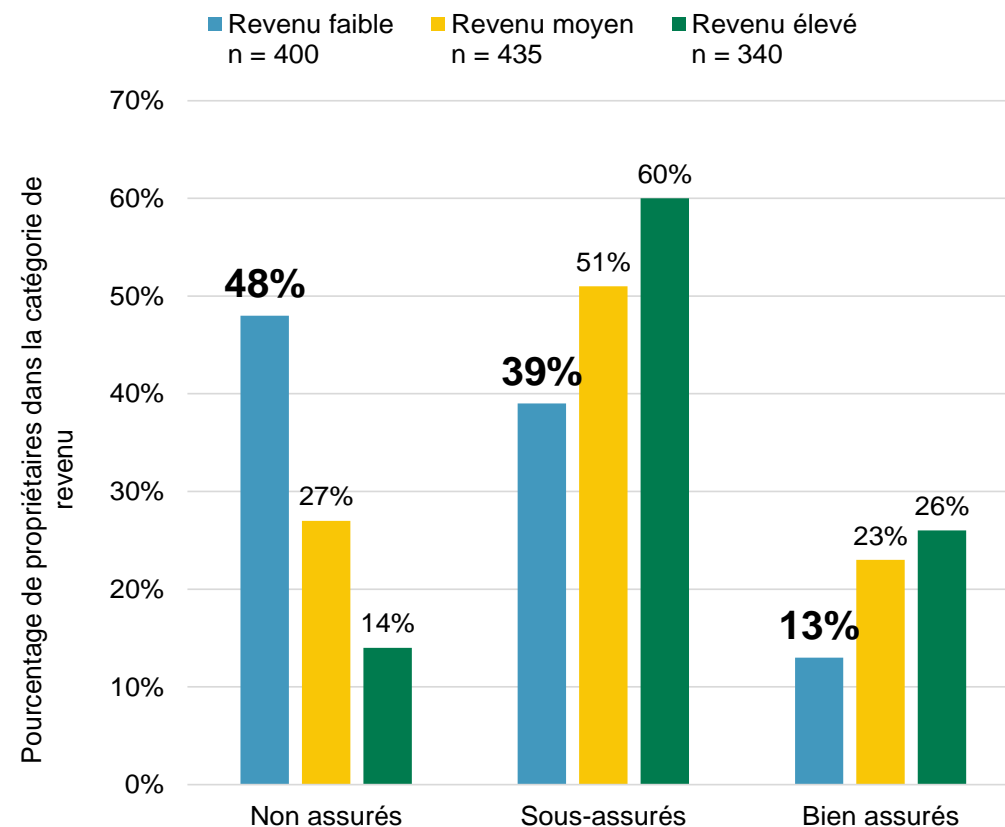
11 Les caractères de plus grande taille indiquent des différences statistiquement significatives.

## 1a. Ce résultat change-t-il en fonction de la catégorie de revenu?

Oui

Les propriétaires à faible revenu sont nettement plus nombreux à ne pas avoir d'assurance traditionnelle comparativement aux propriétaires des autres catégories de revenu.

Parmi ceux qui ont une assurance, 75 % des propriétaires à faible revenu ont une assurance traditionnelle insuffisante.

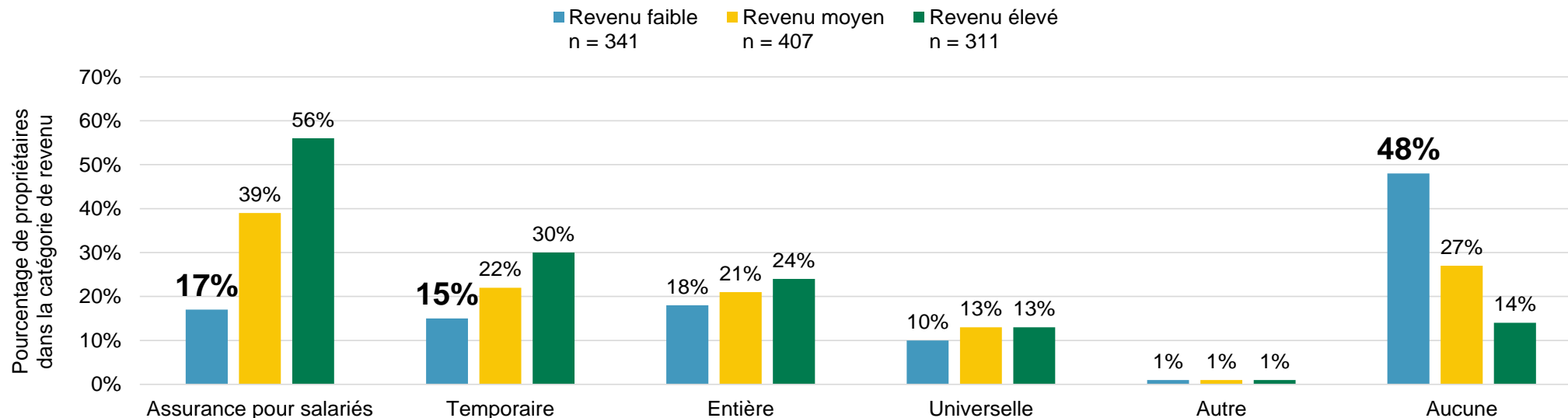




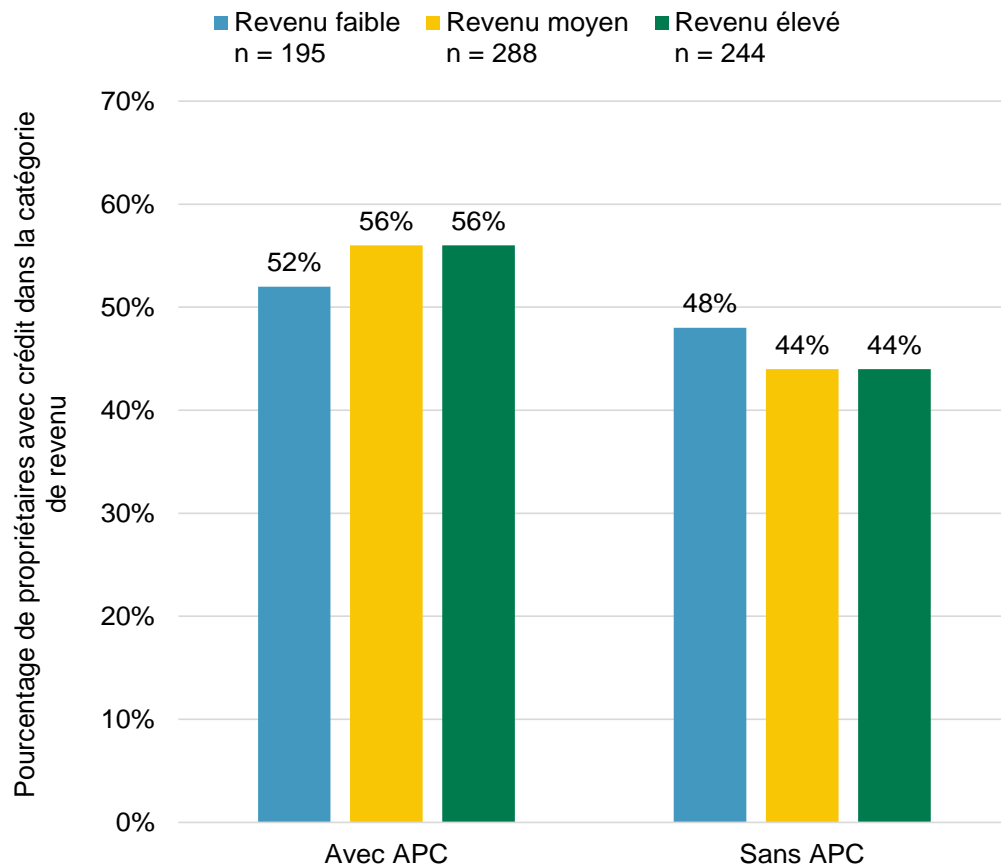
## 1b. Le fait de posséder une AVT dépend-il de la catégorie de revenu?

Oui

Les propriétaires à faibles revenus sont nettement moins nombreux que ceux des autres catégories de revenu à détenir une assurance vie pour salariés et une assurance vie temporaire.



## 2. Les propriétaires à faible revenu sont-ils plus nombreux que les autres à posséder une APC?



Non

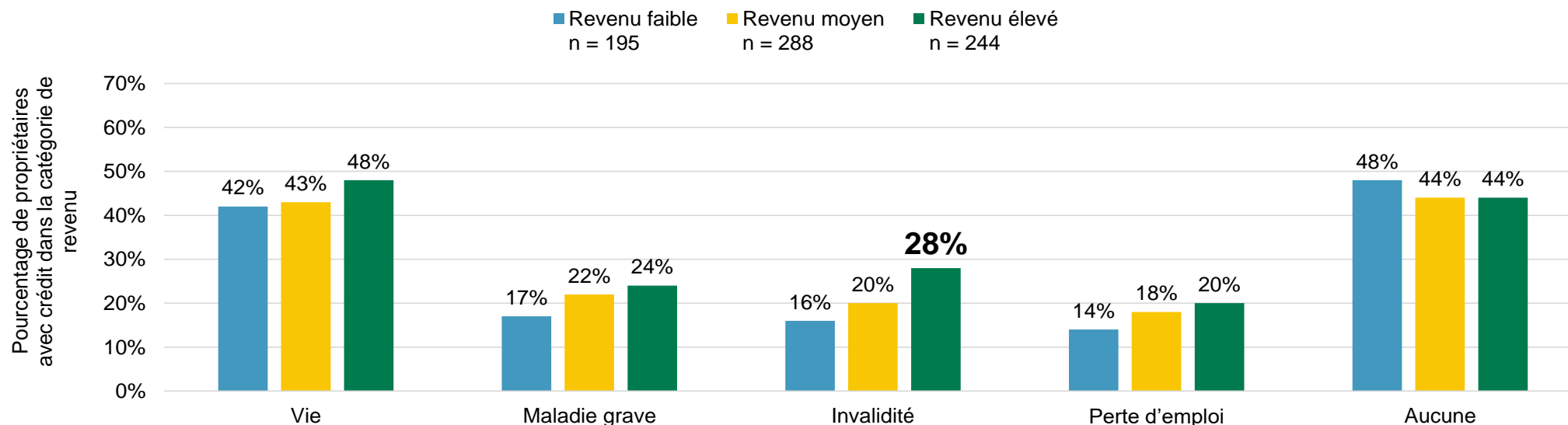
55 % de tous les propriétaires avec crédit ont une forme d'APC. Aucune différence significative n'est observée entre les catégories de revenu.

De plus, les propriétaires à faible revenu ont beaucoup moins de produits d'APC (M = 1,78) que les propriétaires à revenu élevé (M = 2,27).

## 2a. Le fait de posséder une APC dépend-il de la catégorie de revenu?

Non

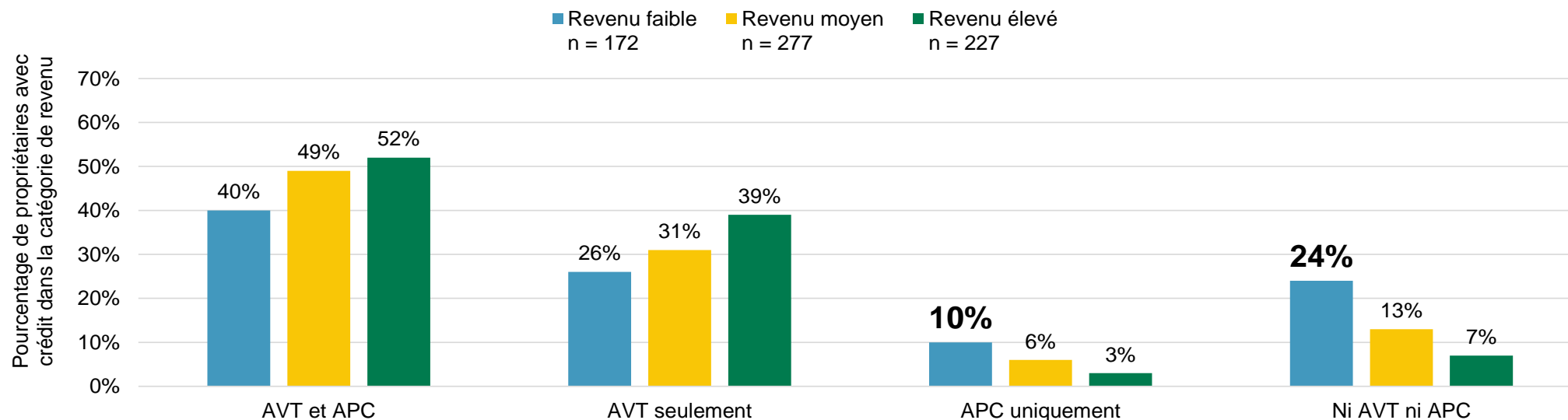
La détention de produits d'APC suit la même tendance dans toutes les catégories de revenu.



### 3. L'APC occupe-t-elle une fonction importante pour les propriétaires à faible revenu?

Possiblement pour quelques-uns d'entre eux.

Les propriétaires avec crédit qui ont un faible revenu sont nettement plus nombreux (10 %) à ne posséder que l'APC comparativement à ceux des autres catégories de revenu.





## Propriétaires à faible revenu (avec crédit)

# Aperçu des données démographiques

- Âge moyen de 45 ans (30 % sont de la génération des baby-boomers ou plus âgés)\*\*.
- 57 % sont des femmes.
- 52 % sont sans partenaire (célibataires, divorcés ou veufs)\*\*.
- 61 % n'ont pas d'enfant ou d'adulte à charge\*\*
- 57 % ont fait des études universitaires partielles ou moins\*\*.
- 65 % ont moins de 50 000 \$ en placements\*\*.
- 75 % sont nés au Canada.
- 57 % sont des accédants à la propriété.

Faible revenu n = 221

\* Nettement moins nombreux que ceux des autres groupes de revenu

18 \*\* Nettement plus nombreux que ceux des autres groupes de revenu





# Attitudes et préoccupations financières

- 48 % disent être peu ou pas du tout informés en matière de finances\*\*.
- 38 % disent qu'ils ne font pas appel à un professionnel des finances et qu'ils ne souhaitent pas le faire\*\*.
- Les trois préoccupations financières les plus importantes :
  1. Payer les factures mensuelles (53 %)\*\*
  2. Avoir assez d'argent pour une retraite aisée (44 %)\*.
  3. Payer les services de soins de longue durée si je deviens incapable de prendre soin de moi-même (38 %)
- 60 % estiment qu'il est important ou très important d'avoir une assurance vie\*.

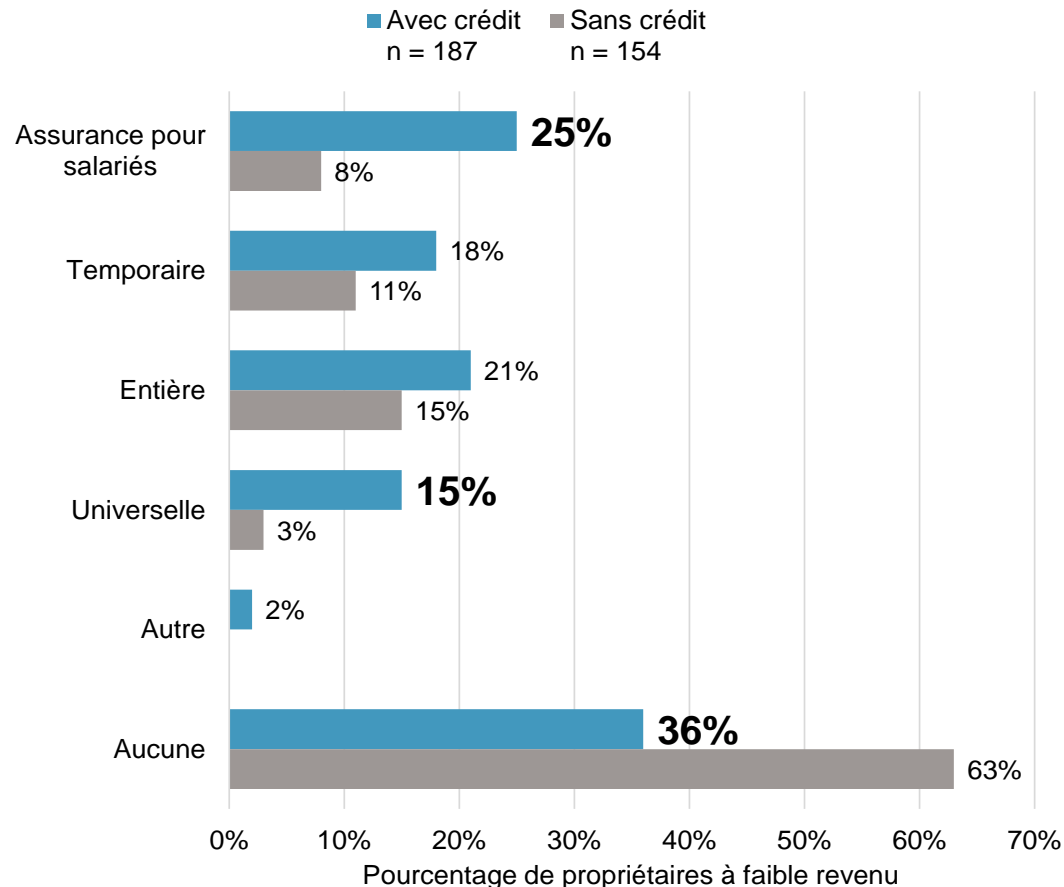
Faible revenu n = 221

\* Nettement moins nombreux que ceux des autres groupes de revenu

\*\* Nettement plus nombreux que ceux des autres groupes de revenu



# Possession d'une assurance vie traditionnelle



- Les propriétaires avec crédit sont plus nombreux à avoir une assurance traditionnelle (avec plus de produits en moyenne) que leurs homologues sans crédit.
- Cependant, ils sont ceux qui ont le moins d'assurances comparativement aux propriétaires des autres catégories de revenu.
  - Moins d'assurances pour salariés
  - Moins d'assurances temporaires
  - Plus nombreux à ne pas avoir d'assurance traditionnelle

## Couverture de l'assurance

- 60 % pensent avoir une assurance vie suffisante.
- 76 % ont une assurance qui couvre le revenu pendant moins de sept ans et 31 % pendant deux ans ou moins.
- 52 % pensent qu'ils devraient avoir une assurance pour couvrir le revenu pendant moins de sept ans.
- 61 % disent que leur famille aurait des difficultés à assumer les frais de subsistance si le principal pourvoyeur décédait demain.

Faible revenu et assurés n = 110

\* Nettement moins nombreux que ceux des autres groupes de revenu

21 \*\* Nettement plus nombreux que ceux des autres groupes de revenu





## Propriétaires avec crédit qui n'ont pas d'assurance traditionnelle

**46 %** disent ne pas avoir les moyens de s'offrir une assurance vie...

**50 %** ne disposent pas d'un fonds d'urgence ou d'une autre forme d'épargne personnelle pour remplacer l'assurance vie...<sup>\*\*</sup>

**53 %** disent que leur famille aurait des difficultés à assumer les frais de subsistance dans quelques mois, ou moins, si le principal pourvoyeur décédait demain...

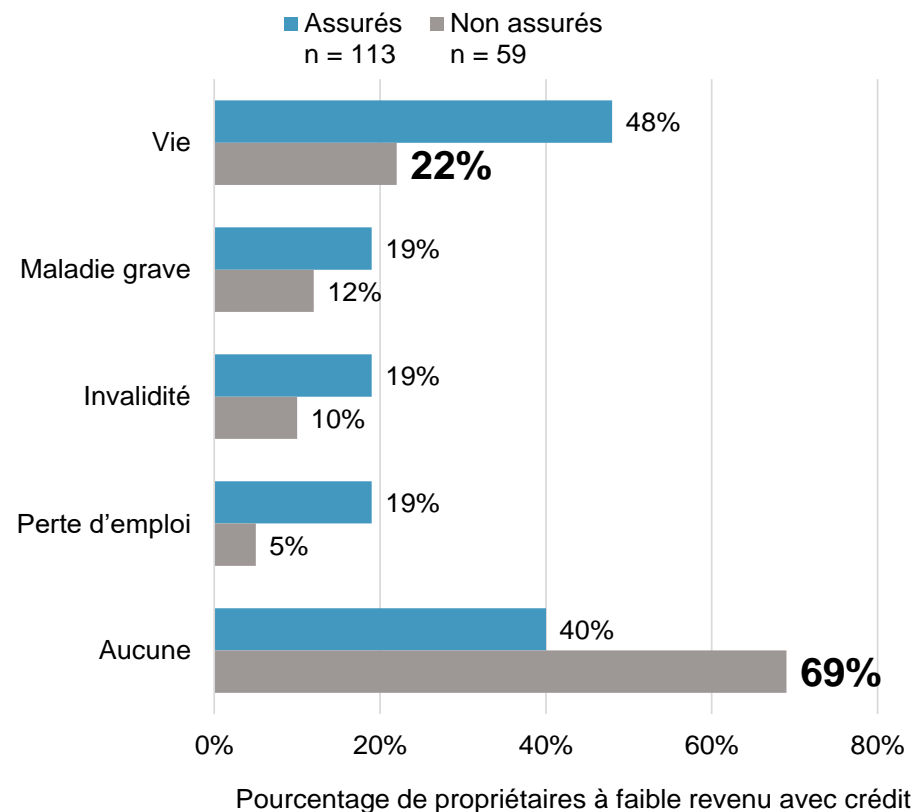
Faible revenu et non assurés n = 68

\* Nettement moins nombreux que ceux des autres groupes de revenu

22 \*\* Nettement plus nombreux que ceux des autres groupes de revenu

## Possession d'une assurance protection de crédit

- 31 % des propriétaires sans assurance traditionnelle ont au moins un produit d'APC.
- Les propriétaires qui n'ont pas d'assurance traditionnelle sont nettement moins nombreux à posséder une APC vie que ceux qui ont une assurance traditionnelle.
- Les propriétaires qui n'ont pas d'assurance traditionnelle sont nettement plus nombreux à ne pas posséder d'APC que ceux qui ont une assurance.
- Parmi les propriétaires qui n'ont pas d'assurance traditionnelle ni d'APC, 10 % ont l'intention de s'en procurer une lors du prochain renouvellement de leur prêt hypothécaire.



## Propriétaires à faible revenu – Résumé



- Un nombre nettement plus élevé de propriétaires sans assurance traditionnelle (qui n'ont pas d'assurance vie traditionnelle) :
  - Ont le moins de survivants (partenaire ou personne à charge)
  - Ont le moins de placements
  - Disent qu'ils n'ont pas les moyens de s'offrir une assurance traditionnelle
- L'APC pourrait être une excellente solution pour les propriétaires à faible revenu non assurés... mais peu d'entre eux y ont recours.





Propriétaires (avec crédit) qui ont une assurance traditionnelle et ceux qui n'en ont pas

# Aperçu des données démographiques

## AVEC ASSURANCE TRADITIONNELLE

- Âge moyen de 43 ans (51 % sont de la génération Y ou plus jeunes)\*\*
- 52 % sont des femmes
- 75 % ont un partenaire \*\*
- 52 % ont des enfants ou des adultes à charge\*\*
- 65 % ont obtenu un diplôme technique, un diplôme de premier cycle ou un diplôme d'études supérieures
- 46 % ont 100 000 \$ ou plus en placements\*\*
- 48 % ont un revenu de ménage de 100 000 \$ à 200 000 \$\*\*
- 77 % sont nés au Canada
- 54 % sont des accédants à la propriété

## SANS ASSURANCE TRADITIONNELLE

- Âge moyen de 52 ans (67 % sont de la génération X ou plus âgés)\*\*
- 59 % sont des femmes
- 41 % sont sans partenaire \*\*
- 71 % n'ont pas d'enfants ou d'adultes à charge \*\*
- 51 % ont obtenu un diplôme technique, un diplôme de premier cycle ou un diplôme d'études supérieures
- 40 % ont moins de 50 000 \$ en placements\*\*
- 58 % ont un revenu de ménage inférieur à 80 000 \$\*\*
- 77 % sont nés au Canada
- 54 % sont des accédants à la propriété

Assurés n = 577

Non assurés n = 154

\* Nettement moins nombreux que d'autres

26 \*\* Nettement plus nombreux que d'autres

# Attitudes financières

## AVEC ASSURANCE TRADITIONNELLE

- 41 % disent être peu ou pas du tout informés en matière de finances.
- 49 % font appel à un professionnel des finances.\*\*
- 80 % estiment qu'il est important ou très important d'avoir une assurance vie.\*\*
  - 14 % sont indifférents quant à l'importance d'avoir une assurance vie\*

## SANS ASSURANCE TRADITIONNELLE

- 43 % disent être peu ou pas du tout informés en matière de finances.
- 45 % ne font pas appel à un professionnel des finances et ne souhaitent pas le faire.\*\*
  - Parmi ceux qui ne font pas appel à un professionnel des finances, 79 % ne l'ont jamais fait.\*\*
- 21 % estiment qu'il n'est pas très important ou pas du tout important d'avoir une assurance vie.\*\*
  - 47 % sont indifférents quant à l'importance d'avoir une assurance vie\*\*

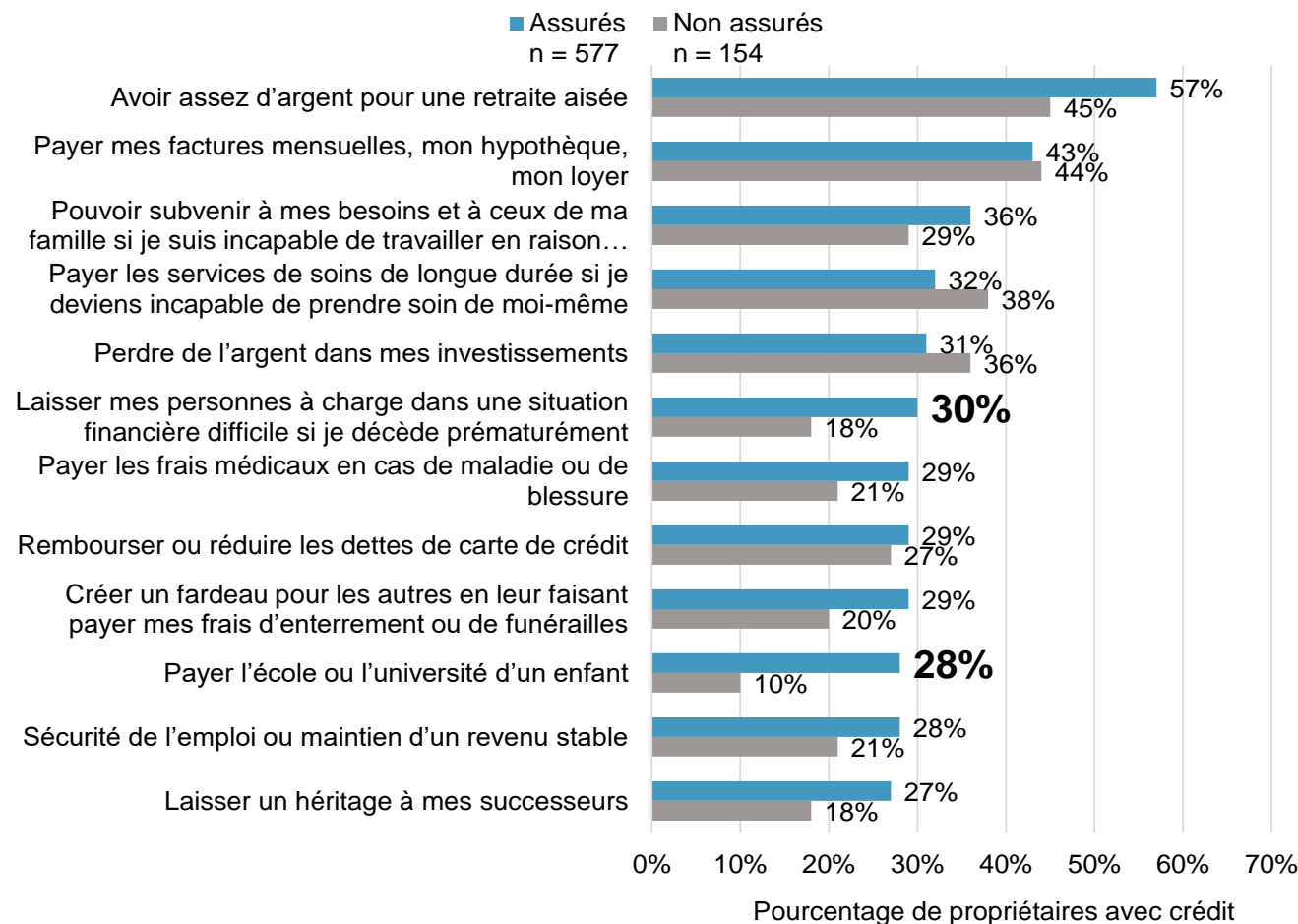
Assurés n = 577

Non assurés n = 154

\* Nettement moins nombreux que d'autres

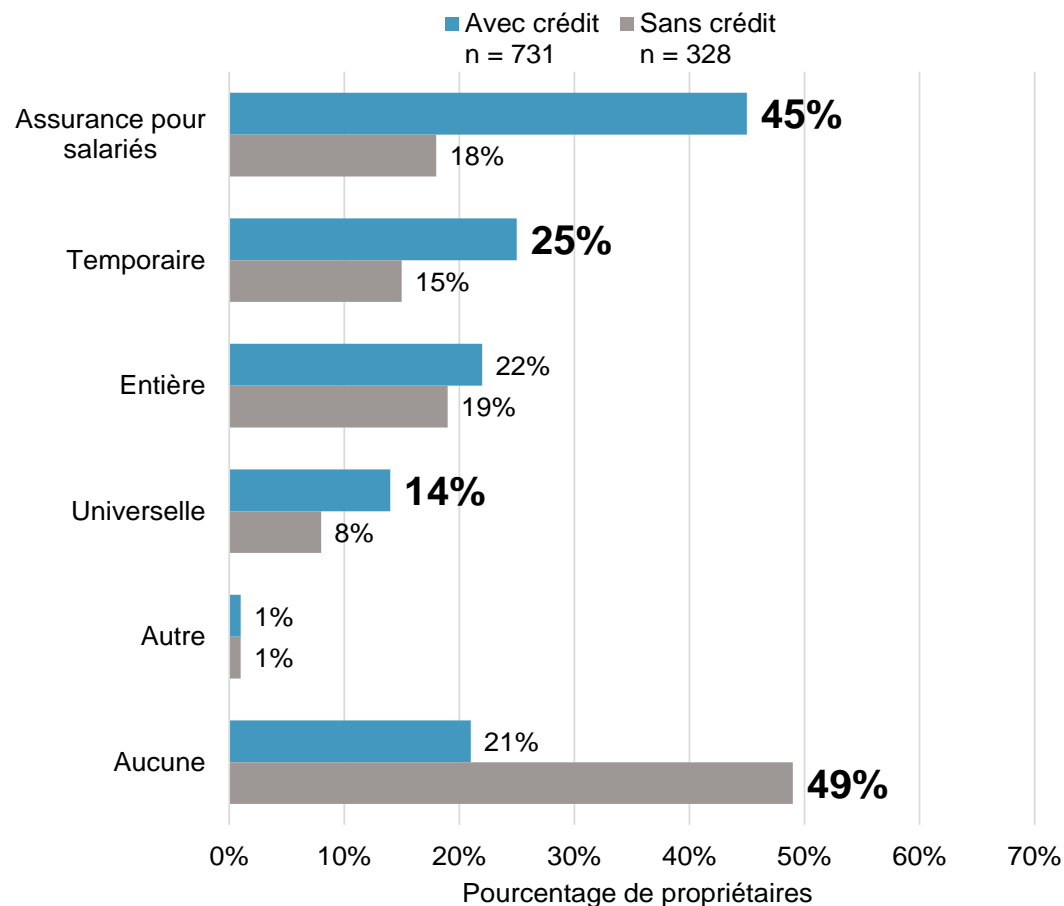
27 \*\* Nettement plus nombreux que d'autres

# Préoccupations financières



- Les deux préoccupations financières les plus importantes sont les mêmes pour tous les propriétaires avec crédit.
- Les propriétaires qui ont une assurance traditionnelle sont nettement plus nombreux à se soucier de laisser des personnes à charge dans une situation financière difficile ainsi que de payer les études d'un enfant.

## Possession d'une assurance vie traditionnelle



- Les propriétaires avec crédit sont nettement plus nombreux à détenir une assurance pour salariés, une assurance temporaire et une assurance vie universelle que les propriétaires sans crédit.
- Les propriétaires sans crédit sont nettement plus nombreux à ne pas avoir d'assurance traditionnelle que les propriétaires avec crédit.

## Couverture de l'assurance

- 67 % pensent avoir une assurance vie suffisante.\*
- 72 % ont une assurance qui couvre le revenu pendant moins de sept ans et 29 % pendant deux ans ou moins.
- 53 % pensent qu'ils devraient avoir une assurance pour couvrir le revenu pendant moins de sept ans.
- 58 % disent que leur famille aurait des difficultés à assumer les frais de subsistance si le principal pourvoyeur décédait demain.\*\*

Assurés avec crédit n = 536

\* Nettement moins nombreux que les propriétaires sans crédit

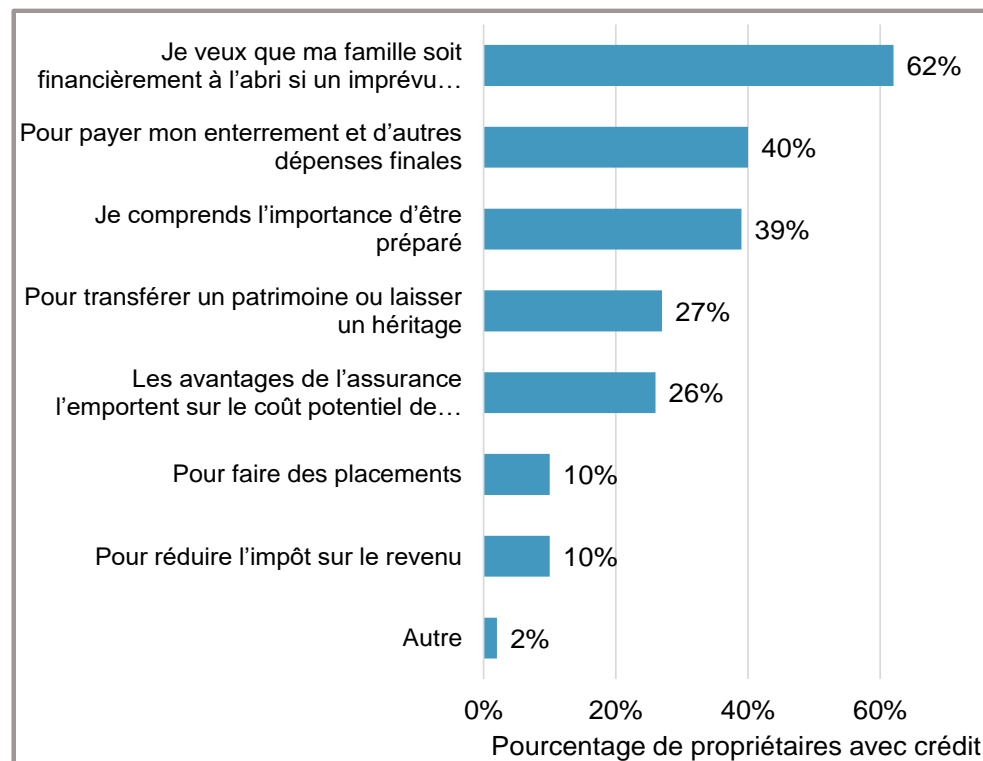
30 \*\* Nettement plus nombreux que les propriétaires sans crédit



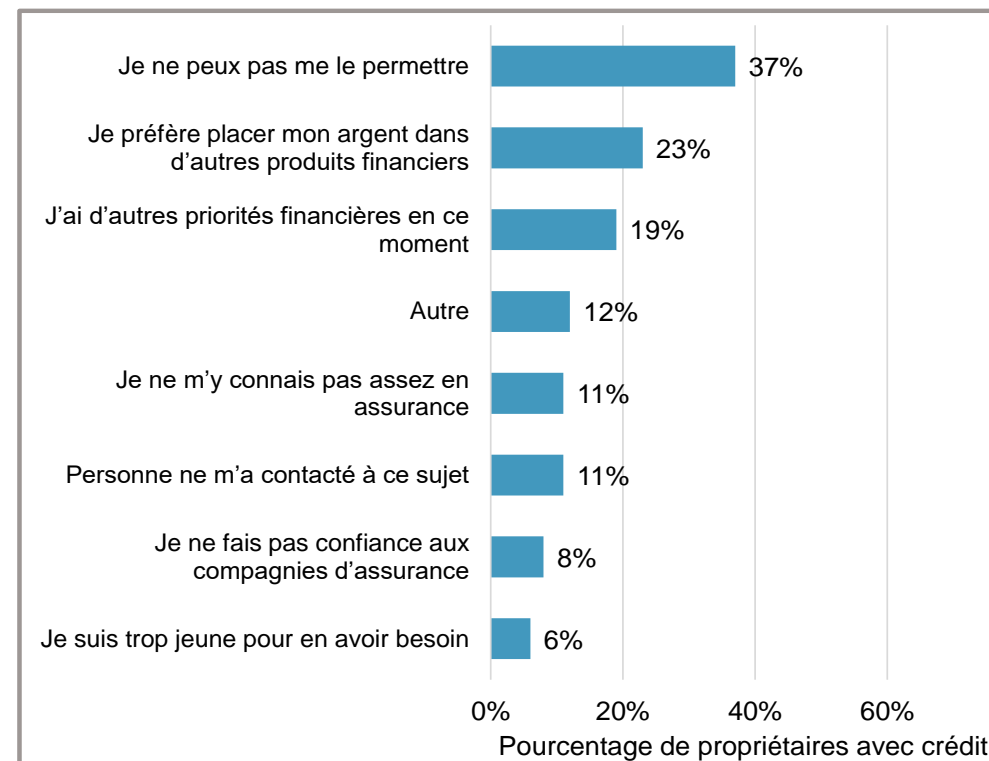


# Pourquoi avez-vous ou n'avez-vous pas d'AVT?

## AVEC ASSURANCE TRADITIONNELLE



## SANS ASSURANCE TRADITIONNELLE



## Propriétaires avec crédit qui n'ont pas d'assurance traditionnelle

**38 %** ne disposent pas d'un fonds d'urgence ou d'une autre forme d'épargne personnelle pour remplacer l'assurance vie... \*\*

**52 %** disent que leur famille aurait des difficultés à assumer les frais de subsistance dans quelques mois, ou moins, si le principal pourvoyeur décédait demain... \*\*

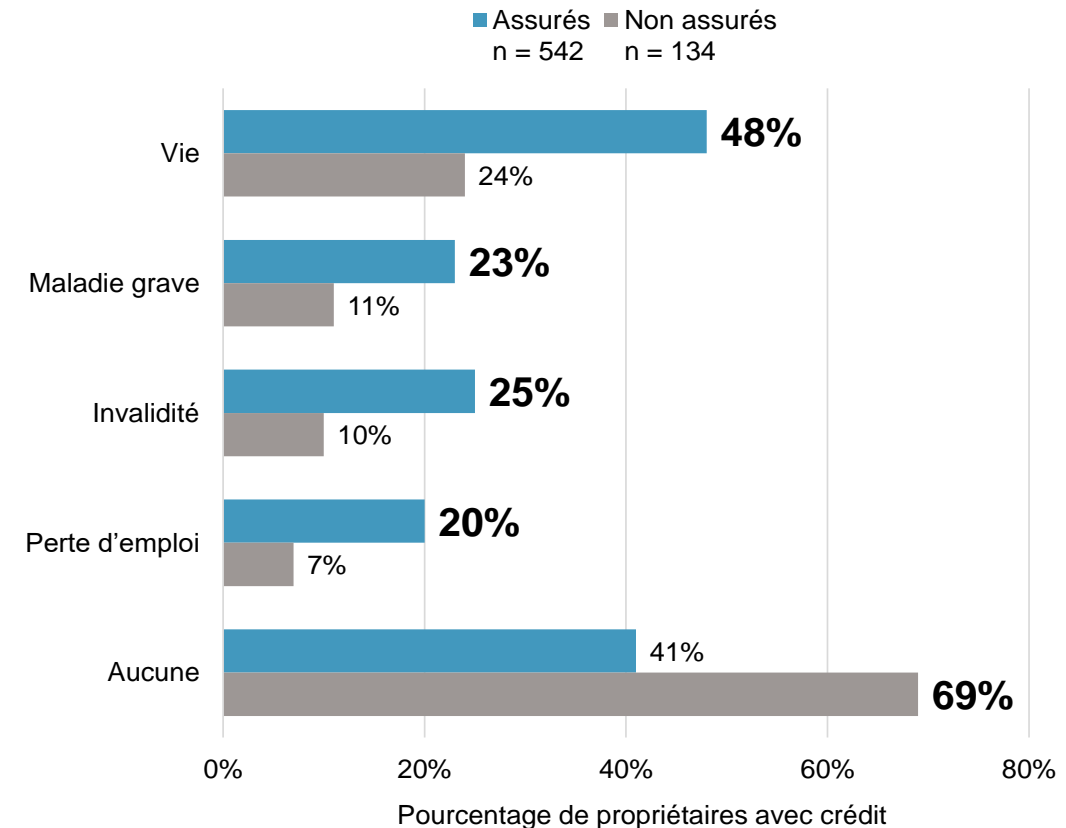
Non assurés avec crédit n = 154

\* Nettement moins nombreux que les propriétaires sans crédit

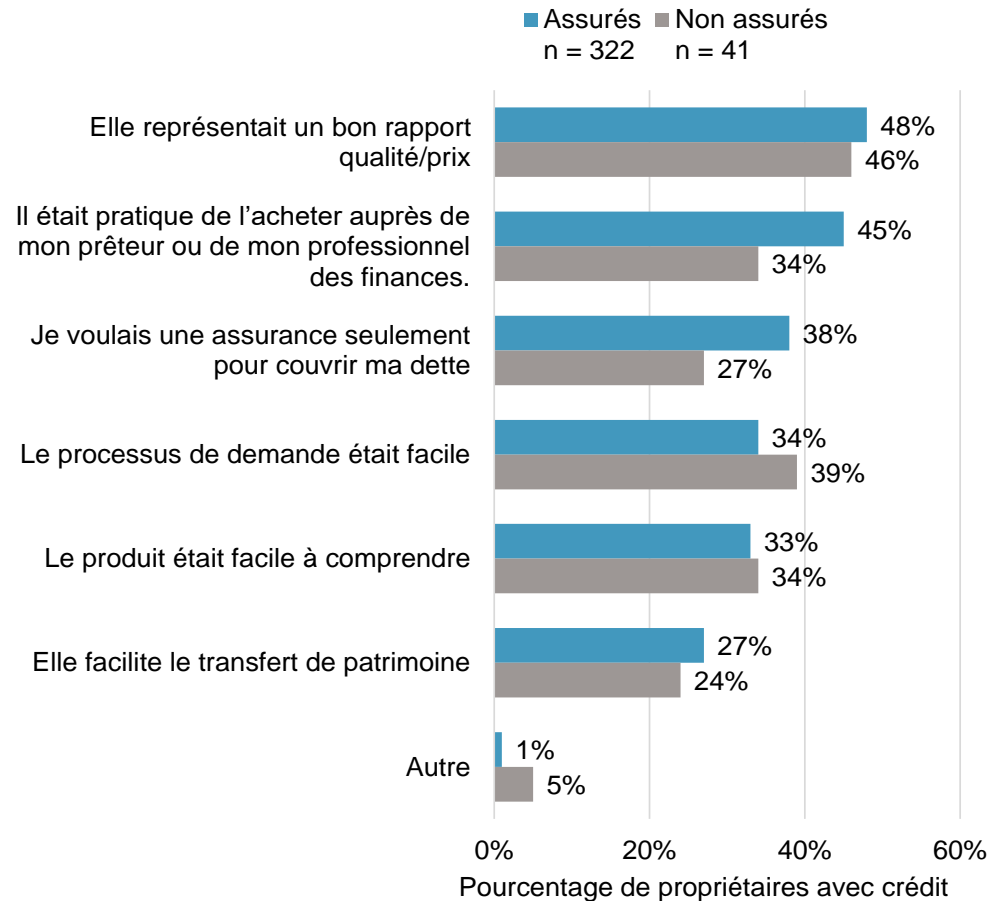
32 \*\* Nettement plus nombreux que les propriétaires sans crédit

# Possession d'une assurance protection de crédit

- Les propriétaires qui ont une assurance traditionnelle sont nettement plus nombreux à disposer de **tous** les types de produits d'APC que ceux qui n'ont pas d'assurance traditionnelle.
- 69 % des propriétaires sans assurance traditionnelle n'ont pas d'APC.



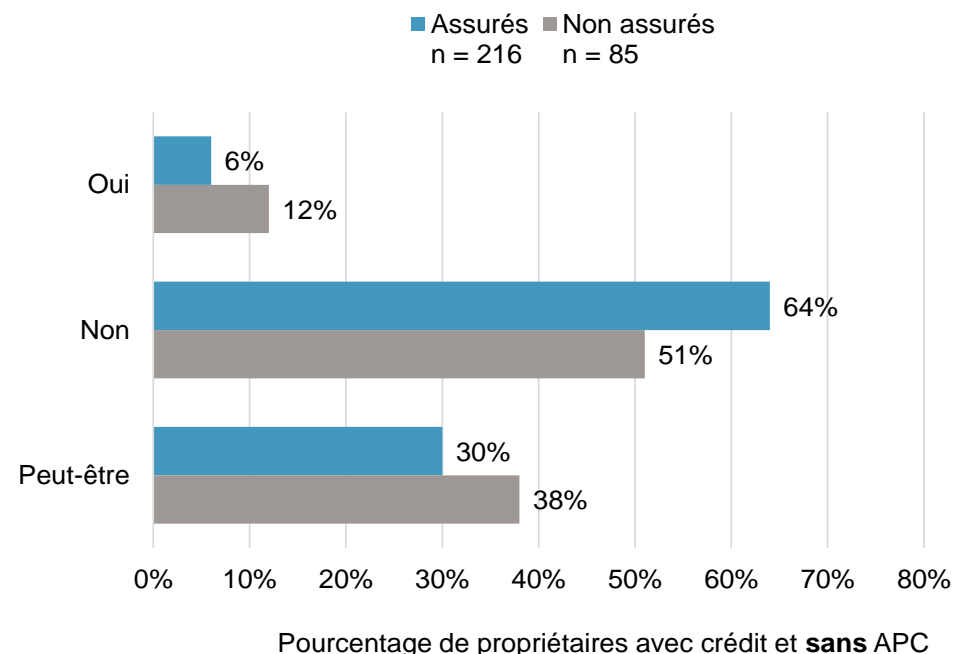
# Pourquoi possédez-vous une APC?



- Les trois principales raisons pour acheter de l'APC sont les mêmes chez les propriétaires assurés et non assurés.
- Parmi les propriétaires non assurés qui ont une assurance vie APC (n = 32), 28 % disent qu'ils voulaient une assurance seulement pour couvrir leur dette comme raison pour laquelle ils ont souscrit une assurance plutôt qu'une autre.

## Avez-vous l'intention de vous procurer une APC?

- Les propriétaires qui n'avaient pas d'assurance traditionnelle et qui envisagent d'acheter de l'APC indiquent qu'ils l'achèteraient pour la protection qu'elle leur offre.
- Les propriétaires qui n'avaient pas d'assurance traditionnelle et qui n'envisagent pas d'acheter de l'APC indiquent qu'ils ne veulent pas ajouter une dépense supplémentaire à leur budget.





## Propriétaires (avec crédit) qui ont une assurance traditionnelle et ceux qui n'en ont pas – Résumé



- Les propriétaires qui ont une assurance traditionnelle utilisent davantage l'APC que ceux qui n'ont pas d'assurance traditionnelle.
- Les assurés ont plus de survivants (partenaire ou personnes à charge).
- Les assurés ont fondamentalement une attitude positive à l'égard de l'assurance.
- La majorité sont sous-assurés.
- Ceux qui ont une assurance traditionnelle utilisent l'APC pour une couverture supplémentaire ou particulière.





## Propriétaires « à risque »

## Définition de la notion « à risque »



Propriétaires qui présentent les trois conditions :

- Avec crédit
- Sans assurance traditionnelle ou sous-assurés
- Survivants (avec partenaire ou ayant des personnes à charge jeunes ou âgées)

**38 % de tous les propriétaires**



# Aperçu des données démographiques

- Âge moyen de 45 ans (78 % sont de la génération X ou plus jeunes)\*\*
- 54 % sont des femmes
- 89 % ont un partenaire (marié, conjoint de fait, ou vivant en union libre)\*\*
- 58 % ont des enfants ou des adultes à charge\*\*
- 63 % ont obtenu un diplôme technique, un diplôme de premier cycle ou un diplôme d'études supérieures
- 51 % ont moins de 100 000 \$ en placements
- 58 % ont un revenu de ménage de 60 000 \$ à 149 999 \$\*\*
- 75 % sont nés au Canada
- 52 % sont des accédants à la propriété

À risque n = 431

\* Nettement moins nombreux que d'autres

39 \*\* Nettement plus nombreux que d'autres



# Attitudes et préoccupations financières

- 42 % disent être peu ou pas du tout informés en matière de finances.
- 26 % disent qu'ils ne font pas appel à un professionnel des finances, mais qu'ils souhaitent le faire.\*\*
- Les trois préoccupations financières les plus importantes :
  1. Avoir assez d'argent pour une retraite aisée (57 %)
  2. Payer les factures mensuelles (43 %)\*\*
  3. Pouvoir subvenir à mes besoins et à ceux de ma famille si je suis incapable de travailler en raison d'une maladie ou d'un accident qui me rend invalide. (35 %)\*\*
- 72 % estiment qu'il est important ou très important d'avoir une assurance vie\*.

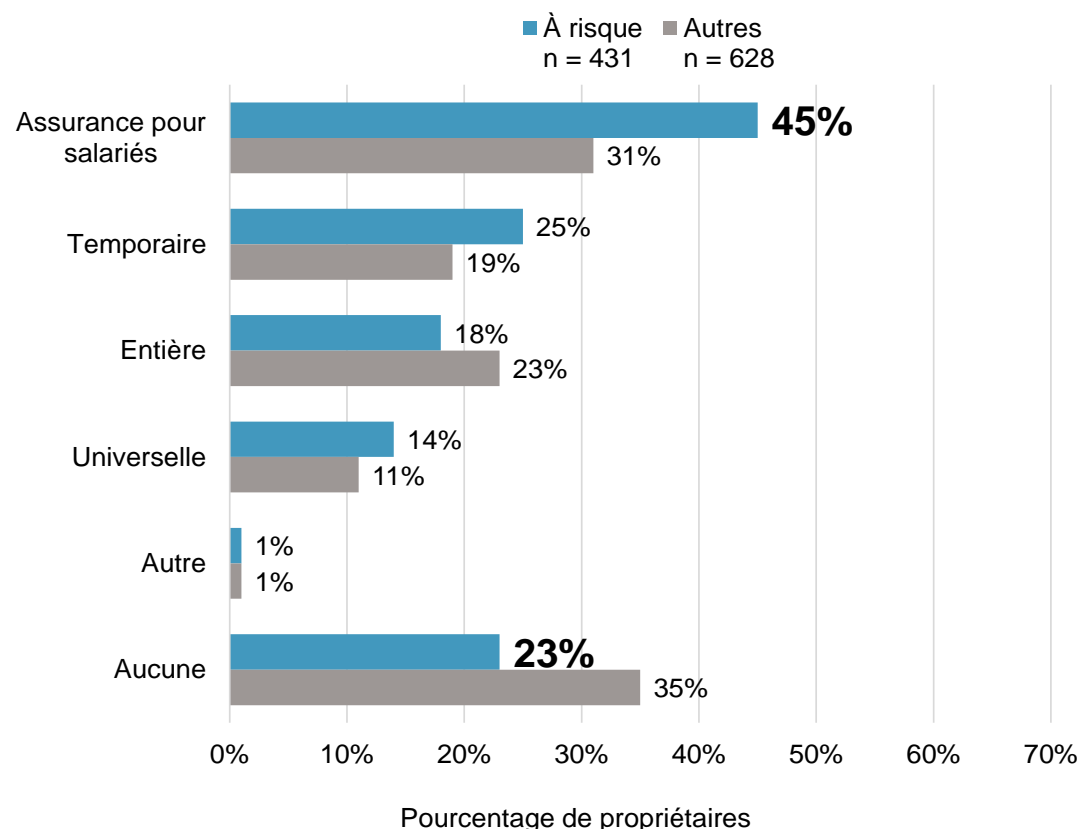
À risque n = 431

\* Nettement moins nombreux que d'autres

40 \*\* Nettement plus nombreux que d'autres



## Possession d'une assurance vie traditionnelle



- Les propriétaires « à risque » sont nettement plus nombreux que les autres à posséder une assurance vie par l'intermédiaire de leur employeur.
- Les propriétaires « à risque » sont nettement moins nombreux à détenir une assurance vie entière que leurs homologues **avec crédit**.
- Les propriétaires extrêmement sous-assurés (deux ans ou moins de revenu couvert par une assurance traditionnelle) « à risque » ont nettement moins de produits d'AVT que les autres.



## Couverture de l'assurance

- 62 % pensent avoir une assurance vie suffisante.\*
- 37 % ont une assurance qui couvre le revenu pendant deux ans ou moins.
- 68 % pensent qu'ils devraient avoir une assurance pour couvrir le revenu pendant moins de sept ans.\*\*
- 67 % disent que leur famille aurait des difficultés à assumer les frais de subsistance dans quelques mois, ou moins, si le principal pourvoyeur décédait demain.\*\*

À risque et assurés n = 311

\* Nettement moins nombreux que d'autres

42 \*\* Nettement plus nombreux que d'autres





## Propriétaires avec crédit qui n'ont pas d'assurance traditionnelle

**38 %** disent ne pas avoir les moyens de s'offrir une assurance vie...

**38 %** ne disposent pas d'un fonds d'urgence ou d'une autre forme d'épargne personnelle pour remplacer l'assurance vie....

**62 %** disent que leur famille aurait des difficultés à assumer les frais de subsistance dans quelques mois, ou moins, si le principal pourvoyeur décédait demain... \*\*

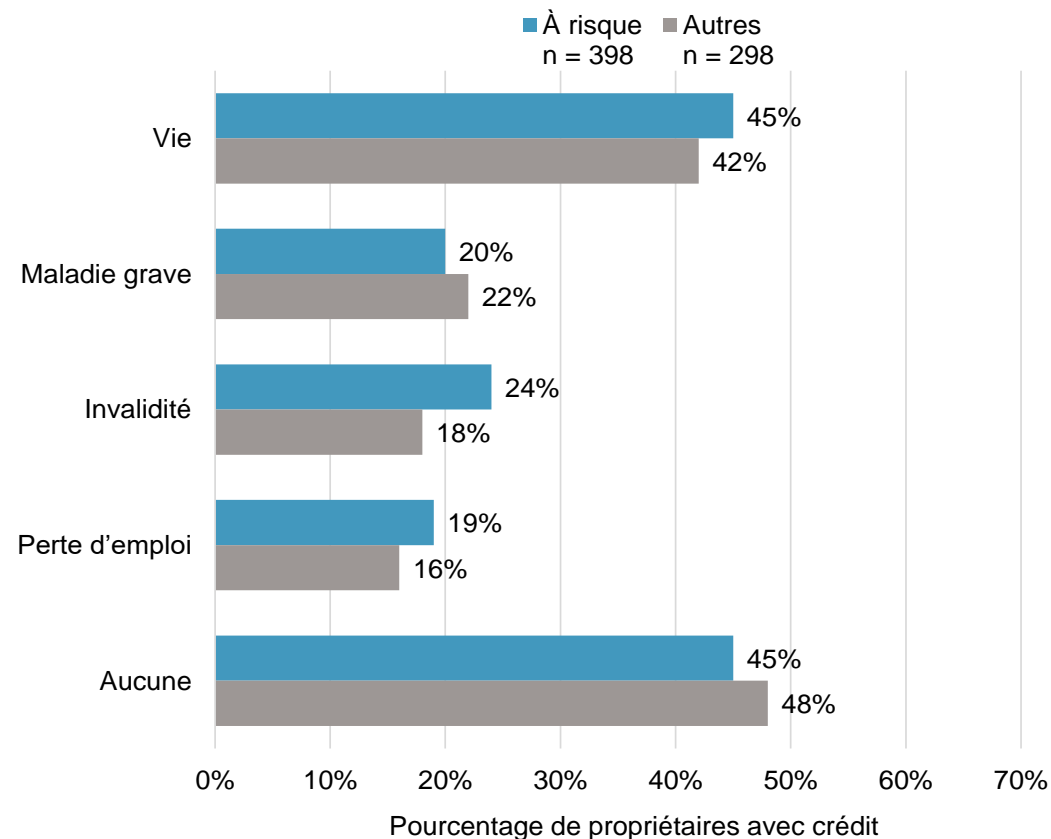
À risque et non assurés n = 97

\* Nettement moins nombreux que d'autres

43 \*\* Nettement plus nombreux que d'autres

# Possession d'une assurance protection de crédit

- 55 % des propriétaires « à risque » ont au moins un produit d'APC.
- Le chiffre augmente chez les propriétaires qui n'ont pas une assurance traditionnelle suffisante (61 %)
- Le chiffre baisse chez les propriétaires qui n'ont aucune assurance traditionnelle (34 %)
- 48 % des propriétaires extrêmement sous-assurés (deux ans ou moins de revenu couvert par une assurance traditionnelle) ont au moins un produit d'APC.



## Propriétaires « à risque » – Résumé



- Les propriétaires « à risque » sont nettement plus nombreux à compter sur l'assurance vie pour salariés. Ce qui est conditionnel à ce qu'ils aient un emploi.
- La plupart d'entre eux pensent que leur famille aurait des difficultés à assumer les frais de subsistance dans quelques mois, ou moins, après le décès du principal pourvoyeur.
- Plus de la moitié (55 %) utilisent l'APC.



## Recommandation au sujet des propriétaires canadiens

Compte tenu du fait que 80 % des propriétaires canadiens n'ont aucune assurance traditionnelle ou sont sous-assurés, il est important d'informer les propriétaires canadiens sur l'assurance et la protection du crédit, ainsi que sur les couvertures appropriées.

46 Remarque : Base utilisée - échantillon total n = 1 175



## Recommandation au sujet des propriétaires canadiens avec crédit

En ce qui concerne les propriétaires canadiens avec crédit :

L'achat d'une APC peut combler le manque de couverture chez 78 % des propriétaires qui n'ont pas d'assurance traditionnelle ou qui sont sous-assurés.





## Recommandation au sujet des propriétaires canadiens avec crédit

En ce qui concerne les propriétaires canadiens avec crédit :

Les survivants (partenaire ou personne à charge) devraient constituer le premier critère d'évaluation de la nécessité d'une couverture par l'APC.

Il conviendrait de déployer des efforts pour informer les 61 % des propriétaires qui ont des survivants, et qui aussi n'ont pas d'assurance traditionnelle ou sont sous-assurés, de la manière dont l'APC serait particulièrement pertinente pour eux et des raisons pour lesquelles elle le serait. Ces propriétaires risquent en effet de laisser leurs proches sans couverture, ou avec une couverture insuffisante.

48 Remarque : Base utilisée - propriétaires canadiens avec crédit n = 731





## Questions et réponses

# Notre organisation et nos marques



**Assurance**

**Revenu de  
retraite**

**Solutions  
au travail**



Améliorer les services  
offerts par les institutions  
financières en donnant les  
moyens d'agir aux membres  
(**connaissances,  
perspectives, réseautage  
et solutions**)



# Solutions de recherche appliquée de la LIMRA

En tant qu'association professionnelle de premier plan pour les secteurs de l'assurance et des services financiers, avec plus de 700 membres, dont 22 qui figurent au classement Fortune 100, la LIMRA dispose d'une connaissance privilégiée des pratiques exemplaires éprouvées et des tendances émergentes. L'ampleur et la profondeur des données qui circulent dans le secteur et la position unique que nous y occupons nous permettent de vous fournir des analyses que vous ne trouverez nulle part ailleurs. La LIMRA allie connaissance du secteur et expertise en recherche, ce qui lui confère une compréhension approfondie du marché et lui permet de concevoir et de mettre en œuvre une méthodologie de recherche bien pensée.

## RECHERCHE SUR MESURE

L'équipe de recherche appliquée de la LIMRA s'associe à vous pour mener des recherches quantitatives et qualitatives afin de recueillir les informations précises dont vous avez besoin pour faciliter la prise de décision dans toutes les gammes de produits et tous les canaux de distribution. Les recherches sur mesure peuvent vous aider à améliorer l'expérience client, à concevoir un nouveau produit, à tester un concept de produit, à explorer de nouveaux marchés, et bien plus encore.

## RECHERCHE EN PARTENARIAT

La recherche en partenariat permet aux membres de s'associer avec la LIMRA, ou par son intermédiaire, pour mener des recherches sur des sujets d'actualité de manière économique. La recherche en partenariat donne aux entreprises la possibilité de participer activement avec d'autres organisations afin d'étudier un besoin commun, notamment en explorant les possibilités dans les marchés émergents, en déterminant le potentiel commercial de nouveaux produits, en comprenant le processus d'achat, en établissant des relations avec les producteurs, et bien plus encore.



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## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 5(i)**  
**Strategic and Regulatory Matters – Plans for Annual Members Luncheon on May 28/24**

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### **Purpose of this Agenda Item—Update**

To provide an update to the Board on the plans for CAFII's annual members luncheon on May 28/24.

### **Background Information**

CAFII Operations Manager Shanay Smith will update the Board on the plans for CAFII's annual members luncheon on May 28/24.

### **Recommendation / Direction Sought—Update**

This is an update item.

### **Attachments Included with this Agenda Item**

No attachments.

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 5(j)**

**Strategic and Regulatory Matters – Plans for Immediately Ensuing April 9/24 Reception Event with Melissa Carruthers and Azadeh Dehghanpour, Partners at Deloitte, as Guest Speakers**

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### **Purpose of this Agenda Item—Update**

To provide an update to the Board on the plans for the immediately ensuing April 9/24 reception event with Melissa Carruthers and Azadeh Dehghanpour, partners at Deloitte, as guest speakers.

### **Background Information**

CAFII Operations Manager Shanay Smith will update the Board on the plans for the immediately ensuing April 9/24 reception event, which will feature Melissa Carruthers and Azadeh Dehghanpour, partners at Deloitte, as guest speakers.

### **Recommendation / Direction Sought—Update**

This is an update item.

### **Attachments Included with this Agenda Item**

No attachments.

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 6(a)**

**Read Only Items - Update on In-Person Meeting with Yves Ouellet on December 14/23**

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### **Purpose of this Agenda Item—Read Only**

To share with the Board an update on the in-person meeting with Yves Ouellet on December 14/23.

### **Background Information**

On December 14/23, CAFII Board Chair Peter Thompson, Board Vice Chair Paul Cosgrove, and Keith Martin met with Yves Ouellet in person. The meeting was very successful with M. Ouellet focusing on his commitment to transparency and open communication.

### **Recommendation / Direction Sought—Read Only**

No action required.

### **Attachments Included with this Agenda Item**

One (1) attachment.

- The Association has fifteen members which include the big banks, Desjardins, and other distributors, along with major life and health insurance companies;
- The key focus of the Association is relationship-building and dialogue with insurance regulators and policy-makers;
- CAFII has over 30 regulators and policy-makers which it deals with, most of them provincial;
- Harmonization is a key priority for CAFII, and is different from alignment—harmonization does not only mean that regulatory goals are the same, but that the words are the same so regulated entities can focus on the objectives and expectations of the regulator, as opposed to understanding slight differences from regulator to regulator;
- Over half of Canadians do not have life insurance and this creates a significant risk for a large number of Canadians and Quebecers;
- CAFII and its members are fully committed to the fair treatment of customers and believe that this is fundamentally important;
- There is a committee at CAFII to diversity, equity, and inclusion;
- CAFII conducts annual research to understand the views of the customers of credit protection insurance, and in a recent 2022 study found that CPI customers felt confident in the products and did not know what they would do without the insurance if something happened to them. In addition, it was noted that the study found that 95% of mortgage life insurance claims were paid out by CAFII members. It was also noted that the full study was presented by Keith Martin in French to the AMF in a 90-minute meeting with AMF officials in Quebec City;
- The final slide acknowledged that the AMF had been very responsive over the past year, and that Éric Jacob and Peter Thompson had held quarterly meetings in 2023 that were very productive, and these meetings had also led to more detailed meetings with other officials of the AMF and CAFII staff and volunteers. In total, over 11 meetings had been held in 2023, leading to very productive and important solutions to some complicated files.

During the section of the presentation on harmonization, Keith Martin emphasized that CAFII and its members understood that Quebec was unique, with its own language, culture, and legal system, and that we realized that there would be some different approaches in Quebec from other provinces; and Peter Thompson added to that point, saying that in Quebec even if there were differences in the regulatory approach, it was helpful if those differences could be as minor as possible. Yves Ouellet was shaking his head during this section of the presentation and appeared appreciative of the comments.

During the section of the presentation on harmonization Keith Martin pointed out the importance of CCIR and CISRO to CAFII, and mentioned in that respect the important work that Éric Jacob was doing as the Chair of CISRO, and Mr. Jacob nodded during this section and made a few comments about his activities with CISRO.



During the section of the presentation on the many meetings between CAFII and the AMF in 2023, Peter Thompson commented on how appreciative he was to Éric Jacob for his collaboration with him over the past year and how important this had been to resolving some issues. Éric Jacob said that he was also appreciative of Peter Thompson's openness and of the engagement of CAFII more generally, and that he agreed that much had been achieved over the past year. Yves Ouellet seemed very pleased about this exchange and shared that he too believed in the importance of dialogue and transparency.

Peter Thompson also said that he appreciated Eric Jacob confirming in a recent meeting that the understandings reached between CAFII and the AMF on some files would continue after Mr. Jacob leaves his role as Superintendent of Client Services and Distribution Oversight, and Mr. Jacob said that was absolutely the case, and those understandings were not with Eric Jacob but rather with the AMF.

After the presentation Yves Ouellet said he wanted to know what was on our minds—what were the issues we were concerned about and what were we thinking about? Peter Thompson mentioned that CAFII members were very interested in the outcome of the consultations with the AMF on complaints, noting that the Quebec regulatory proposals on complaints were different from other jurisdictions and there were concerns that this could lead to a complicated environment for CAFII members. Keith Martin mentioned that CAFII had held very productive conversations with Louise Gauthier and her colleagues on this file, and that we felt that the AMF had really understood some of industry's concerns. Keith Martin also mentioned that the AMF held a second round of consultations on the regulation around complaints, and that this was unusual and greatly appreciated. It was also noted that CAFII members adhered to CCIR requirements on complaints, and also had to comply with FCAC requirements that had recently been introduced. The Quebec rules would be a third set of expectations and timelines for CAFII members, and this made the environment around complaints complicated. Éric Jacob spoke about how the AMF had listened carefully to industry concerns on this file, and also noted that the final regulation would likely be published early in 2024. During the conversation it was also noted that CAFII members are large, complex organizations that require sufficient time to implement new regulations. Éric Jacob said that point was now well understood, and that industry would be given a good amount of time to implement the new regulations around complaints.

Yves Ouellet made several comments about how the AMF wanted to be transparent, to share openly its regulatory framework, and to let industry know what its intentions were. His underlying message was one of collaboration and of wanting to not surprise industry, and his body language and approach appeared very sincere and genuine. He said that regulators needed to be creative and to understand how best to try to achieve their objective of consumer protection. He said he understood CAFII's points about harmonization and he was committed to being "as harmonized as possible."

Mr. Ouellet asked what were other issues we were tracking, and the fast pace of technology change was raised. Peter Thompson said that in the past insurance products were often mass products, but that with new technologies like artificial intelligence there was the possibility of more customization and of targeting products to specific customer groups. Keith Martin mentioned that insurance is data hungry, and as such machine learning and new technology capabilities had the capacity to significantly affect the industry, especially the statistically-oriented underwriting function. Paul Cosgrove said that the pandemic had fundamentally changed the expectations of customers, who now expected to be served equally well in all channels including digitally. Mr. Cosgrove also mentioned that digital platforms had advanced significantly and were helping improve the customer experience, and he specifically cited the claims experience as an example. It was also mentioned that customers are comparing industry to other sectors of the economy and expect the same level of service, with Amazon for example setting the bar for what customers expect around a digital experience in insurance. Keith Martin noted that CAFII research with Deloitte had shown that customers expect a seamless experience across channels, and whatever information they share in one channel they expect to be shared with other channels, such that they do not need to repeat information they have already shared. Keith Martin also noted that CAFII held regular webinars to which AMF officials were invited, and that in January 2024 we would be holding one on artificial intelligence—Mr. Ouellet took his notebook and made notes on this. Overall, Yves Ouellet seemed very interested in these observations, and said that technology would also pose risks and opportunities for regulators like the AMF.

The meeting overall was interactive and positive, with Yves Ouellet very engaged, asking questions and making comments, and repeating his commitment to continued dialogue. At the conclusion of the formal meeting there was about 5 minutes of informal discussion and small talk, before the meeting concluded.

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 6(b)**

**Read Only Items - AMF's Publication of the Regulation Respecting Complaint Processing and Dispute Resolution in the Financial Sector, with an In-Force Date of July 1/25**

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### **Purpose of this Agenda Item—Read Only**

To share with the Board an update on the AMF's publication of the regulation respecting complaint processing and dispute resolution in the financial sector, with an in-force date of July 1/25.

### **Background Information**

The AMF published the regulation respecting complaint processing and dispute resolution in the financial sector, which will become effective on July 1/25.

### **Recommendation / Direction Sought—Read Only**

No action required.

### **Attachments Included with this Agenda Item**

Five (5) attachments.

## **REGULATION RESPECTING COMPLAINT PROCESSING AND DISPUTE RESOLUTION IN THE FINANCIAL SECTOR**

Credit Assessment Agents Act  
(chapter A-8.2, ss. 38, 66 and 73)

Insurers Act  
(chapter A-32.1, s. 485, par. 1, and s. 496)

Act respecting financial services cooperatives  
(chapter C-67.3, ss. 601.1 and 601.9)

Act respecting the distribution of financial products and services  
(chapter D-9.2, ss. 216.1, 223, pars. 8, 11, 12 and 13.1)

Deposit Institutions and Deposit Protection Act  
(chapter I-13.2.2, s. 43, par. *u*, and s. 45.9)

Derivatives Act  
(chapter I-14.01, s. 175, pars. 13, 16 and 19.1)

Trust Companies and Savings Companies Act  
(chapter S-29.02, ss. 277 and 286)

Securities Act  
(chapter V-1.1, s. 331.1, pars. 8, 26 and 27.0.4)

### **CHAPTER I** **PURPOSE, SCOPE AND INTERPRETATION**

**1.** The purpose of this Regulation is to ensure the fair processing of consumer complaints in the financial sector. It sets out elements that must be included in the complaint processing and dispute resolution policy adopted under subparagraph 3 of the second paragraph of section 35 of the Credit Assessment Agents Act (chapter A-8.2), subparagraph 2 of the second paragraph of section 50 of the Insurers Act (chapter A-32.1), subparagraph 2 of the second paragraph of section 66.1 of the Act respecting financial services cooperatives (chapter C-67.3), subparagraph 1 of the first paragraph of section 103 of the Act respecting the distribution of financial products and services (chapter D-9.2), subparagraph 2 of the second paragraph of section 28.11 of the Deposit Institutions and Deposit Protection Act (chapter I-13.2.2), subparagraph 1 of the first paragraph of section 74 of the Derivatives Act (chapter I-14.01), subparagraph 2 of the second paragraph of section 34 of the Trust Companies and Savings Companies Act (chapter S-29.02) or subparagraph 1 of the first paragraph of section 168.1.1 of the Securities Act (chapter V-1.1), as the case may be.

This Regulation also sets out the rules governing complaint processing activities and practices.

**2.** This Regulation applies, with the necessary modifications, to persons and partnerships registered as firms, independent partnerships or independent representatives under the Act respecting the distribution of financial products and services and to legal persons registered as dealers or advisers under the Derivatives Act or the Securities Act.

Except for the provisions of Chapter II, it also applies to credit assessment agents designated under the Credit Assessment Agents Act, insurers authorized under the Insurers Act, financial services cooperatives within the meaning of the Act respecting financial services cooperatives, deposit institutions authorized under the Deposit Institutions and Deposit Protection Act, and trust companies authorized under the Trust Companies and Savings Companies Act.

**3.** For the purposes of this Regulation,

“complaint” means any reproach or dissatisfaction in respect of a service or product offered by a financial institution or financial intermediary, or in respect of a practice of a credit assessment agent, that is communicated by a person who is a member of the clientele of the financial institution or financial intermediary, or, in the case of a credit assessment agent, by a person concerned by a record held by the credit assessment agent, for which a final response is expected.

“financial institution” means an insurer authorized under the Insurers Act, a financial services cooperative within the meaning of the Act respecting financial services cooperatives, a deposit institution authorized under the Deposit Institutions and Deposit Protection Act, and a trust company authorized under the Trust Companies and Savings Companies Act;

“financial intermediary” means a person or partnership registered as a firm, independent partnership or independent representative under the Act respecting the distribution of financial products and services and a legal person registered as a dealer or adviser under the Derivatives Act or the Securities Act.

## **CHAPTER II**

### **COMPLAINT PROCESSING AND DISPUTE RESOLUTION POLICY**

4. A financial intermediary must adopt a complaint processing and dispute resolution policy that details how the complaints that it receives are processed, including how they are received, assigned, and analyzed and how responses and offers to resolve them are provided to the complainant.

In addition, it must provide that the processing of complaints:

- (1) is to objectively take into account the interests of the complainant; and
- (2) is to be kept simple and free of charge for the complainant.

5. The complaint processing and dispute resolution policy must set out the measures put in place by the financial intermediary to ensure the implementation and dissemination of the policy, as well as compliance therewith, across the organization, including the measure to designate a person to act as a complaints officer who has the necessary authority and competence to perform the functions of a complaints officer.

6. The complaint processing and dispute resolution policy must set out the measures put in place by the financial intermediary to properly assist the complainant throughout complaint processing and inform the complainant in a timely manner of the status of the complaint.

7. The complaint processing and dispute resolution policy must set out the measures for assigning complaints to the staff responsible for processing complaints who are under the functional supervision of the complaints officer and have the necessary competence to process the complaints assigned to them.

As for the processing of the complaints contemplated in Division IV of Chapter III, it must also set out the measures for the assignment of such complaints by the financial intermediary to other staff who have the necessary competence to process them, where such complaints have not been assigned to the staff under the functional supervision of the complaints officer. If applicable, the policy must detail how such complaints are reviewed by the staff referred to in the previous paragraph.

Lastly, it must set out the measures put in place by the financial intermediary to ensure anytime access to information essential for the processing of the complaints received by the staff referred to in the previous paragraphs.



8. The complaint processing and dispute resolution policy must provide that periodic reports covering the following items shall be made to the financial intermediary's officers:

- (1) the number of complaints received and processed and common causes thereof;
- (2) the outcomes of the complaints;
- (3) issues related to the implementation and dissemination of, and compliance with, the policy; and
- (4) issues identified when ascertaining the common causes of processed complaints.

9. The complaint processing and dispute resolution policy must set out the measures put in place by the financial intermediary to develop a comprehensive view of the complaints received, particularly in order to ascertain the common causes of those complaints and address the issues that they raise.

## **CHAPTER III**

### **COMPLAINT PROCESSING RULES AND PRACTICES**

#### **DIVISION I**

#### **GENERAL PROVISIONS**

10. A financial institution, financial intermediary or credit assessment agent must draft any disclosure documents relating to complaint processing and dispute resolution in a form that is clear, readable, specific and not misleading so as to highlight the key elements required for informed decision making and in such a way as to not cause confusion or misunderstanding.

Furthermore, the financial institution, financial intermediary or credit assessment agent must ensure that staff use clear and plain language in any interactions with complainants.

11. A financial institution, financial intermediary or credit assessment agent must take the necessary actions to understand the complaints filed with it and, to this end, must, when necessary, assist complainants in making their complaints.

When a financial institution, financial intermediary or credit assessment agent determines, in the course of its analysis, that a complaint it has received may have repercussions on other persons who are part of its clientele, it must take the necessary actions to remedy the complaint.

12. A financial institution, financial intermediary or credit assessment agent must process any complaint it receives in a diligent manner.

The same applies to reviews, if applicable, of the complaints contemplated in Division IV of this chapter.

To this end, it must, in particular:

- (1) properly document the processing of the complaint and establish a complaint record in accordance with section 16;
- (2) enter the complaint in the complaints register and update the register based on the information set out in section 18;
- (3) provide the complainant, in the manner set out in section 20, with the acknowledgement of receipt referred to in section 19;

(4) provide the complainant with a final response referred to in section 22 as soon as possible but not later than the 60th day following receipt of the complaint; and

(5) despite subparagraph 4 and where warranted by circumstances that are exceptional or beyond its control, provide the complainant with a final response referred to in section 22, in writing, as soon as possible but no later than the 90th day following receipt of the complaint.

**13.** If, upon completing its analysis, the financial institution, financial intermediary or credit assessment agent presents the complainant with an offer to resolve the complaint, it must give the complainant a reasonable amount of time to assess and respond to the offer.

The amount of time given must be sufficient to give the complainant the opportunity to seek advice for the purpose of making an enlightened decision.

If an agreement is reached with the complainant, the financial institution, financial intermediary or credit assessment agent must give effect to the offer no later than on the 30th day following acceptance of the offer.

**14.** A financial institution, financial intermediary or credit assessment agent must, after it has provided a complainant with the final response referred to in section 22 or the information referred to in section 25, continue to manage any further exchanges with the complainant in order to, in particular, allow the complainant to submit, if applicable, any new relevant facts, answer the complainant's questions or follow up on the complainant's comments.

**15.** If a financial institution, financial intermediary or credit assessment agent notices that a complaint involves several institutions, intermediaries or agents, it must notify the complainant, explaining the extent to which the complaint involves them. The institution, intermediary or agent must also inform the complainant of his or her right to file a complaint about it and must provide the complainant with any information held by it that would allow the complainant to file such a complaint.

## **DIVISION II**

### **COMPLAINT RECORDS AND COMPLAINTS REGISTER**

**16.** The complaint record that the financial institution, financial intermediary or credit assessment agent must open for any complaint received by it must contain the following documents and information:

- (1) the complaint;
- (2) a copy of the acknowledgement of receipt referred to in section 19 sent to the complainant;
- (3) any document or information used in analyzing the complaint, including any exchanges with the complainant; and
- (4) if applicable, a copy of the written notice referred to in section 21; and
- (5) a copy of the final response provided to the complainant.

The complaint record must be kept up to date and be established so that the documents and information it contains are in a precise form that is comprehensible to any person who is allowed to access it.

**17.** The financial institution, financial intermediary or credit assessment agent must keep the complaint record for the same retention period as applies to any information relating to the complainant.

**18.** A financial institution, financial intermediary or credit assessment agent must enter in its complaints register any complaints received by it, without delay.

It must enter therein, as soon as it is available to it, the information enabling it to act on the elements of the complaint processing and dispute resolution policy set out in sections 8 and 9 or in the equivalent expectations established by the Authority in its Sound Commercial Practices Guideline or, as the case may be, its Guideline applicable to credit assessment agents.

### **DIVISION III**

### **COMMUNICATIONS TO THE COMPLAINANT**

**19.** For the purposes of this Regulation, the acknowledgement of receipt of a complaint will constitute the notice stating the date of registration of the complaint, sent to the complainant under section 39 of the Credit Assessment Agents Act, section 53 of the Insurers Act, section 131.2 of the Act respecting financial services cooperatives, section 103.2 of the Act respecting the distribution of financial products and services, section 28.14 of the Deposit Institutions and Deposit Protection Act, section 76 of the Derivatives Act, section 37 of the Trust Companies and Savings Companies Act, and section 168.1.3 of the Securities Act, as the case may be.

**20.** The acknowledgement of receipt must be sent in written form to the complainant and, in addition to stating the complainant's right to request to have the complaint record examined by the Authority or, if applicable, a federation, include the following information:

- (1) the complaint record identification code;
- (2) the date on which the complaint was received by the financial institution, financial intermediary or credit assessment agent, if it is different than the date on which the complaint was registered;
- (3) the means by which the complainant may obtain information about the processing of the complaint;
- (4) the expected timeframe for processing the complaint and the date by which the final response must be sent to the complainant; and
- (5) a hyperlink providing access to the summary of the complaint processing and dispute resolution policy or a copy thereof.

**21.** Under subparagraph 5 of the third paragraph of section 12, the financial institution, financial intermediary or credit assessment agent must send, as soon as possible but not later than the 60th day following receipt of the complaint, a written notice containing the following information:

- (1) the circumstances warranting the application of subparagraph 5 of the third paragraph of section 12;
- (2) the date by which the final response must be sent to the complainant;
- (3) a statement of the complainant's right to request to have the complaint record examined by the Authority or, if applicable, by a federation; and
- (4) the business contact information of the person referred to in section 29.

**22.** The financial institution, financial intermediary or credit assessment agent must be detailed in the final response referred to in subparagraph 4 or 5 of the third paragraph of section 12, which must include such information as the following:

- (1) a statement to the effect that it is a final response;

- (2) a summary of the complaint received;
- (3) the conclusion of the analysis, including the reasons for the conclusion, and the outcome of the complaint;
- (4) a statement of the complainant's right to request to have the complaint record examined by the Authority or, if applicable, by a federation;
- (5) if an offer to resolve the complaint is presented to the complainant, the time period within which the complainant may accept the offer; and
- (6) the business contact information of the person referred to in section 29, as well as the signature of the person who processed the complaint.

#### **DIVISION IV**

#### **PROCESS FOR CERTAIN COMPLAINTS**

**23.** This section applies to the processing of complaints for which the information contemplated in section 25 may be communicated within 10 days following receipt of the complaint.

**24.** A financial institution or credit assessment agent may assign the complaints contemplated in this division to other staff with the necessary competence to process them where they have not been assigned to staff under the functional supervision of the complaints officer.

**25.** Despite subparagraph 4 of the third paragraph of section 12 and sections 20 and 22, a financial institution, financial intermediary or credit assessment agent may, upon completing its analysis of a complaint, provide to the complainant, verbally or in writing, information relating to the processing of the complaint. If applicable, it must provide the following:

- (1) the conclusion of the analysis, with the reasons for it, and the outcome of the complaint;
- (2) if an offer to resolve the complaint is presented to the complainant, how much time the complainant has to accept it; and
- (3) a statement to the effect that the complainant may request to have the complaint reviewed by staff under the functional supervision of the complaints officer, where the complaint has not been processed by such staff.

**26.** Despite subparagraphs 2 and 4 of the first paragraph of section 16, a financial institution, financial intermediary or credit assessment agent may add to the complaint record a document summarizing the elements provided to the complainant pursuant to the sections enumerated in section 19, if applicable, and section 25.

#### **CHAPTER IV**

#### **SUMMARY OF THE COMPLAINT PROCESSING AND DISPUTE RESOLUTION POLICY**

**27.** A financial institution's, financial intermediary's or credit assessment agent's summary of its complaint processing and dispute resolution policy must include:

- (1) a description of the procedure for filing a complaint and the complainant's right to obtain assistance in making the complaint;
- (2) a description of the various steps in the complaint process;

(3) a statement to the effect that a complaint may be validly filed with it using the complaint form available on the Authority's website, together with a reference or link to the form;

(4) the means for obtaining information regarding complaint processing;

(5) the complaint processing time period specified in subparagraph 4 of the third paragraph of section 12;

(6) if applicable, the complaint processing time period specified in subparagraph 5 of the third paragraph of section 12; and

(7) a statement of the complainant's right to request to have the complaint record examined by the Authority or, if applicable, a federation.

**28.** A financial institution's, financial intermediary's or credit assessment agent's summary of its complaint processing and dispute resolution policy must, when posted on its website, be displayed in a place that can be easily identified by any person who is part of its clientele or, in the case of a credit assessment agent, to any person concerned by a record that it holds.

## **CHAPTER V**

### **SENDING A COMPLAINT RECORD TO THE AUTORITÉ DES MARCHÉS FINANCIERS FOR EXAMINATION**

**29.** A financial institution, financial intermediary or credit assessment agent must, within 15 days following receipt of a request from a complainant to have the complaint record examined by the Authority, send the complaint record, as established under section 16, to the Authority, in accordance with the terms and conditions specified on the Authority's website, providing the name and business contact information of the person officially designated to respond to the Authority.

## **CHAPTER VI**

### **PROHIBITIONS AND MONETARY ADMINISTRATIVE PENALTIES**

**30.** A financial institution, financial intermediary or credit assessment agent may not:

(1) when it presents the complainant with an offer to resolve the complaint, attach a condition to the offer that:

(a) prevents the complainant from exercising the right to request to have the complaint record examined by the Authority or, where applicable, its federation;

(b) requires the complainant to withdraw any other complaint that the complainant has filed; or

(c) prevents a complainant from communicating with the Authority, a self-regulatory organization recognized under section 59 of the Act respecting the regulation of the financial sector (chapter E-6.1) or with the Chambre de la sécurité financière or the Chambre de l'assurance de dommages, established under section 284 of the Act respecting the distribution of financial products and services.

(2) in any representation or communication intended for the public, use in referring to its complaint processing department or the persons assigned to it the term "ombudsman" or any other qualifier of the same nature that suggests that such persons are not acting on behalf of the financial institution, financial intermediary or credit assessment agent.

**31.** A monetary administrative penalty in the amount of \$1,000 may be imposed on an authorized financial institution that:



(1) in contravention of the first paragraph of section 16, fails to establish a complaint record containing the documents and information referred to in that paragraph;

(2) in contravention of the second paragraph of section 16, fails to keep the complaint record up to date;

(3) in contravention of section 20, fails to send the complainant an acknowledgement of receipt or sends an acknowledgement of receipt that does not include the information set out in that section;

(4) in contravention of section 21, provides the complainant with a written notice that does not include the information set out in that section;

(5) in contravention of section 22, provides the complainant with a final response that does not include the detailed information set out in that section;

(6) in contravention of section 26, fails to enter in the complaint record a document summarizing the items provided to the complainant pursuant to the sections indicated in section 19, as applicable, and pursuant to section 25; or

(7) in contravention of section 27, disseminates a summary of the complaint processing and dispute resolution policy summary that does not include the information referred to in that section.

**32.** A monetary administrative penalty in the amount of \$2,500 may be imposed on a financial institution or a credit assessment agent that:

(1) in contravention of the third paragraph of section 13, fails, where a complainant accepts an offer to resolve the complaint, to give effect to the agreement no later than on the 30th day following acceptance of the offer; or

(2) in contravention of section 17, fails to keep a complaint record for the same retention period as applies to any information relating to the complainant;

A monetary administrative penalty in the same amount may also be imposed on a financial institution or credit assessment agent that, in contravention of section 29, fails to send the complaint record, as established under section 16, to the Authority in accordance with the terms and conditions specified on the Authority's website or within 15 days of receiving a request from the complainant to have the complaint record examined by the Authority.

**33.** A monetary administrative penalty in the amount of \$5,000 may be imposed on a financial institution or credit assessment agent that:

(1) in contravention of subparagraph a of paragraph 1 of section 30, attaches a condition to its offer that prevents the complainant from exercising the right to have the complaint record examined by the Authority or, where applicable, its federation;

(2) in contravention of subparagraph b of paragraph 1 of section 30, attaches a condition to its offer that requires the complainant to withdraw any other complaint that the complainant has filed;

(3) in contravention of subparagraph c of paragraph 1 of section 30, attaches a condition to its offer that prevents the complainant from communicating with the Authority, a recognized self-regulatory organization, the Chambre de sécurité financière or the Chambre de l'assurance de dommages; or

(4) in contravention of paragraph 2 of section 30, uses in referring to its complaint processing department or the persons assigned to it, in any representation or communication intended for the public, the term “ombudsman” or any other qualifier of the same nature that suggests that that such persons are not acting on behalf of the financial institution or credit assessment agent.

A monetary administrative penalty in the same amount may also be imposed on a financial institution or a credit assessment agent that, in contravention of subparagraph 4 or 5 of the third paragraph of section 12, fails to provide a final response to the complainant.

## **CHAPTER VII**

### **COMING INTO FORCE**

**34.** This Regulation will comes into force on 1 January 2024.

## CAFII Comparison and Analysis: December 2022 and February 2024 Complaints Regulation

### Context:

- Revised version that was subject to consultations dated 8 December, 2022
- Further revised version published 14 February, 2024

### Highlights:

- Revised 2024 version expands timeline for resolution of simple complaints from 10 days to 20 days
- Some revised wording but generally the updated Regulation is largely the same as the 2022 version

| Original  | Revised   | Comments and Analysis  |
|---|---|--|
| <p>“complaint” means any reproach or dissatisfaction in respect of a service or product offered by a financial institution or financial intermediary, or in respect of a practice of a credit assessment agent, that is communicated by a person who is a member of the clientele of the financial institution or financial intermediary,</p> | <p>For the purposes of this Regulation, “complaint” means any reproach or dissatisfaction in respect of a service or product offered by a financial institution or a financial intermediary where the reproach or dissatisfaction is communicated by a person who is a member of the clientele of the financial institution or financial intermediary and a final response is expected.</p> <p>It also means any reproach or dissatisfaction in respect of a practice of a credit assessment agent where the reproach or dissatisfaction is communicated by any person concerned by a record that the credit assessment agent holds.</p> <p>A final response is expected when the complainant’s communication explicitly or implicitly implies that action must be taken to address the complaint.</p> <p>The following are not considered complaints:</p> <p>(1) a request made for information or materials in respect of an offered product or service;</p> <p>(2) a request for access or rectification made in accordance with the Act respecting the protection of personal information in the private sector (chapter P-39.1);</p> <p>(3) a claim for an indemnity or any other insurance claim;</p> <p>(4) a request for correction of a clerical error or mistake in calculation; and</p> <p>(5) communication of a comment or feedback. Despite subparagraph 4 of the fourth paragraph, any request for correction of a clerical error or mistake</p> | <p>Considerably more detail is laid out about what is not a complaint.</p> |

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|  | in calculation for which further action must be taken to address the consequences of the error or mistake for the person making the request or, in the case of a financial institution or financial intermediary, for any other person who is a member of its clientele or, in the case of a credit assessment agent, for any other person concerned by a record that the assessment agent holds constitutes a complaint.   |                            |
| <p>4. A financial intermediary must adopt a complaint processing and dispute resolution policy that details how the complaints that it receives are processed, including how they are received, assigned, and analyzed and how responses and offers to resolve them are provided to the complainant.</p> <p>In addition, it must provide that the processing of complaints:</p> <p>(1) is to objectively take into account the interests of the complainant; and</p> <p>(2) is to be kept simple and free of charge for the complainant.</p>                   | <p>5. A financial intermediary must adopt a complaint processing and dispute resolution policy that details how the complaints that it receives are processed, including how they are received, assigned, and analyzed and how final responses and offers to resolve them are provided to complainants. In addition, it must require that the processing of complaints: (1) be conducted in an objective manner and take into account the interests of the complainant; and (2) be kept simple and free of charge for the complainant.</p>  |                            |
| <p>9. The complaint processing and dispute resolution policy must set out the measures put in place by the financial intermediary to develop a comprehensive view of the complaints received, particularly in order to ascertain the common causes of those complaints and address the issues that they raise.</p>   | <p>10. The complaint processing and dispute resolution policy must set out the measures taken by the financial intermediary to develop a comprehensive view of the complaints received, particularly in order to identify the causes common to, and address the issues raised by, such complaints.</p>  | Slightly different wording |
| <p>11. A financial institution, financial intermediary or credit assessment agent must take the necessary actions to understand the complaints filed with it and, to this end, must, when necessary, assist complainants in making their complaints.</p> <p>When a financial institution, financial intermediary or credit assessment agent determines, in the course of its analysis, that a complaint it has received may have repercussions on other persons who are part of its clientele, it must take the necessary actions to remedy the complaint.</p> | <p>12. A financial institution, a financial intermediary or a credit assessment agent must take the necessary actions to understand what is being communicated to it and, in doing so, must, when necessary, provide assistance to the originators of such communications in filing their complaints.</p> <p>13. When a financial institution, a financial intermediary or a credit assessment agent determines, in conducting its analysis, that a complaint it has received may have repercussions on other persons who are part of its clientele, it must take the necessary actions to address the complaint.</p> | Revised wording.           |
| <p>13. If, upon completing its analysis, the financial institution, financial intermediary or credit assessment agent presents the</p>   | <p>15. If, upon completing its analysis, a financial institution, a financial intermediary or a credit assessment agent presents a complainant with an</p>  |                            |

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| <p>complainant with an offer to resolve the complaint, it must give the complainant a reasonable amount of time to assess and respond to the offer.</p> <p>The amount of time given must be sufficient to give the complainant the opportunity to seek advice for the purpose of making an enlightened decision.</p> <p>If an agreement is reached with the complainant, the financial institution, financial intermediary or credit assessment agent must give effect to the offer no later than on the 30th day following acceptance of the offer.</p>  | <p>offer to resolve the complaint, it must give the complainant a reasonable amount of time to assess and respond to the offer.</p> <p>The amount of time given must provide the complainant with sufficient opportunity to seek advice for the purpose of making an informed decision.</p> <p>If an agreement is reached with the complainant, the financial institution, the financial intermediary or the credit assessment agent must give effect to the offer not later than on the 30th day following acceptance of the offer or, where the interest of the complainant warrants it, within any other time period agreed upon with the complainant</p>  |  |
| <p>15. If a financial institution, financial intermediary or credit assessment agent notices that a complaint involves several institutions, intermediaries or agents, it must notify the complainant, explaining the extent to which the complaint involves them. The institution, intermediary or agent must also inform the complainant of his or her right to file a complaint about it and must provide the complainant with any information held by it that would allow the complainant to file such a complaint.</p>   | <p>7. If a financial institution, a financial intermediary or a credit assessment agent notes that a complaint involves more than one institution, intermediary or agent, it must notify the complainant, explaining the extent to which the complaint involves such institutions, intermediaries or agents. It must also inform the complainant of the complainant's right to file a complaint in respect of those institutions, intermediaries or agents and provide the complainant with any information held by it, if any, that would allow the complainant to communicate with them.</p>  |  |
| <p>The complaint record that the financial institution, financial intermediary or credit assessment agent must open for any complaint received by it must contain the following documents and information:</p> <ul style="list-style-type: none"> <li>(1) the complaint;</li> <li>(2) a copy of the acknowledgement of receipt referred to in section 19 sent to the complainant;</li> <li>(3) any document or information used in analyzing the complaint, including any exchanges with the complainant; and</li> <li>(4) if applicable, a copy of the written notice referred to in section 21; and</li> <li>(5) a copy of the final response provided to the complainant.</li> </ul> | <p>18. The complaint record that a financial institution, a financial intermediary or a credit assessment agent must open for any complaint received by it must contain the following documents and information: (1) the complaint; (2) a copy of the acknowledgement of receipt referred to in section 21 sent to the complainant; (3) any document or information used in analyzing the complaint; (4) if applicable, a copy of any document or information sent or provided for the purposes of sections 15 to 17; (5) if applicable, a copy of the written notice referred to in section 23; (6) if applicable, a copy of the written notice referred to in section 28; (7) a copy of the final response provided to the complainant; and (8) any exchanges, or a summary of the exchanges, with the complainant. The complaint record must be kept up to date and be established so that the documents and information it contains are in a specific format that is comprehensible to any person who is allowed access to it</p> | <p>Additional requirements added to latest version</p> |



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| <p>The complaint record must be kept up to date and be established so that the documents and information it contains are in a precise form that is comprehensible to any person who is allowed to access it.</p>   |   |   |
| <p>22.4. a statement of the complainant's right to request to have the complaint record examined by the Authority or, if applicable, by a federation;</p>  | <p>24.(4) a statement of the complainant's right to request to have the complaint record examined by the Authority or, if applicable, by a federation, <b>as well as an explanation of how to make such a request.</b></p>  | <p>Additional requirement in bold.</p>              |
| <p><b>DIVISION IV<br/>PROCESS FOR CERTAIN COMPLAINTS</b></p> <p>23. This section applies to the processing of complaints for which the information contemplated in section 25 may be communicated within 10 days following receipt of the complaint.</p>   | <p><b>DIVISION IV PROCESS FOR CERTAIN COMPLAINTS</b></p> <p>25<br/>This section applies to the processing of complaints for which the information referred to in section 27 may be provided within 20 days following receipt of the complaint if the complaint is resolved to the satisfaction of the complainant.</p> <p>For the purposes of the first paragraph, a complaint is resolved to the satisfaction of the complainant where an offer is presented to and accepted by the complainant or, if no offer is presented to the complainant, the complainant accepts the outcome of the complaint process.</p>   | <p>10 days expanded to 20 days.</p>                 |
| <p>25 Despite subparagraph 4 of the third paragraph of section 12 and sections 20 and 22, a financial institution, financial intermediary or credit assessment agent may, upon completing its analysis of a complaint, provide to the complainant, verbally or in writing, information relating to the processing of the complaint. If applicable, it must provide the following:</p> <p>(1) the conclusion of the analysis, with the reasons for it, and the outcome of the complaint;</p> <p>(2) if an offer to resolve the complaint is presented to the complainant, how much time the complainant has to accept it; and</p> <p>(3) a statement to the effect that the complainant may request to have the complaint reviewed by staff under the functional supervision of the complaints officer, where the complaint has not been processed by such staff.</p> <p><b>2.</b> Despite subparagraphs 2 and 4 of</p> | <p>27. Despite subparagraph 4 of the second paragraph of section 14 and section 24, a financial institution, a financial intermediary or a credit assessment agent may, upon completing its analysis of a complaint, provide to the complainant, verbally or in writing:</p> <p>(1) the conclusion of the analysis, with the reasons for the conclusion, and the outcome of the complaint process; and</p> <p>(2) if an offer to resolve the complaint is presented to the complainant, the timeframe within which the complainant may accept the offer.</p> <p>28. Where a complaint cannot be resolved to the satisfaction of the complainant, the financial institution, the financial intermediary or the credit assessment agent must send the complainant, not later than on the 20th day following receipt of the complaint, a written notice containing the information referred to in subparagraphs 1 to 5 of the first paragraph of section 22.</p> <p>29. Despite subparagraph 2 of the first paragraph of section 18, a financial institution, a financial intermediary or a credit assessment agent may enter in the complaint record a document</p> | <p>Revised wording. Sections 28 and 29 are new.</p> |

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| the first paragraph of section 16, a financial institution, financial intermediary or credit assessment agent may add to the complaint record a document summarizing the elements provided to the complainant pursuant to the sections enumerated in section 19, if applicable, and section 25.  | summarizing the elements provided to the complainant pursuant to the sections enumerated in section 21, if applicable, and section 27.   |   |
| 27.7<br>a statement of the complainant's right to request to have the complaint record examined by the Authority or, if applicable, a federation.  | 30.7<br>a statement of the complainant's right to request to have the complaint record examined by the Authority or, if applicable, a federation, <b>as well as an explanation of how to make such a request.</b>  | Additional requirement in bold.   |
| 29<br>A financial institution, financial intermediary or credit assessment agent must, within 15 days following receipt of a request from a complainant to have the complaint record examined by the Authority, send the complaint record, as established under section 16, to the Authority, in accordance with the terms and conditions specified on the Authority's website, providing the name and business contact information of the person officially designated to respond to the Authority. | 32<br>A financial institution, a financial intermediary or a credit assessment agent must, within 15 days following receipt of a request from a complainant to have the complaint record examined by the Authority, send the complaint record, as established under section 16, to the Authority, in accordance with the terms and conditions specified on the Authority's website.<br><br>In addition, the financial institution, the financial intermediary or the credit assessment agent must provide, not later than on the 10th day after the Authority requests it, the name and business contact information of the person officially designated to respond to the Authority | Revised wording.  |
|  |  | Monetary penalties: 7 items subject to \$1000 penalties in 2022 version, 10 items subject to \$1000 penalties in 2024 version |

*Original Consultation Document Submitted December 8/22*

17 February, 2023

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**Re: CAFII Feedback On Revised 8 December, 2022 Draft 2 of AMF's Regulation respecting Complaints Handling and Dispute Resolution in the Financial Sector**

Dear Mr. Lebel:

CAFII commends the AMF for making some significant changes to the 9 September, 2021 original draft of the *"Regulation Respecting Complaint Processing and Dispute Resolution in the Financial Sector,"* and for arranging a second round of industry consultation on the revised 8 December, 2002 Draft 2 of the Regulation. We believe that insurance and financial services regulation becomes optimal, and that consumer protections are enhanced, when such regulation is grounded in strong communication and collaboration between regulators and regulated entities, as exemplified by the manner in which the AMF has consulted with industry on this draft Regulation.

While our Association appreciates the improvements that have been made to the draft Regulation – such as removal of some of the checklists and other prescriptive measures, as well as the originally contemplated requirement for industry to provide a complaint drafting service for consumers – we still consider the revised Draft 2 of the Regulation to be too prescriptive and not sufficiently principles-based. We hold that view because the revised draft Regulation does not just outline the AMF's objectives, it also goes into significant detail about how regulated entities are to achieve those objectives.

Insurers and their financial institution distributors, along with other financial services firms, have long had robust procedures in place to handle and resolve customer complaints, across Canada including Québec. Now, in Québec, this new and unique AMF Regulation will increase the regulatory burden of managing complaints by adding a broader new definition of ‘complaint’ to the nationally accepted definition previously promulgated by the Canadian Council of Insurance Regulators (CCIR), of which the AMF is a significant member regulator, and by including new timelines and procedures for the resolution of complaints.

CAFI made an AMF-requested submission on regulatory burden reduction opportunities in Québec on 25 October, 2021, a submission to which we have yet to receive an official response. If we were asked to make that submission again now, we would add this Regulation to the list of burden-intensifying initiatives that are unique to Québec -- different from regulatory approaches in other jurisdictions without a compelling consumer protection rationale -- and which ultimately increase the costs of doing business in Québec.

CAFI recognizes that there are features of the approach which the AMF has decided to take in the new Regulation -- including the broader definition of ‘complaint’ and some of the new processes being proposed -- which mirror the novel approach to complaints recently put in place by the Financial Consumer Agency of Canada (FCAC). However, it should be acknowledged that the FCAC’s new definition of ‘complaint’ and its related new processes are still a work-in-progress. Our Association therefore recommends that it would not be prudent for the AMF to attempt to replicate the FCAC’s approach until the passage of a reasonable period of time (three years would seem to be a prudent minimum period), only after which will there be some certainty as to whether there is indeed a value-added consumer protection benefit to the novel approach which the FCAC has taken.

CAFI has previously heard the AMF espouse that it seeks to promote harmonization by aligning with the CCIR definition of ‘complaint.’ However, given that the Autorité has now developed an expanded, unique definition of ‘complaint’, it would appear that the AMF will be moving further away from harmonization unless the CCIR updates its definition to match the AMF’s new definition. In that connection, our Association strongly encourages the AMF, in the first instance, to determine whether the CCIR, as a national co-ordinating body, is willing to change its definition of ‘complaint’; and, whatever the outcome, to adopt and adhere to a nationally harmonized definition of ‘complaint’, rather than introducing a unique new Québec definition that will result in industry having to manage against multiple definitions of ‘complaint’ across the country at the same time.

Because the AMF’s new definition of ‘complaint’ will definitely capture a broader range of customer interactions, CAFI foresees a significant increase in the number of reportable complaints, but without any corresponding increase in consumer protection benefits being delivered. The AMF may find itself having to deal with a much larger number of complaint files, not due to a higher proportion of concerning customer outcomes, but because the new definition of ‘complaint’ is so all-encompassing that it will require reporting for any interaction with a customer that includes an expression of dissatisfaction.

That being said, our Association has carefully reviewed what the AMF has indicated will be and what will not be captured by the new definition of ‘complaint.’ Based on that guidance, CAFII members will not regard an issue that may be raised by a customer about something that is not directly related to an actual, existing product or service or its delivery as falling within the AMF’s definition of ‘complaint.’

Given that the Regulation empowers the AMF to impose significant administrative monetary penalties (AMPs) upon regulated entities for not adhering to what is a new and novel approach to complaints, we believe that the new scenario in Québec will lead, in the absence of greater guidance from the AMF, to industry players interpreting some of the Regulation’s clauses in a more strict and conservative manner than is likely the AMF’s intent. Additionally, CAFII recommends that dialogue, consultation, and collaboration with regulated entities should be used as the preferred and principal way for the AMF to move the industry in the direction it seeks; and that AMPs should only be used as a last resort regulatory measure. We encourage the AMF to exercise discretion and latitude in its utilization of AMPs, particularly during the transitional period in which the industry will be adjusting to the new Regulation.

Furthermore, with respect to a matter requiring clarification, at the AMF’s 12 January, 2023 virtual session for stakeholders on Draft 2 of the Regulation, one of the AMF’s presenters said that a complaint file should remain open even if a legal proceeding has been initiated by the customer. It is CAFII’s strong view that once a customer launches a legal proceeding, the complaint file should be closed. We would appreciate a clarification from the AMF that the above-noted AMF staff executive comment at the virtual session was made in error, especially given that Draft 1’s reference to the file having to remain open despite the customer’s launch of a legal challenge (something we strongly disagreed with in our written submission on Draft 1) has been removed in the revised 8 December, 2022 Draft 2 of the Regulation, which we were very pleased to see.

On another matter requiring clarification, there is some confusion about how to count the maximum 60 days timeline for resolution of a complaint after it has been received, in particular if a customer introduces new issues close to the 60-day mark in the process. It is CAFII’s strong view that regulated entities can only be held responsible for the days that are under their own control. Therefore, our interpretation is that the counting of days should only apply to the regulated entity’s obligations — and as a result, if the customer is sent, for example, a request for information, and they take 15 days to respond, that 15 days should not count against the 60 days for resolution. We also encourage the AMF to clarify that the 60 days specified means 60 business days, not 60 calendar days. In our view, it would be unreasonable to include weekends and holidays within the 60 days allowed for resolution of a complaint.

With respect to the key matter of CAFII members’ reporting on complaints to the AMF and related timelines, whenever provinces are finalizing regulatory changes that will require significant process changes, CAFII always requests that a minimum lead time period of 12 to 18 months be provided to allow for our members’ implementation of the required changes.

However, because the *Regulation respecting Complaints Handling and Dispute Resolution in the Financial Sector* will be particularly complex to implement – given that it is a totally new and substantive Regulation which calls for major changes to firms’ existing governance, resource allocation, structure, systems, and policies and procedures, as well as staff hiring and training during a time of significant labour shortages; and given, as well, that the AMF’s e-services will need to be updated to bring it into alignment with the new Regulation -- CAFII requests that the AMF give serious consideration to providing a three-year Transition and Implementation Period from the coming into force of the Regulation, in order for our members to have sufficient time to make the necessary changes based on a schedule of prioritized and staggered deliverables, which will be a major undertaking. During that Transition and Implementation Period, insurers, distributors, and intermediaries will ensure that complaints are handled and disputes resolved in a diligent manner, in accordance with the AMF’s and CCIR’s current expectations.

With that implementation timelines information as background context, CAFII asks that the AMF provide the industry with clarification as to the timelines around when it expects reporting against the new Regulation to begin.

With respect to Clause 19, we note that CAFII’s Draft 1 feedback comments on that clause were not addressed in Draft 2. Therefore, we take this opportunity to reiterate those comments and would appreciate the AMF’s confirmation of our interpretation of and position on that clause:

*With respect to Clause 19, it is our view that a Level 1 complaint that is immediately remedied by the company to the complainant’s satisfaction should not be subject to this Clause. We believe that specifying this exclusion would bring the Quebec/AMF Regulation into harmony with the definition of a Level 1 complaint set out in CCIR’s Annual Statement on Market Conduct (ASMC). In the absence of harmony between the AMF’s definition of a Level 1 complaint and the corresponding definition used in the ASMC, it would be necessary for the AMF to utilize its own separate industry mechanism for complaint reporting (outside of the ASMC), which would be inefficient and degrade the value of reporting done through the ASMC. (CAFII written submission to the AMF, 8 December, 2021)*

Finally, we note that there are several sections of the Regulation where there is a reference to informing the customer about something relevant to the complaint file, including its resolution. However, it is not clear whether the Regulation permits this to be done through electronic or digital means. We encourage the AMF to clarify, in all such instances, that electronic or digital communication with the complainant is appropriate and acceptable.

Sincerely,



Rob Dobbins  
Board Secretary and Chair, Executive Operations Committee



### **About CAFII**

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

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

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

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



## **Response to comments received as part of the public consultation on the draft Regulation respecting complaint processing and dispute resolution in the financial sector**

On February 15, 2024, the Autorité des marchés financiers (the "AMF") published the final version of the Regulation respecting complaint processing and dispute resolution in the financial sector (the "Regulation"), which will come into force on July 1, 2025.

The AMF would like to thank the stakeholders who provided comments as part of the public consultation that ended February 6, 2023. This document provides explanations of how comments were addressed by the AMF.

*Business* is used in this document in referring to all persons covered by the Regulation.

### **Consultation summary**

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The AMF received 21 comment letters from consumer organizations, industry associations, businesses covered by the proposed Regulation, and a dispute resolution service provider.

The AMF has carefully reviewed the received comments and addressed some of them by making changes to the draft Regulation. The AMF has taken note of the comments focused on comprehension and implementation of the obligations set out in the Regulation and will provide the requested explanations in the complaint examination section of its website. These explanations will be published in the coming months.

In general, the AMF's stated objective of enhancing the fair processing of consumer complaints was welcomed. Certain requirements set out in the draft Regulation were also the subject of positive feedback, while some adjustments were requested, particularly to the definition of "complaint", the rules and practices relating to the simplified process for certain complaints, and the date of coming into force of the Regulation. The administrative burden resulting from this new framework was also raised in the comments. The details of how the AMF has chosen to address the comments are set forth below.

### **Definition of "complaint"**

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The draft Regulation sets out the conditions that would need to be met for a communication to be considered a complaint. Under the proposal, a communication is considered a complaint regarding a financial institution or financial intermediary if it meets the following conditions: (1) it expresses a dissatisfaction or reproach in respect of a product or service offered by the financial institution or financial intermediary; (2) it is



communicated by a person who is a member of the clientele of the institution or intermediary; and (3) the complainant expects a final response.

With respect to credit assessment agents, a communication is considered a complaint under the proposal if: (1) it expresses dissatisfaction or a reproach in respect of a practice of a credit assessment agent; (2) it is communicated to the agent by any person concerned by a record that the agent holds; and (3) the complainant expects a final response.

Under the proposed definition, any communication that meets these conditions would be considered a complaint that must be entered in the complaints register and processed in accordance with the requirements set out in the Regulation.

The comments regarding the definition of “complaint” pertain mainly to the following concepts.

**The concept of “final response”:** Some comments express the need for the concept of “final response” to be clarified to assist businesses’ in interpreting and applying the concept.

**Response:** The AMF is adding clarification to the definition of a complaint. Accordingly, a final response is expected when the complainant’s communication implies that action must be taken by the business to address the complaint. The added clarification also specifies that the complainant’s expectation may be expressed explicitly or implicitly.

**Communications that are not considered complaints:** Several comments suggest that certain client requests and communications be expressly excluded from the definition of a complaint. Some suggest that the exclusions initially proposed in the first version of the draft Regulation (claim for an indemnity or any other insurance claim, request for access to or rectification of a record, request made for information or materials) be reintroduced to the definition of a complaint. It is further suggested that other requests be excluded, including those that can be resolved with an explanation or by sending documents and those covered by the concept of “service complaint” in the securities sector.<sup>1</sup>

**Response:** The AMF agrees that many consumer communications are not complaints. In light of the comments received, the AMF is revising the definition of a complaint by reintroducing examples of requests and communications that do not constitute complaints.

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<sup>1</sup> The [Corporation Investment Dealer and Partially Consolidated Rules](#) of the Canadian Investment Regulatory Organization (“CIRO”) specify that “a service complaint by a client is one that is related to service issues and is not the subject of any domestic or foreign securities law.” According to CIRO’s [rules applicable to mutual fund dealers](#), a service complaint means “any complaint by a client which is founded on customer service issues and is not the subject of any securities legislation or regulatory requirements; or any complaint by a client as a result of a good faith trading error or omission.”



**Administrative burden:** A number of comments pertain to the inclusion of the concept of dissatisfaction in the definition of a complaint (this concept is not currently considered a complaint) and stress that this modification would entail significant changes to the existing complaint process, particularly because many dissatisfactions currently resolved in the normal course of business would henceforth be processed in accordance with the requirements of the draft Regulation and entered in the business's complaints register.

**Response:** The AMF reiterates that the complaint definition has been developed to address the needs of consumers, who want their dissatisfactions or reproaches to be processed fairly and diligently. It underscores that the definition is drawn from national and international complaint processing principles and adds that it is similar to the definition set out in, among other things, *Guidance: Conduct of Insurance Business and Fair Treatment of Customers*, published by the AMF in conjunction with the Canadian Council of Insurance Regulators (CCIR) and the Canadian Insurance Services Regulatory Organizations, *Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations*, and the CIRO rules applicable to its members.

With a view to further reducing the regulatory compliance burden arising from the Regulation, the AMF is making changes to the Regulation to give businesses more flexibility in determining how certain complaints are handled and the level of formality with which they are handled. Businesses will be able to process a significant percentage of complaints under the rules for the simplified process set out in the Regulation. To this same end, the AMF has also simplified the requirements relating to the information to be entered in the complaints register.

**The complaint report that must be submitted to the AMF:** The Regulation does not include any requirements relating to the complaint report that businesses must submit to the AMF through the system made available to them.

However, the AMF received several comments regarding the administrative burden associated with the complaint report and submission of the report. These comments underscore that businesses are anticipating a larger number of complaints to be entered in their complaints registers. The comments point out that this increase would represent an additional administrative burden for businesses if they were required to include all such complaints in the system. Consequently, it is suggested that complaints resolved using the simplified process be reported to the AMF on an aggregate basis while being limited to the number of complaints received by category of complaints. Moreover, there is a desire for alignment with the information requested under the CCIR Annual Statement on Market Conduct.

**Response:** The AMF reiterates that the Regulation sets down the rules for how businesses are to process and document complaints from clients and is distinct from the obligation to keep a complaints register and the obligation to report the complaints entered in the register to the AMF.



The AMF plans to reevaluate the information that businesses will be required to disclose in their complaint reports in preparation for the coming into force of the Regulation. The AMF wishes to find a balance between the collection, by the AMF, of the data it needs to fulfil its mission and businesses' administrative burden.

The AMF plans to hold discussions with businesses before updating the requirements relating to the complaint report. These discussions will take place before the coming into force of the Regulation.

The AMF has already engaged in discussions with insurers, through work undertaken by the CCIR, concerning information to be provided on the number and nature of the complaints to be reported in the Annual Statement on Market Conduct. These discussions will continue over the coming months.

The AMF will also be entering into discussions with financial intermediaries and CIRO to identify the information to be provided on complaints entered in the complaints register. The AMF is being guided by the desire not to impose an additional burden on businesses and wishes to align the requirements for the complaint report as much as possible with the complaint processing requirements in the Regulation. Accordingly, the AMF is contemplating providing, for financial intermediaries, that the information regarding complaints resolved to clients' satisfaction according to the rules of the simplified complaint process be limited to the number of complaints resolved through those rules. The only information to be provided in the complaint reporting system would be that relating to other complaints.

The AMF will support businesses through the transition period leading up to, and during the complaint reporting periods preceding, the coming into force of the Regulation, in preparation for the complaint reporting period beginning on January 1, 2026. (see the section "Coming into force" below for additional information on this topic).

### **Complaint processing rules and practices**

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The Regulation sets down a common set of complaint processing and dispute resolution rules and practices for financial institutions, financial intermediaries and credit assessment agents. The comments on this topic focus mainly on the following elements.

**Assistance to be provided to complainants:** The draft Regulation required that businesses take the necessary actions to understand the complaints that are communicated to them and, when necessary, provide assistance to consumers in filing their complaints.

The comments show that the obligation to provide assistance is seen as an essential consumer protection tool but also that assistance raises conflict of interest concerns.



**Response:** Given the requirement's significant impact for consumer protection and the fact that it aligns with the AMF's desire to enhance the fair processing of consumer complaints, the AMF is maintaining the obligation for businesses to, when necessary, provide assistance to consumers in filing their complaints. Explanations will be provided by the AMF, particularly on its website. Businesses are asked to please stay updated.

**The timeframe for processing a complaint:** This is a flagship element of the draft Regulation. Under the draft regulation, businesses would be required to provide complainants with a final response within 60 days following receipt of the complaint. The AMF proposed, however, that where warranted by exceptional circumstances or circumstances beyond the business's control, a final response could be provided within an additional 30 days, that is, not later than on the 90th day following receipt of the complaint.

Some comments suggest different conditions than those proposed by the AMF to allow the complaint processing timeframe to be extended. Some suggest replacing the expression "exceptional circumstances" with "where circumstances warrant" or providing the parties with the possibility of agreeing to a timeframe exceeding 90 days.

**Response:** The primary objective of the Regulation is that complaints are processed fairly and diligently. Upon analyzing the suggestions, the AMF is choosing to maintain as proposed the conditions under which businesses may extend the complaint processing timeframe (i.e., where warranted by exceptional circumstances or circumstances beyond the business's control).

**The timeframe to give effect to the offer presented to the complainant:** Under the draft Regulation, a business presenting an offer to resolve a complaint would have to do so in accordance with the requirements established in the draft Regulation. Specifically, where a complainant accepts the offer presented by the business, the business would have to give effect to the offer within 30 days following its acceptance.

Some comments point out that the timeframe proposed by the AMF to give effect to an offer may prove to be too short in some cases and that it may be in the complainant's interest to agree on another timeframe with the business.

**Response:** The AMF is changing its requirement in order to allow the parties to agree upon a timeframe of more than 30 days within which the business must give effect to an offer where the complainant's interest warrants it.





**The person officially designated to respond to the AMF:** The AMF introduced in the draft Regulation the concept of “person officially designated to respond to the AMF”. It proposed that the business contact information of that person be included in certain communications sent to the complainant and that the information be sent to the AMF when the complaint record is sent for examination by the AMF.

The comments raise the potential for confusion between the role of the person designated to respond to the AMF and the role of the person who processed the complaint or even the complaints officer. It is proposed that the business contact information of the person officially designated to respond to the AMF not be included in communications sent to the complainant.

**Response:** In response to the above comments, the AMF has replaced these requirements with an obligation for businesses to provide, not later than on the 10 days after the AMF requests it, the name and business contact information of the person officially designated to respond to the AMF.

### **Simplified process for certain complaints**

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The AMF proposed rules for the processing of complaints that can be processed within 10 days following receipt of the complaint. These rules were intended to give businesses greater flexibility in how such complaints are handled and encourage the efficient processing of them. Under the rules, a business could, for example, process certain complaints verbally, including during a phone call to its call centre.

It was proposed that businesses wishing to assign the processing of such complaints to client service staff provide complainants with the possibility of requesting that their complaints be reviewed by the complaints officer or a person under the complaints officer's supervision.

It was also proposed that complaints that cannot be processed in full within the prescribed timeframe be finalized by the complaints officer or a person under the complaints officer's supervision. The AMF proposed that an acknowledgment of receipt be provided to the consumer and that a final response be sent within the timeframe prescribed in the draft Regulation.

**Rules relating to the simplified process for certain complaints:** The objective of these rules is generally well received. There are nevertheless a number of comments that relate to the simplified process for certain complaints. Some comments maintain that the rules are not aligned with the reality of the securities sector owing to the compliance requirements that apply to the sector. Certain comments suspect that the rules would significantly impact the complaint process and contend that the rules would alter the nature of the duties of staff assigned to client service.



Other comments maintain that the 10-day timeframe proposed for the application of these rules is too short. They ask that the timeframe be 30 days and that the calculation of the deadline be suspended between the time a response is given to the client by client service and the time the client's request for review by the complaints officer and the complaints officer's team is received.

It is also noted that entering such complaints in a business's complaints register is a good way for the AMF to verify that the industry is not abusing the discretion granted to it in applying these rules. Moreover, it is noted that consumers must not be faced with the additional burden of having to contest fast decisions.

**Response:** The proposed rules seek a balance between the administrative burden imposed by the Regulation and the fair processing of consumer complaints. The rules are also linked to an objective of simplifying the complaint process for consumers and making it more accessible. Upon analyzing the comments, the AMF concludes that it is not in the interest of consumers to allow for a suspension of the calculation of the complaint processing deadline as proposed in the comments and is removing the requirement relating to the review of complaints that are not processed by the complaints officer.

However, the AMF is of the opinion that providing a longer timeframe for the application of these rules may help reduce administrative compliance burden and limit the impact of the rules on the processes implemented by businesses for assigning the handling of certain complaints to client service staff. Consumers may benefit from businesses being provided with a longer timeframe to resolve a complaint to the client's satisfaction in accordance with these rules. The timeframe applicable to these rules is 20 days.

### Coming into force

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The AMF, conscious of the fact that businesses would have to make adjustments to their complaint processing and dispute resolution policies, processes and procedures in order to comply with the proposed regulatory framework, provided a transition period between when the Regulation is published in the AMF Bulletin and when it comes into force on January 1, 2024.

**The date of coming into force of the Regulation:** Several comments explain that this new regulatory framework will require changes to businesses' complaint processing and dispute resolution policies and IT procedures, processes and systems and will involve staff training planning. It is noted that a longer transition period will be required to implement these changes than the one proposed by the AMF and that some businesses will need to provide for additional staff. A transition period of 12 to 24 months is proposed.

**Response:** To ensure this new framework is properly implemented, the AMF is setting a date of coming into force of July 1, 2025, thereby providing businesses with a 14-month transition period.



## Exemption

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The Regulation is in keeping with the AMF's desire to establish a harmonized framework for the processing of complaints in Québec's financial sector and enhance the fair processing of consumer complaints in Québec. The Regulation establishes complaint processing and dispute resolution requirements that complement those already provided for in the laws that govern the activities of financial intermediaries, financial institutions and credit assessment agents. The AMF therefore did not provide for the possibility of certain businesses not being subject to the requirements of this new framework.

**The exemption:** The comments underscore that the securities sector is already subject to complaint handling and dispute resolution requirements under *Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations* and the rules established by CIRO. It is also noted that the AMF's approach to developing this regulation is contrary to its involvement in the SRO project.

**Response:** The AMF believes that establishing a common set of complaint processing and dispute resolution rules for the whole of the financial sector is in the interest of Québec consumers. As CIRO has agreed to abide by, promote and partner in the application of the complaint processing and dispute resolution regime established in Québec in accordance with the *Securities Act* and the *Derivatives Act*, the AMF is introducing an exemption that would allow investment dealers and mutual fund dealers that are members of CIRO to be exempt from the application of the Regulation where they are subject to equivalent rules of CIRO that have been approved by the AMF.



### **Traitement des commentaires reçus dans le cadre de la consultation publique concernant le projet de *Règlement sur le traitement des plaintes et le règlement des différends dans le secteur financier***

L'Autorité des marchés financiers (l'« Autorité ») a publié, le 15 février 2024, la version finale du *Règlement sur le traitement des plaintes et le règlement des différends dans le secteur financier* (le « Règlement »), qui entrera en vigueur le 1<sup>er</sup> juillet 2025.

L'Autorité remercie les intervenants ayant transmis des commentaires dans le cadre de la consultation publique qui s'est terminée le 6 février 2023. Le présent document fournit des explications quant à la façon dont l'Autorité donne suite à ces commentaires.

Le terme *entreprise* est utilisé dans ce document pour référer à l'ensemble des personnes visées par le Règlement.

### **Bilan de la consultation**

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L'Autorité a reçu 21 lettres de commentaires formulées par des organismes de défense des droits des consommateurs, des associations sectorielles, des entreprises visées par le projet réglementaire et un organisme offrant des services de règlement des différends.

L'Autorité a procédé à un examen attentif des commentaires reçus et, en réponse à certains d'entre eux, a apporté des modifications au projet de Règlement. L'Autorité a pris note des commentaires visant la compréhension et la mise en application des obligations prévues au Règlement et propose de fournir les explications demandées dans la section de son site Web consacrée au traitement des plaintes. Ces explications seront publiées au cours des mois à venir.

De façon générale, l'objectif visé par l'Autorité de rehausser le traitement équitable des plaintes des consommateurs est salué. Certaines exigences établies dans le projet de Règlement font aussi l'objet d'une rétroaction positive, alors que des ajustements sont demandés notamment à l'égard de la définition de la plainte, des règles et pratiques relatives au traitement simplifié de certaines plaintes et de la date d'entrée en vigueur du Règlement. La charge administrative découlant de ce nouvel encadrement est également abordée dans les commentaires. La façon dont l'Autorité a choisi de donner suite à ces commentaires est détaillée ci-dessous.

### **Définition de la plainte**

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Le projet de Règlement énumérait des conditions devant être réunies pour qu'une communication puisse être considérée comme une plainte. Suivant cette proposition, pour constituer une plainte à l'égard d'une institution financière ou d'un intermédiaire financier, une communication devrait : (1) exprimer une insatisfaction ou un reproche à l'égard d'un produit ou d'un service offert par une institution financière ou un intermédiaire financier; (2) être communiquée à l'institution ou l'intermédiaire par une personne faisant



partie de sa clientèle; et (3) impliquer qu'une réponse finale est attendue par cette personne.

En ce qui a trait aux agents d'évaluation du crédit, pour constituer une plainte à l'égard de ces derniers, une communication devrait, suivant la proposition : (1) exprimer une insatisfaction ou un reproche à l'égard d'une pratique de l'agent d'évaluation du crédit; (2) être communiquée à l'agent par une personne concernée sur laquelle il détient un dossier; et (3) impliquer qu'une réponse finale est attendue par son auteur.

Suivant la définition proposée, toute communication qui remplit ces conditions serait considérée comme une plainte devant être consignée au registre des plaintes et être traitée conformément aux exigences établies dans le Règlement.

Les commentaires concernant la définition de la plainte portent principalement sur les concepts suivants.

**La notion de « réponse finale » :** Certains commentaires expriment le besoin que la notion de « réponse finale » soit clarifiée afin d'en faciliter l'interprétation et l'application par les entreprises.

**Réponse :** L'Autorité ajoute une précision en ce sens dans la définition de la plainte. Ainsi, il est noté qu'une réponse finale est attendue notamment lorsque la communication de l'auteur de la plainte implique que des mesures soient prises par l'entreprise pour répondre à sa plainte. L'ajout précise également que l'attente de l'auteur de la plainte peut être exprimée par celui-ci de manière explicite ou implicite.

**Les communications qui ne sont pas à considérer comme des plaintes :** Plusieurs commentaires proposent que certaines demandes et communications faites par la clientèle soient expressément exclues de la définition d'une plainte. Certains suggèrent que les exclusions qui avaient initialement été proposées dans la première version du projet de Règlement (demande d'indemnité ou autre réclamation d'assurance, demande d'accès ou de rectification du dossier, demande de renseignements ou de documents) soient exclues de la définition d'une plainte. Il est aussi proposé d'exclure d'autres requêtes, incluant celles qui peuvent se régler par une explication ou la transmission de documents, ainsi que celles qui sont visées par le concept de « plainte de services » dans le secteur des valeurs mobilières<sup>1</sup>.

**Réponse :** L'Autorité convient que plusieurs communications formulées par les consommateurs ne sont pas d'emblée des plaintes. Suivant les commentaires reçus,

<sup>1</sup> Les [Règles visant les courtiers en placement et règles partiellement consolidées](#) de l'Organisme canadien de réglementation des investissements (« OCRI ») précisent que la plainte portant sur les services de la part d'un client est « une plainte concernant les services reçus et n'est pas visée par aucune disposition des lois sur les valeurs mobilières canadiennes ou étrangères ». Quant à elles, les [Règles visant les courtiers en épargne collective](#) de l'OCRI définissent la plainte relative aux services comme « une plainte d'un client qui porte sur une question de service à la clientèle et qui ne fait pas l'objet d'une loi sur les valeurs mobilières ou d'exigences réglementaire », et qui est signifiée « à la suite d'une erreur ou d'une omission dans la négociation de bonne foi ».



l'Autorité modifie la définition de la plainte afin de réintroduire des exemples de demandes et de communications qui ne constituent pas une plainte.

**La charge administrative :** Plusieurs commentaires portent sur l'inclusion de la notion d'insatisfaction dans la définition d'une plainte (celle-ci n'étant actuellement pas considérée comme une plainte) et soulèvent que cette modification impose des changements importants aux processus de traitement des plaintes en place, notamment parce qu'un grand nombre d'insatisfactions actuellement réglées dans le cours normal des activités des entreprises seraient désormais traitées conformément aux exigences du projet de Règlement et consignées au registre de plaintes de l'entreprise.

**Réponse :** L'Autorité rappelle que la définition d'une plainte a été développée dans un souci de répondre aux besoins des consommateurs qui souhaitent que leurs insatisfactions ou reproches soient traités avec diligence et de façon équitable. Elle souligne également que la définition s'inspire des principes nationaux et internationaux développés en matière de traitement des plaintes et ajoute qu'elle est similaire aux définitions établies notamment dans la *Directive sur la conduite des activités d'assurance et le traitement équitable des clients*, publiée par l'Autorité conjointement avec le Conseil canadien des responsables de la réglementation d'assurance (« CCRRA ») et les Organismes canadiens de réglementation en assurance, dans le *Règlement 31-103 sur les obligations et dispenses d'inscription et les obligations continues des personnes inscrites* de même que dans les règles de l'OCRI qui s'appliquent à ses membres.

Dans l'objectif de réduire davantage la charge de conformité réglementaire découlant du Règlement, l'Autorité apporte à celui-ci des modifications qui visent à accorder une plus grande flexibilité aux entreprises dans le traitement de certaines plaintes et le choix du formalisme avec lequel elles choisiront de traiter ces plaintes. Ainsi, les entreprises pourront traiter une proportion importante des plaintes selon les règles de traitement simplifié établies dans le Règlement. Suivant le même objectif, l'Autorité a également simplifié les exigences relatives aux renseignements devant être consignés au registre des plaintes.

**Le rapport de plaintes devant être transmis à l'Autorité :** Le Règlement ne prévoit aucune exigence concernant le rapport de plaintes que les entreprises doivent transmettre à l'Autorité par l'entremise du système mis à leur disposition.

L'Autorité a néanmoins reçu plusieurs commentaires concernant la charge administrative liée au rapport de plaintes et à sa transmission. Les commentaires mettent en lumière le fait que les entreprises anticipent qu'un plus grand nombre de plaintes seraient consignées à leur registre de plaintes. Les commentaires soulèvent qu'une telle augmentation représenterait une charge administrative additionnelle pour les entreprises si celles-ci devaient inclure dans le système l'ensemble de ces plaintes. Par conséquent, il est proposé que les plaintes ayant été réglées dans le cadre d'un traitement simplifié puissent être déclarées à l'Autorité sur une base agrégée, en se limitant à une volumétrie par catégories de plainte. De plus, une harmonisation est souhaitée avec les





renseignements demandés dans le cadre de la déclaration annuelle sur les pratiques commerciales élaborée par le CCRRA.

**Réponse :** L'Autorité rappelle que le Règlement encadre la façon dont les entreprises doivent traiter et documenter les plaintes de leurs clients, et qu'il se distingue des obligations de tenir un registre et de rapporter à l'Autorité les plaintes qui y sont consignées, lesquelles sont précisées à la loi.

L'Autorité prévoit réévaluer les renseignements qui devront lui être communiqués par les entreprises dans leur rapport de plaintes en prévision de l'entrée en vigueur du Règlement. Elle souhaite trouver un équilibre entre la collecte, par l'Autorité, des données nécessaires à la réalisation de sa mission et la charge administrative imposée aux entreprises.

L'Autorité prévoit échanger avec les entreprises avant de mettre à jour les exigences relatives au rapport de plaintes. Ces échanges auront lieu avant l'entrée en vigueur du Règlement.

L'Autorité a d'ailleurs amorcé des échanges avec les assureurs par le biais de travaux entrepris par le CCRRA sur les renseignements à fournir concernant le nombre et la nature des plaintes à transmettre dans la déclaration annuelle sur les pratiques commerciales. Ces échanges se poursuivront au cours des prochains mois.

L'Autorité amorcera également des échanges avec les intermédiaires financiers et l'OCRI afin d'établir les renseignements qui devront lui être transmis concernant les plaintes consignées à leur registre des plaintes. L'Autorité est guidée par la volonté de ne pas imposer de fardeau additionnel aux entreprises et souhaite donc arrimer autant que possible les exigences relatives au rapport de plaintes avec les exigences de traitement des plaintes prévues au Règlement. Ainsi, elle envisage prévoir pour les intermédiaires financiers que les renseignements concernant les plaintes réglées à la satisfaction des clients conformément aux règles relatives au traitement simplifié des plaintes soient limités au nombre de plaintes réglées par le biais de ces règles. Seuls les renseignements concernant les autres plaintes seraient à fournir dans le système de rapport de plaintes.

L'Autorité accompagnera les entreprises tout au long de la période de transition menant à l'entrée en vigueur du Règlement de même que durant les périodes de déclaration des plaintes précédant son entrée en vigueur et en prévision de celle débutant le 1<sup>er</sup> janvier 2026 (voir la section « Entrée en vigueur » de ce document pour plus de renseignements à ce sujet).

### **Règles et pratiques concernant le traitement des plaintes**

Le Règlement établit des règles et des pratiques communes aux institutions financières, aux intermédiaires financiers et aux agents d'évaluation du crédit concernant le traitement des plaintes et le règlement des différends. Les commentaires formulés à ce sujet ciblent principalement les éléments suivants.



**L'assistance à fournir à l'auteur de la plainte :** Le projet de Règlement précisait que les entreprises devraient prendre les mesures nécessaires pour comprendre les plaintes qui leur sont formulées et, au besoin, pour aider le consommateur à formuler sa plainte.

Les commentaires mettent en lumière que, d'un côté, l'obligation d'assistance est vue comme un outil essentiel de protection des consommateurs alors que, de l'autre côté, l'assistance soulève des préoccupations en matière de conflits d'intérêts.

**Réponse :** Compte tenu de l'impact significatif de cette exigence pour la protection des consommateurs et du fait que cette obligation s'inscrit dans une volonté de l'Autorité de rehausser le traitement équitable des plaintes des consommateurs, cette dernière maintient l'obligation pour les entreprises d'aider au besoin un consommateur à formuler sa plainte. Des explications seront fournies par l'Autorité, notamment par le biais de son site Web. L'Autorité invite les entreprises à rester à l'affût.

**Le délai de traitement d'une plainte :** Le délai de traitement de la plainte est un élément phare du projet de Règlement. Celui-ci prévoyait que les entreprises devraient communiquer à l'auteur de la plainte une réponse finale dans les 60 jours de sa réception par elles. L'Autorité proposait néanmoins que, dans des circonstances exceptionnelles ou hors du contrôle de l'entreprise, la réponse finale puisse être communiquée à l'intérieur d'un délai additionnel de 30 jours, soit à l'intérieur d'un délai maximal de 90 jours de la réception de la plainte.

Certains commentaires suggèrent des conditions différentes de celles proposées par l'Autorité pour permettre la prolongation du délai de traitement d'une plainte. Certains suggèrent de remplacer l'expression « circonstances exceptionnelles » par « circonstances qui le justifient » ou de prévoir la possibilité pour les parties de convenir d'un délai qui se prolonge au-delà de 90 jours.

**Réponse :** Le Règlement a pour principal objectif que les plaintes soient traitées équitablement et avec diligence. Après analyse des suggestions qui lui ont été formulées, l'Autorité choisit de maintenir les conditions pour lesquelles les entreprises peuvent prolonger le délai de traitement d'une plainte telles que proposées, c'est-à-dire lorsque des circonstances exceptionnelles ou hors du contrôle de l'entreprise le justifient.

**Le délai pour donner suite à l'offre présentée à l'auteur de la plainte :** Le projet de Règlement proposait que l'entreprise qui présente une offre en règlement d'une plainte devrait le faire conformément aux exigences établies dans le projet de Règlement et prévoyait notamment que lorsque l'auteur de la plainte accepte l'offre qui lui a été présentée par l'entreprise, cette dernière devrait y donner suite dans un délai de 30 jours.

Quelques commentaires soulignent que le délai proposé par l'Autorité pour donner suite à une offre pourrait dans certains cas s'avérer trop court et mentionnent qu'il peut être dans l'intérêt de l'auteur de la plainte de convenir avec l'entreprise d'un autre délai.



**Réponse :** L'Autorité modifie son exigence afin de permettre aux parties de convenir d'un délai de plus de 30 jours pour que l'entreprise donne suite à l'offre lorsque l'intérêt de l'auteur de la plainte le justifie.

**La personne agissant comme répondant officiel auprès de l'Autorité :** L'Autorité introduisait dans le projet de Règlement le concept de personne agissant comme répondant officiel auprès de l'Autorité. Elle proposait que les coordonnées professionnelles de cette personne soient incluses dans certaines communications transmises à l'auteur d'une plainte et qu'elles lui soient communiquées au moment du transfert du dossier de la plainte pour examen par l'Autorité.

Les commentaires soulèvent des risques de confusion entre le rôle de la personne agissant comme répondant auprès de l'Autorité et celui de la personne qui a traité la plainte ou encore celui du responsable du traitement des plaintes. Il est proposé que les coordonnées professionnelles de la personne agissant comme répondant officiel auprès de l'Autorité ne soient pas intégrées aux communications transmises à l'auteur de la plainte.

**Réponse :** En réponse aux commentaires mentionnés plus haut, l'Autorité remplace ces exigences par une obligation pour les entreprises de fournir le nom et les coordonnées professionnelles de la personne agissant comme répondant officiel auprès de l'Autorité à la demande de cette dernière, et ce, dans un délai maximal de 10 jours suivant la demande.

### **Traitement simplifié de certaines plaintes**

L'Autorité proposait des règles à l'égard du traitement de plaintes pouvant être traitées dans les 10 jours suivant leur réception. Ces règles visaient à accorder aux entreprises une grande flexibilité dans la façon de traiter ces plaintes et en favoriser un traitement efficient. Les règles prévoyaient entre autres la possibilité pour les entreprises de traiter certaines plaintes verbalement, notamment dans le cadre d'un appel téléphonique fait auprès de leur service à la clientèle.

Il était proposé que les entreprises souhaitant confier le traitement de ces plaintes au personnel de leur service à la clientèle prévoient la possibilité pour l'auteur de la plainte de demander la révision de sa plainte par le responsable du traitement des plaintes ou par une personne sous sa supervision.

De plus, il était proposé que les plaintes dont le traitement n'aurait pu être complété dans le délai prescrit soient finalisées par le responsable du traitement des plaintes ou par une personne sous sa supervision. L'Autorité proposait qu'un accusé de réception écrit soit transmis au consommateur et qu'une réponse finale écrite lui soit communiquée dans les délais prescrits par le projet de Règlement.

**Les règles relatives au traitement simplifié de certaines plaintes :** L'objectif visé par ces règles est de façon générale bien accueilli. Plusieurs commentaires sont toutefois formulés au sujet du traitement simplifié de certaines plaintes. Tout d'abord, certains



commentaires soutiennent que les règles ne sont pas adaptées à la réalité du secteur en valeurs mobilières en raison des exigences de conformité qui s'appliquent à celui-ci. Certains commentaires appréhendent un impact important sur les processus de traitement des plaintes et affirment que les règles auraient pour effet de changer la nature des fonctions du personnel assigné au service à la clientèle.

D'autres commentaires soutiennent que le délai de 10 jours proposé pour l'application de ces règles est trop court. Ils demandent que ce délai soit plutôt de 30 jours et que le calcul du délai soit suspendu entre le moment où une réponse est donnée au client par le service à la clientèle et la réception de la demande de révision par le responsable du traitement des plaintes et son équipe.

Il est par ailleurs mentionné que le fait que ces plaintes seraient consignées au registre des plaintes de l'entreprise constitue un bon moyen de permettre à l'Autorité de vérifier que l'industrie n'abuse pas de la discrétion qui lui est accordée concernant l'application de ces règles. Il est aussi souligné que les consommateurs ne doivent pas se retrouver avec la charge supplémentaire de devoir contester des décisions rendues rapidement.

**Réponse :** Les règles proposées visent un équilibre entre la charge administrative imposée par le Règlement et le traitement équitable des plaintes des consommateurs. Elles s'inscrivent également dans un objectif de simplifier le processus de traitement des plaintes pour les consommateurs et de le rendre plus accessible. Après analyse des commentaires, l'Autorité conclut qu'il n'est pas dans l'intérêt des consommateurs de prévoir la suspension du calcul du délai de traitement des plaintes tel qu'il est proposé dans les commentaires et retire l'exigence relative à la révision de la plainte qui n'est pas traitée par le responsable du traitement des plaintes.

L'Autorité est cependant d'avis que le fait d'accorder un délai plus long pour l'application de ces règles peut contribuer à réduire la charge de conformité administrative et limiter leur impact sur les processus mis en place par les entreprises pour assigner le traitement de certaines plaintes au personnel du service à la clientèle. Il peut être à l'avantage du consommateur qu'un délai plus long soit accordé pour permettre à l'entreprise de régler la plainte à la satisfaction du client conformément à ces règles. Le délai applicable à ces règles est de 20 jours.

### Entrée en vigueur

Consciente du fait que les entreprises auraient à apporter certains ajustements à leurs politiques, processus et procédures de traitement des plaintes et de règlement des différends pour se conformer au cadre réglementaire proposé, l'Autorité prévoyait une période de transition entre la publication du Règlement au Bulletin de l'Autorité et son entrée en vigueur, dont la date proposée était le 1<sup>er</sup> janvier 2024.

**La date d'entrée en vigueur du Règlement :** Plusieurs commentaires expliquent que ce nouveau cadre réglementaire requerra des changements à la politique de traitement des plaintes et de règlement des différends des entreprises ainsi qu'à leurs procédures, processus et systèmes informatiques, et qu'il implique la planification de la formation du personnel. Il est mentionné que l'implantation de ces changements requerra une période



de transition plus longue que celle proposée par l'Autorité et que certaines entreprises devront prévoir l'embauche de personnel additionnel. Une période de transition dont le délai varie entre 12 et 24 mois est proposée.

**Réponse :** Afin d'assurer une implantation adéquate de ce nouveau cadre, l'Autorité prévoit une entrée en vigueur le 1<sup>er</sup> juillet 2025, ce qui accordera aux entreprises un délai de transition de 14 mois.

### **Dispense**

Le Règlement s'inscrit dans une volonté de l'Autorité d'établir un encadrement harmonisé du traitement des plaintes dans le secteur financier québécois et de rehausser le traitement équitable des plaintes des consommateurs au Québec. Il établit des exigences en matière de traitement des plaintes et de règlement des différends qui sont complémentaires à celles déjà prévues aux lois qui encadrent les activités des intermédiaires financiers, des institutions financières et des agents d'évaluation du crédit. L'Autorité ne prévoyait donc pas la possibilité, pour certaines entreprises, de ne pas être assujetties aux exigences de ce nouvel encadrement.

**La dispense :** Les commentaires soulignent que le secteur des valeurs mobilières est déjà assujetti à des exigences en matière de traitement des plaintes et de règlement des différends en application du *Règlement 31-103 sur les obligations et dispenses d'inscription et les obligations continues des personnes inscrites* ou des règles établies par l'OCRI. Il est également mentionné que l'approche adoptée par l'Autorité dans le développement de ce règlement est contraire à son engagement dans le projet du nouvel organisme d'autoréglementation.

**Réponse :** L'Autorité croit qu'il est dans l'intérêt des consommateurs québécois que soient établies des règles communes en matière de traitement des plaintes et de règlement des différends pour l'ensemble du secteur financier. Dans le contexte où l'OCRI s'est engagé à respecter et à promouvoir le régime de traitement des plaintes et de règlement des différends établi au Québec conformément à la *Loi sur les valeurs mobilières* et à la *Loi sur les instruments dérivés* et à collaborer pleinement dans le cadre de son application, l'Autorité introduit une dispense qui permettrait aux courtiers en placement et aux courtiers en épargne collective qui sont membres de l'OCRI d'être dispensés de l'application du Règlement s'ils sont assujettis à des règles équivalentes prévues par l'OCRI et approuvées par l'Autorité.

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 6(c)**  
**Read Only Items - Final Submission to FSRA on Vulnerable Populations**

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### **Purpose of this Agenda Item—Read Only**

To share with the Board an update on the final submission to FSRA on vulnerable populations.

### **Background Information**

CAFII's final submission to FSRA on vulnerable populations.

### **Recommendation / Direction Sought—Read Only**

No action required.

### **Attachments Included with this Agenda Item**

One (1) attachment.



8 March, 2024

Mr. Stuart Wilkinson

Financial Services Regulatory Authority of Ontario 25 Sheppard Ave W Suite 100

North York, ON M2N 6S6

Stuart Wilkinson [Stuart.Wilkinson@fsrao.ca](mailto:Stuart.Wilkinson@fsrao.ca)

**RE: Consultation on FSRA's Proposed Approach to Strengthening Protection of Vulnerable Consumers**

Dear Mr. Wilkinson:

The Canadian Association of Financial Institutions in Insurance (CAFII) thanks the Financial Services Regulatory Authority (FSRA) of Ontario for the opportunity to provide comments on **FSRA's Proposed Approach to Strengthening Protection of Vulnerable Consumers**.

CAFII commends FSRA for engaging in this exercise, and for consulting with key stakeholders about the proposed approach. We are of the view that there are better regulatory outcomes when regulatory authorities consult widely with interested parties including industry, and that such an approach promotes key regulatory objectives including the protection of consumers. The consultation approach on this critical initiative is appreciated, including the information webinar held on February 8, 2024 at which a remarkable 1000 people were in attendance, which is certainly a testament to the importance of this initiative.

We note the imperative for this initiative, which is that research by FSRA shows that "in all its regulated sectors, vulnerable groups tend to be less trusting." We also agree that efforts in this area are aligned with FSRA's statutory objectives, including contributing to public confidence in the regulated sectors, promoting education and knowledge about the regulated sectors, promoting high standards of business conduct in financial services, and protecting the rights and interests of financial services consumers.

CAFII's members are distributors and insurers offering health and life insurance products, an industry that is foundationally based on trust and treating customers fairly. We are fully aligned with FSRA's objectives, but we do believe that the details will be critically important in achieving your stated objectives and outcomes. In that vein, we think further discussion of the definition of "vulnerable" is essential. The definition proposed in the consultation document from FSRA is:

*A vulnerable consumers is someone who is at higher risk of experiencing financial mistreatment, hardship, or harm, due to various factors and personal circumstances.*

We would suggest that the focus not be on the **concept of a vulnerable consumer**, but instead on **the components of vulnerabilities** which are a more effective point of reference. Vulnerabilities often exist and are prevalent in the context of social inequities. As an example, what are the unintended negative consequences and consumer experiences that could come about by treating all customers over an arbitrary age as a vulnerable, elderly population? Adding in extra steps to protect such a group, whether they have vulnerabilities relative to their financial interaction with financial institutions or not, could result in unintended negative consequences. Some such customers might not view themselves as vulnerable, and some might be offended at being so characterized.

By way of comparison, the AMF paper on this subject speaks to factors that can cause customers to be vulnerable.<sup>1</sup> By taking this approach, the AMF is **not** starting with a presumption that the person is vulnerable and therefore certain actions need to be taken. Rather, the AMF is saying there are *situations* that could make a person vulnerable. FSRA's definition is saying there is *something inside* the person that makes them vulnerable, and the AMF is saying there are *situations outside* of the person that could generate vulnerability. The AMF and FSRA definitions are not totally aligned and it is our recommendation that FSRA should focus more on "situations of vulnerability."

By way of further comparison, the UK Financial Conduct Authority (FCA) definition of a vulnerable consumer is:

*A vulnerable customer is someone who, due to their personal circumstances, is especially susceptible to harm—particularly when a firm is not acting with appropriate levels of care.*

On balance, CAFII would suggest that the FCA definition might be more appropriate, as it focuses on outcomes ("*higher risk of experiencing financial mistreatment*") as opposed to characteristics of a person ("*personal circumstances*") which may or may not make that person vulnerable and moves the focus away from one of attributes to one of avoiding undesired outcomes.

The UK guideline identifies 4 drivers of vulnerability: health, life events, capability and resilience. An example provided in the Guideline is illustrative:

*Firms should understand that characteristics of vulnerability are likely to be complex and overlapping. For example, a life event like a relationship breakdown or bereavement may lead to further vulnerability such as mental ill-health or low resilience. This may be made worse if the consumer has low or limited capability to engage with financial services or to manage their finances (page10).<sup>2</sup>*

This example demonstrates that there are external components of vulnerabilities that at times a person has limited control of.

<sup>1</sup> The AMF report can be found at: [AMF Report on Protecting Vulnerable Clients](#).

<sup>2</sup> The FCA report can be found at: [FCA Guidance for firms on the fair treatment of vulnerable customers](#).

In that same regard, we note the instructive comment from an individual on your website's comment section specifies:

*It is crucial to avoid stigmatizing specific groups such as "seniors" (however that is defined) or the "disabled" (ditto) by describing the group as a whole as "vulnerable."*

To further the discussion on the definition and the approach, we encourage FSRA to move forward on some of its proposed actions, such as “dialogues with regulated entities” including the possibility of a cross-sector technical advisory committee. Additional research is another worthwhile activity that we would support.

CAFII would also encourage FSRA to align its approach with other, existing regulatory guidance on vulnerable consumers and try not to create additional, burdensome expectations or obligations, with a particular focus on the CCIR/CISRO Guidance on the Fair Treatment of Customers.<sup>3</sup> We believe that harmonization across provincial regulators is critical and encourage FSRA to seek as consistent an approach as possible, and to share its work with the CCIR and CISRO.

Thank you again for the opportunity to provide input and feedback on *FSRA's Proposed Approach to Strengthening Protection of Vulnerable Consumers*. Should you require further information from CAFII or wish to meet with representatives from our Association at any time, please contact Keith Martin, CAFII Executive Director, at [keith.martin@cafii.com](mailto:keith.martin@cafii.com) or 647.460.7725.

Sincerely,



Rob Dobbins  
Board Secretary and Chair, Executive Operations Committee

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<sup>3</sup> The Guidance on the Conduct of Insurance Business and Fair Treatment of Customers can be found at: [CCIR/CISRO FTC Guidance.](#)

### **About CAFII**

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

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

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

CAFII's 14 members include the insurance arms of Canada's major financial institutions--BMO Insurance, CIBC Insurance, Desjardins Insurance, National Bank Insurance, RBC Insurance, Scotia Insurance, and TD Insurance, along with major industry players Assurant Canada, The Canada Life Assurance Company, Canadian Tire Bank, Chubb Life Insurance Company of Canada, CUMIS Services Incorporated, Manulife (The Manufacturers Life Insurance Company), and Securian Canada.

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 6(d)**  
**Read Only Items - Final Submission to FCNB on Rule INS-001**

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### **Purpose of this Agenda Item—Read Only**

To share with the Board an update on the final submission to FCNB on Rule INS-100.

### **Background Information**

CAFII's final submission to the FCNB on Rule INS-100.

### **Recommendation / Direction Sought—Read Only**

No action required.

### **Attachments Included with this Agenda Item**

One (1) attachment.

February 29, 2024

Angela Mazerolle, Vice-President, Regulatory Operations; and Superintendent of Insurance and Pensions, Financial and Consumer Services Commission of New Brunswick (FCNB)  
225 King Street, Suite 200  
Fredericton, New Brunswick E3B 1E1  
Mazerolle, Angela (FCNB) [angela.mazerolle@fcnb.ca](mailto:angela.mazerolle@fcnb.ca)

Dear Ms. Mazerolle,

Further to our meeting with you and your colleagues from FCNB in Fredericton, New Brunswick, on September 22, 2023, we would like to express our appreciation for the opportunity to engage in a dialogue with FCNB on a variety of issues of mutual interest, including matters related to your recent introduction of a new licensing regime. You indicated an interest in receiving our key observations and comments on that regime and its implementation, and the Canadian Association of Financial Institutions in Insurance (CAFII) is pleased to share some of our thoughts and recommendations with the Financial and Consumer Services Commission of New Brunswick (FCNB) through this letter.

*Technology Issues and the Online Portal*

CAFII members have shared feedback on their desire to ensure a streamlined application process in New Brunswick. We appreciate the improvements that have been made to the application process for the online portal; however, concerns still remain around the renewal process on the FCNB portal. We would like to suggest that an online session on the renewal process on the portal with our members could be a valuable use of time that could allow for some important feedback on some of the remaining challenges with the portal. In addition, CAFII suggests that the introduction of new, or upgrades to existing, platforms include testing or piloting with a small group of industry participants. This would ensure any potential issues are remedied before a formal launch.

As an example of one remaining problem around the licensing process, we note that in the *Proceedings and Judgements* section, there was in the original application flow for Question #3, “Are there any legal proceedings against the firm?” the option to add general comments to explain the response. In the renewal process, however, there is no such option. If the applicant indicates ‘No,’ they can advance without providing any explanation, whereas if they answer ‘Yes,’ they must add what appears to be the specific details of any such proceedings, which we presume would apply to any and all such proceedings.

If our interpretation is correct, that could be problematic for major financial institutions. In the ordinary course of business for large financial institutions and their subsidiaries, they are routinely defendants in or parties to a number of pending and threatened legal actions, including actions brought on behalf of various classes of claimants.

As a result, it would be preferable if the renewal allowed for a “Yes” answer, with the provision of a general comment box to clarify with a general statement that we, the applicant, have legal proceedings in process at any point in time as a part of normal business activities, rather than having to list any or all these proceedings.



Remaining Concerns with Section 46

CAFII has ongoing concerns about the Section 46 requirement in FCNB's Rule INS-001, which states:

*A restricted insurance representative, or an employee of a restricted insurance representative, shall advise potential clients that he or she is not a licensed insurance agent and that the potential client may wish to seek advice from a licensed insurance agent.*

We appreciate that FCNB has permitted this requirement to be achieved through the fulfillment of materials distributed to customers. However, we wish to point out that changing wording to fulfillment packages is a significant undertaking involving limited resources and requires time to plan and implement. In the event that the FCNB decides to review or amend the Rule in future, we do request consideration of introducing language that includes referencing other sources of information to a consumer, such as financial planners or the insurance company offering the insurance.

Remaining Concerns with Section 45

CAFII also has reservations about Section 45:

*If a restricted insurance representative, or an employee of a restricted insurance representative, receives, or will receive any direct or indirect compensation, inducement or benefit from the insurer that exceeds 30% of the price paid by the consumer for an insurance product, the restricted insurance representative shall, at the time the applicant applies for insurance, inform the applicant of the amount of compensation, inducement or benefit or the basis for calculating the amount of the compensation, inducement or benefit.*

Our concern about this clause is that it requires that sensitive competitive information be released about various insurers. For example, insurers may be offering different commissions to different intermediaries, and by requiring that the actual amount of the incentive be provided to the consumer, these private compensation details will become public. Commissions can vary between providers based on a variety of factors, including their size and the scale of the business they have with the insurer, but we do not believe that these are harmful to consumers, nor do we feel that limiting the information provided to consumers to informing them that the commission is above 30% would be detrimental to the protection of consumers. We would recommend that consideration be given to amending this requirement so that the consumer needs to be told when the compensation is 30% or more, without having to divulge the actual amount.

Should you require further information from CAFII or wish to meet with representatives from our Association on this submission or any other matter at any time, please contact Keith Martin, CAFII Executive Director, at [keith.martin@cafii.com](mailto:keith.martin@cafii.com) or 647-460-7725.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rob Dobbins', followed by a horizontal line.

Rob Dobbins  
Board Secretary and Chair, Executive Operations Committee

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### **About CAFII**

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## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 6(e)**  
**Read Only Items - Final Submission to FCAC on Insurance Complaints**

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### **Purpose of this Agenda Item—Read Only**

To share with the Board an update on the final submission to FCAC on insurance complaints.

### **Background Information**

CAFII's final submission to the FCAC on insurance complaints.

### **Recommendation / Direction Sought—Read Only**

No action required.

### **Attachments Included with this Agenda Item**

One (1) attachment.

February 2, 2024

Judith Robertson, Commissioner, Financial Consumer Agency of Canada (FCAC)  
Financial Consumer Agency of Canada  
Supervision and Enforcement Branch  
427 Laurier Avenue West, 5th floor  
Ottawa, ON K1R 1B9  
[compliance@fcac.gc.ca](mailto:compliance@fcac.gc.ca)

Dear Ms. Robertson,

***Re: Public Consultation—FCAC's Proposed Guideline on Complaint-Handling Procedures for Trust and Loan Companies and Insurance Companies***

CAFII would like to thank the Financial Consumer Agency of Canada (FCAC) for the opportunity to comment on your ***FCAC's Proposed Guideline on Complaint-Handling Procedures for Trust and Loan Companies and Insurance Companies***, and we would also like to thank the Agency for providing us with an extension to the deadline for comments to February 5, 2024.

The FCAC proposes to extend the existing *Guideline on Complaint-Handling Procedures for Banks and Authorized Foreign Banks*, which was published on January 27, 2022 and came into force on June 30, 2022, to other financial services entities including federally chartered insurance companies.

It is the view of CAFII that the proposed application of the Guideline to the insurance sector is outside the jurisdiction of the FCAC and might be viewed as unconstitutional, and therefore subject to challenge. As such, we are requesting that if the FCAC is able to demonstrate that the proposed Guideline is within its jurisdiction, a new round of consultations begin at which time we would be prepared to offer more detailed comments.

If the FCAC is able to demonstrate that requiring insurers to comply with this Guideline falls within its jurisdiction, the primary comment we would make is to remind the FCAC that the Canadian Council of Insurance Regulators (CCIR) and the Canadian Insurance Services Regulatory Organizations (CISRO) have a mechanism in place for reporting on complaints, which insurance companies adhere to, the *Guidance, Conduct of Insurance Business and Fair Treatment of Customers*. If the FCAC has identified deficiencies in the framework from CCIR and CISRO for complaint handling and positive consumer protection outcomes, sharing those with industry in an evidence-based discussion would be productive to advance our shared goals. Furthermore, we would encourage FCAC to engage with CCIR and CISRO to harmonize the approach to complaint reporting, to avoid creating onerous new requirements and as a consequence, a non-harmonized and disjointed approach. As insurance is provincially regulated we seek as harmonized an approach as possible, and the introduction of a new more onerous federal requirement moves the industry in the opposite direction.

Federally-regulated insurance companies currently report to the FCAC under the provisions of the *Insurance Companies Act*. The proposed Guideline with new expectations around reporting would significantly increase the regulatory burden on insurance companies. The Guideline would change the definition of complaints to capture any dissatisfaction and creates a requirement around reporting on level 1 complaints. We have concerns about this broadened definition and expanded reporting requirements that could also result in duplicate reporting.

There are unique requirements to the FCAC complaints procedures including around timelines that are different from what our members comply with in respect to CCIR and CISRO complaints-handling expectations. If this Guideline were introduced, it would result in insurance companies needing to make significant investments in processes and technology to allow for this expanded reporting. Additionally, there are pending regulatory changes facing the industry associated with complaint handling and reporting. We would draw attention to the fact that the Autorité des marchés financiers (AMF) is due to release new regulations around the approach to complaints and dispute resolution in Quebec, and CCIR is currently in discussions with industry around a new definition of complaints and additional reporting requirements. Adhering to potentially three different complaint handling and reporting regimes increases operational complexities for industry.

In the absence of evidence-based deficiencies in the current CCIR and CISRO framework and given the potential operational complexities outlined, we would respectfully recommend FCAC consider withdrawing this Guideline.

Should you require further information from CAFII or wish to meet with representatives from our Association on this submission or any other matter at any time, please contact Keith Martin, CAFII Executive Director, at [keith.martin@cafii.com](mailto:keith.martin@cafii.com) or 647-460-7725.

Sincerely,



Rob Dobbins  
Board Secretary and Chair, Executive Operations Committee



### **About CAFII**

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## **Briefing Note**

CAFII BOD Meeting 09 April 2024—Agenda Item 6(f)  
Read Only Items - Final Submission to CCIR on Complaints

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### **Purpose of this Agenda Item—Read Only**

To share with the Board an update on the final submission to CCIR on complaints.

### **Background Information**

CAFII's final submission to the CCIR on complaints.

### **Recommendation / Direction Sought—Read Only**

No action required.

### **Attachments Included with this Agenda Item**

One (1) attachment.

November 17, 2023

Huston Loke  
Chair, Canadian Council of Insurance Regulators  
C/O Financial Services Regulatory Authority of Ontario  
25 Sheppard Avenue West, Suite 100  
Toronto, Ontario  
M2N 6S6

CC  
Raseema Alam, Policy Manager, CCIR  
Peter Burston, Director, National Policy Coordination, CCIR  
[ccir-ccrra@fsrao.ca](mailto:ccir-ccrra@fsrao.ca)

Dear Mr. Loke,

The Canadian Association of Financial Institutions in Insurance (CAFII) would like to thank the Canadian Council of Insurance Regulators (CCIR) for the opportunity to respond to your proposed new definition of a complaint and the directly related proposed new approach to the reporting of complaints via CCIR's Annual Statement on Market Conduct (ASMC).

Our first comment is that, while possibly not immediately obvious from a regulator's perspective, these proposals actually constitute a significant change that has major implications for life and health insurers (and their financial institution distributors who support their insurer partners in providing data required for the annual ASMC filing) that result in the proposal representing a very major undertaking.

We believe that thorough, meaningful consultations and dialogue with industry stakeholders lead to better regulatory outcomes. Prior to the recent launch of this current CCIR consultation, there was no dialogue with industry Associations regarding either CCIR's intention to change the definition of a complaint or the changes being contemplated around ASMC's reporting requirements associated with complaints. Having a thorough industry consultation of at least 45 business days (nine weeks), including pre-consultation dialogue, would have been a more efficient and effective way to proceed. This would have provided CAFII, and other industry stakeholders, an opportunity to identify and communicate some of our serious concerns early on in the process.

We appreciate that an extension to the original 19-day consultation was provided, but even with the extension, less than 30 days will have been provided to offer feedback on an initiative that has major resource implications for CAFII members. As an industry association, CAFII requires time to coordinate input, review comments received, and obtain approval from members in diverse organizations in order to ensure the comments it submits accurately

reflects the position of its membership.

The new complaints information that CCIR is requesting is not data currently captured by our members. The data that is currently recorded and reported by CAFII's members is based on the prevailing definition of a complaint that is applicable to the insurance industry as reflected in the ASMC since its inception<sup>1</sup>. As a result, the insurance industry has developed processes, systems and logs to support the regulatory expectation that are focused on escalated and persistent customer concerns and experiences.

In contrast, the newly proposed approach does not share the same differentiation between first level complaints (complaints resolved at the operational level) and second level complaints (complaints that are escalated). Instead, the proposal identifies new categories which CCIR is proposing to introduce to the ASMC (breach of confidentiality of customer information, illegal activities, ethical misconduct, product design issues, unfair sales practices); these may have been raised by a customer as a first-line complaint and then resolved with the customer without requiring an escalation. Furthermore, confidentiality breaches and illegal activities are situations where a client would lodge or record a particular activity, which is different from a complaint where the client is looking for a solution, settlement or resolution.

First-line complaints that are resolved without escalation are not tracked by most insurers and their financial institution distributor partners. As such, tracking these complaints would require significant resource allocation and investments in new processes, including the introduction of new technology capabilities or significant revisions to existing systems. The required changes to support the revised approach to categorizing, recording and reporting complaints would require approval of a budget plan and dedicating resources to implement this change.

It is worth noting that FCAC introduced similar first line complaint record keeping requirements as part of the requirements under C-86. This represented a substantial effort for the banking sector and was accompanied by extensive consultation and industry engagement. If the CCIR is contemplating a similar approach to complaint records and reporting to what the FCAC has introduced, it is highly recommended that the same approach to engagement and preparation be followed. Additionally, it would also be worth connecting with the FCAC to determine if the outcomes of their changes have produced the desired results and whether the effort and expense on the part of the industry has been worthwhile.

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<sup>1</sup> ASMC definitions includes the follow key characteristics: a reproach, identification of a real or potential harm or request for remedial action that persists after being considered and examined at the operational level.

The change request from CCIR is to report on 2024 data. For our bank distributor of insurance members in particular, the fiscal year starts on November 1; and, as such, the 2024 data requested would already need to be tracked and collected. It will be impossible for our members to track 2024 data, even if it is not reported until 2025, given that we have only just learned of the interest of CCIR in these new complaints reporting requirements. Furthermore, given that this information is not currently tracked and will require a potentially significant investment of resources and system changes, the timeline to report this complaints information is unrealistic.

The proposed complaints changes raises questions about the value and necessity of making such investments; and about re-allocating scarce resources away from other Fair Treatment of Customers (FTC) priorities and dedicating them instead to this new regulatory data reporting request. We have not previously heard from CCIR or its members that there is an issue that needs to be addressed around complaints reporting itself, and as such we are not convinced that the information that the CCIR is seeking to better understand is best addressed by changing the current ASMC reporting requirements on complaints.

Furthermore, CCIR is already obtaining a significant volume of information through the ASMC. It is likely less costly and intrusive to introduce changes in terms of how the currently collected data is analyzed in order to extract the information that is being sought in the CCIR's proposal. For example, the number of privacy breaches experienced during the reported period is already being collected by the CCIR, which may result in duplicative reporting if there is an effort to also report breaches where the source of identifying it is a consumer complaint. Additionally, existing complaint reporting data in the ASMC includes the complaint category, the cause for the complaint, and an open text comment field. Information submitted by insurers through the existing tool as currently structured could be leveraged to extract some of the information the CCIR is seeking.

The buckets of information that CCIR is requesting reporting on are sweeping and not defined. Illegal activities, for example, is a very large bucket, and it is unclear exactly what CCIR is expecting member companies to report on, nor is it clear what will or will not fit into this bucket – for example, is the CCIR interested in allegations involving breaches of the Criminal Code of Canada or only breaches of regulatory expectations? Additionally, individuals who report illegal activities or privacy breaches are not triaged through a complaint handling process. These types of allegations are typically quite different from the reproaches and expressions of dissatisfaction of complainants and require different treatment and attention. The same challenge exists for the other categories of complaints identified by the CCIR.

We appreciate the opportunity to communicate our very significant concerns that this is a large project that might not result in the outcomes you seek. We believe that there is benefit to a dialogue with CCIR and industry on understanding the gap in information you are looking to address and whether there might be alternate ways of closing that gap.

Sincerely,



Rob Dobbins  
Board Secretary and Chair, Executive Operations Committee

### About CAFII

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

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

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

CAFII's 15 members include the insurance arms of Canada's major financial institutions--BMO Insurance, CIBC Insurance, Desjardins Insurance, National Bank Insurance, RBC Insurance, Scotia Insurance, and TD Insurance, along with major industry players Assurant Canada, The Canada Life Assurance Company, Canadian Tire Bank, Chubb Life Insurance Company of Canada, CUMIS Services Incorporated, Manulife (The Manufacturers Life Insurance Company), Securian Canada, and Valeyo.



## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 6(g)**

**Read Only Items – FSRA Exchange Event on March 04/24**

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### **Purpose of this Agenda Item—Read Only**

To share with the Board an update on the FSRA Exchange event on March 04/24.

### **Background Information**

On March 04/24, the CAFII team attended the FSRA Exchange Event, which was an all-day conference. The conference covered many topics, from climate change to issues within the life and health insurance industry to the Fair Treatment of Customers (FTC). It explored Artificial Intelligence's (AI) continued impact on the financial sector. In the afternoon, Erica Hiemstra moderated a life and health insurance-specific panel that focused on compliance issues and the FTC, especially with respect to MGAs. The entire CAFII staff team attended this panel.

Over the course of the day, Keith Martin, Shanay Smith, and Robyn Jennings met with and had personal conversations with many FSRA regulators at the conference, including:

- Erica Hiemstra, Head, Insurance Conduct, Market Conduct;
- Glen Padassery, Executive Vice President, Policy and Auto/Insurance Products;
- Huston Loke, Executive Vice President, Market Conduct;
- Swati Agurwal, Director, Market Conduct, Life & Health Insurance Companies & National Supervision;
- Stuart Wilkinson, Chief Consumer Officer;
- Fern Karsh, Regulatory & Policy Lawyer;
- Joanne De Laurentiis, Board Chair;
- Ali Salahuddin, Board member.

An important takeaway from the conference was the fact that CPI was not mentioned. This is a good thing because it implies that there isn't anything negative to discuss or analyze. Essentially, no news is good news.

### **Recommendation / Direction Sought—Read Only**

No action required.

### **Attachments Included with this Agenda Item**

One (1) attachment.

### **Summary of the FSRA Exchange Conference on March 4/24**

On March 4, 2024, FSRA held a full-day in-person conference. The conference covered many topics, from climate change to issues within the life and health insurance industry to the Fair Treatment of Customers (FTC). It also explored Artificial Intelligence's (AI) continued impact on the financial sector. There were a myriad of speakers and panels. Later in the afternoon, Erica Hiemstra moderated a life and health insurance-specific panel that focused on compliance issues and the FTC, especially with respect to MGAs. The entire CAFII staff team attended this panel.

Over the course of the day, Keith Martin, Shanay Smith, and Robyn Jennings met with and had personal conversations with many FSRA regulators at the conference, including:

- **Erica Hiemstra**, Head, Insurance Conduct, Market Conduct;
- Glen Padassery, Executive Vice President, Policy and Auto/Insurance Products;
- **Huston Loke**, Executive Vice President, Market Conduct;
- **Swati Agurwal**, Director, Market Conduct, Life & Health Insurance Companies & National Supervision;
- Stuart Wilkinson, Chief Consumer Officer;
- Fern Karsh, Regulatory & Policy Lawyer;
- **Joanne De Laurentiis**, Board Chair;
- Ali Salahuddin, Board member.

An important takeaway from the conference was that CPI was not mentioned. This is positive as it implies that there isn't anything negative to discuss or analyze about CPI products, and they are not on the radar screen of FSRA executives.

In the morning, the conference began with opening remarks from Joanne De Laurentiis and then moved to a Q&A with FSRA CEO Mark White. When asked what FSRA has done to protect consumers, he responded that this is, in fact, its top priority, which is why FSRA created and continues to work on developing the Consumer Office. Financial literacy is another way in which FSRA prioritizes consumer protection. With events like Pension Awareness Day or Financial Literacy Day, FSRA promotes consumer education and builds consumer trust in financial institutions.

When asked about the regulator's response to AI and its ever-growing presence in the industry, M. White said that FSRA will not nor does it plan to prohibit AI. In fact, AI learning models based on consumer information are not new; what is new, however, is the breadth of information being generated. As a result, M. White forecasted that many of the coming regulations will revolve around privacy and AI boundaries to ensure consumer and institutional safety.

The Q&A concluded on the topic of climate change and climate-related disclosure. M. White explained that climate is a derived risk; FSRA doesn't generate carbon, but it finances those that do. FSRA, therefore, works to inform and educate companies on the importance of diversifying

investments. Ultimately, it is not up to FSRA to tell companies what to do, but it can and does work to protect the rights and interests of members.

Following M. White was a panel on climate change and the risk it poses to the financial industry. This discussion emphasized that climate change is irreversible but reduceable. With this comes evolving risks that will profoundly impact financial institutions, particularly those involved in P&C. Therefore, it is important that regulators, advisors, and institutions provide proper and informed advice for homeowners in terms of education and preparation. Another way institutions can prioritize climate change is by supporting research and subsequent solution deployment. The panel concluded that climate change will cut across all sectors; therefore, financial institutions must make efforts to get involved in mitigating its effects.

After a short break, the conference resumed with a panel on AI and industry. The speakers all agreed that AI will only continue to grow in importance within the insurance industry. This is because AI is data-hungry, and this industry is data-rich. And, considering that the insurance industry is already heavily regulated, this positions it well to engage safely with AI employment. The speakers went on to encourage the audience to look at AI as a professional augmentation tool. It can supercharge what can be and what is currently being done. AI's usefulness extends beyond the insurers – it can supercharge the customer experience as well! AI can increase accessibility, ease of communication, etc. That being said, it should be engaged with as a use-case predictive model.

This is not to say AI is without risk. Institutions need to build responsible mitigating frameworks, like acceptable use policies, when employing AI.

In the afternoon, the CAFII team attended a panel moderated by Erica Hiemstra on consumer-focused conduct behaviour and what it looks like. The panel discussed how sector regulation requires ecosystem investigations beyond agents to look at the entire sales process. The end-to-end distribution must be analyzed to identify gaps in the market and the impact these gaps have on consumers. This allows for the identification of consumer harm. Which begs the question: what does a reasonably designed compliance program look like? The answer to this revolves around education, particularly customer education. This needs to be a priority embedded into any code of conduct.

The Fair Treatment of Customers (FTC) is another priority that must be considered when designing company frameworks, including internal training. Language should change to reflect FTC priorities. An example of this is the Life Agent misconduct report, which was developed with FTC in mind. This not only prioritizes the customer but allows for proactive data collection.

The panel concluded with remarks on MGAs.

Afterwards, K. Martin, S. Smith, and R. Jennings went to speak with E. Hiemstra and congratulate her on a job well done.

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 6(h)**

**Read Only Items – K. Martin’s Meeting with M. Beaudoin on February 27/24**

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### **Purpose of this Agenda Item—Read Only**

To share with the Board an update on K. Martin’s meeting with M. Beaudoin on February 27/24.

### **Background Information**

On February 27/24, K. Martin had a virtual meeting with M. Beaudoin. The meeting was an opportunity to share notes on key files, and was at M. Beaudoin’s request. At the end of the meeting, there was a mutual agreement of the benefits to having regular meetings.

### **Recommendation / Direction Sought—Read Only**

No action required.

### **Attachments Included with this Agenda Item**

One (1) attachment.

## Summary of K. Martin's Meeting with AMF's Mario Beaudoin on February 27/24

### Keith Martin Meeting with Mario Beaudoin, 27 February, 2024

At the February 12, 2024 AMF Rendez Vous in Montreal, Mario Beaudoin and Keith Martin had a friendly conversation during which M. Beaudoin suggested that he and Keith Martin should meet more regularly to share notes and perspectives. A meeting was set up for 30 minutes on 27 February, 2024.

The meeting was very cordial and ran over by 15 minutes. The meeting began with pleasantries, including about weather and the unrelenting pace of work and how quickly the year is passing. Mario Beaudoin said that the 2023 meetings between Éric Jacob and CAFII Board Chair Peter Thompson were very useful, and that he hoped that these would continue after a new Superintendent of Client Services and Distribution Oversight was named. He said that position has never been formally posted, and that it is expected that Yves Ouellet will name the new Superintendent in the next few weeks. He added that he thought that the expectation was that in the interim, Peter Thompson would continue these meetings with Christian Beaulieu (Mario Beaudoin's boss).

Mr. Beaudoin asked about governance issues, noting that he thought he had heard that Peter Thompson was stepping down as CAFII Board Chair. I mentioned that after many years of distinguished service Peter Thompson was stepping down at our June 4, 2024 Board meeting, and that similarly after many years of distinguished service the EOC Chair Rob Dobbins was also stepping down at that meeting. I mentioned that we were in the process of identifying the new Board Chair, and that the EOC Vice-Chair Karyn Kasperski from RBC Insurance would be stepping into the role of EOC Chair as of June 4, 2024. Mario Beaudoin said that he encouraged CAFII to continue with the quarterly meetings between the Superintendent and the new CAFII Chair, and I agreed with him about this and we said we would work together to promote a continuation of this after our respective organizations had identified the new people in the Superintendent and Chair positions.

Mario Beaudoin said that because he is focused on distribution without a representative, and on internet sales of insurance, CAFII and its members are highly relevant to the work of Mr. Beaudoin and his team, and our members offer most of the volume for these forms of distribution. He felt it was important to have more predictability for CAFII and its members around what the AMF has as priorities, and he asked if we could have a meeting every second month to just compare files, answer each other's questions, and share information. I said that I would be pleased to do that and he asked me if CAFII could book these meetings immediately into our calendars for the remainder of the year. He said he would like us to work on a partnership model to deal with matters before they become problematic.

He asked me to share with him what I was working on, and I said that three of my members had been approached by Véronique Martel with questions about our request for an extension of the deadline for cancelling spousal policies. We discussed this file and he seemed sympathetic to our perspective, and said that "Éric Jacob and Christian Beaulieu are the relationship leads on this file, but others need to have input into the decision." He implied that this was all part of a necessary process. He also said that one preoccupation of the AMF is there are organizations that monitor what the AMF does to see if a class action suit may be filed due to irregular application of regulations, or due to an insurance product being offered to a consumer that was not consistent with legislation. I told him I understood that point, but that we had made an exception for nearly five years now with no such legal issue arising. I also said

that our members had the same concern if spousal policies were cancelled—would this expose them to litigation or class action suits? He said he understood that concern.

I told Mr. Beaudoin that we understand that the AMF is a complex organization with a lot of responsibilities, and that it can take time to make a decision just as it takes time to implement a change for CAFII's members; and on that point, we have been having these discussions for over a year now, and without a decision in place yet, members are nervous that if there is no extension ultimately made they are not capable of cancelling policies in the remaining time available. I explained that resources need to be identified, a budget needs to be approved, and IT commitments need to be freed up to make a major change like this. He said he completely understood that point and that he would keep that in mind in any further internal discussions on this matter.

I next let Mario Beaudoin know about the LIMRA research we were about to release, noting that we would hold a webinar with regulators and policy-makers before releasing it publicly. He said he was keenly interested in the research and had already registered for the webinar, and asked if I could give him an overview of the findings. I mentioned that the research found that Canadian homeowners were vastly underinsured and uninsured for life insurance, and that this was even worse for homeowners with partners, dependents, and credit. I explained that we looked at all life insurance products (employee benefits, term, CPI etc.) I also said that CPI was clearly a potential way to close the gap in life insurance among homeowners.

Mr. Beaudoin said that this was fascinating, that this was a financial literacy contribution by CAFII, and that AMF research on teaching financial literacy found that it was difficult to make it impactful until someone had a life event—like buying a house and getting a mortgage, at which point they start to think more deeply about financial matters.

And then Mr. Beaudoin made a compliment about credit protection insurance.

He said that as the first insurance product for many consumers as they are purchasing a mortgage in a branch, it could play an important role. "Is it the best choice in the long run for a consumer? Maybe, or maybe not, but as a starter product for someone beginning their financial voyage, it could be the right product at the right time in the right place."

He said that the AMF does not have a problem with banks offering mortgage life insurance and credit protection insurance in branches. Mr. Beaudoin said that he does have a problem with auto dealers offering single premium products that are of dubious value, but "banks offering CPI allow customers to cancel at any time, and to avoid lots of cancellations they have a strong incentive to offer a high level of service."

I then updated Mr. Beaudoin on CAFII's submission to FSRA on its position on vulnerable populations, and noted that we referenced the AMF's work on this topic and said that we found the AMF approach was worthy of careful study.



Mario Beaudoin then offered his own updates:

- The AMF will make reporting information captured through travel agencies easier;
- PL 30 is moving forward and will require collection of premium in auto dealerships at least once a year;
- There are lots of complaints about some of the insurance products offered through auto dealerships;
- Mario Beaudoin is working with THIA on enhancing knowledge of travel insurance products in his team, and is encouraging THIA to hold educational webinars modelling the approach CAFII has taken on educational webinars;
- Travel sold online is a large-volume product representing over \$200 million in premium in 2022 in Quebec, with 35% of the travel insurance purchased done so online;
- The Annual reporting is about to happen and Mr. Beaudoin encouraged CAFII members to reach out to his team if anyone is having any difficulties or challenges.

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 6(i)**

**Read Only Items – K. Martin Appointment as Executive Director Press Release**

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### **Purpose of this Agenda Item—Read Only**

To share with the Board an update on the press release announcing K. Martin's appointment as CAFII's Executive Director.

### **Background Information**

K. Martin's appointment as CAFII's sole executive director was announced in a press release, which was picked up by *Insurance Business Magazine* and *Wealth Professional*.

The articles can be found here:

- Insurance Business: [CAFII Picks Executive Director](#)
- Wealth Professional: [CAFII Names New Executive Director](#)

### **Recommendation / Direction Sought—Read Only**

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No action required.

### **Attachments Included with this Agenda Item**

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Two (2) attachments.



**FOR IMMEDIATE RELEASE**

**Canadian Association of Financial Institutions in Insurance (CAFII) Appoints Keith Martin as Executive Director**

[Toronto, Ontario, DATE, 2024] – The Canadian Association of Financial Institutions in Insurance (CAFII) is pleased to announce the appointment of Keith Martin as the new Executive Director. Keith Martin, with 7 years of dedicated service as Co-Executive Director, brings his extensive background in banking and insurance to lead the association forward. His mission remains steadfast: championing a balanced regulatory environment, the fair treatment of customers, and fostering competition and industry innovation.

Keith Martin's tenure as Co-Executive Director has been marked by strategic leadership and effective implementation. He has focused on collaborative research efforts with CAFII's members to develop insightful findings that shed light on the industry and consumer attitudes towards credit protection insurance. Additionally, he has invested in enhancing consumer financial literacy, and maintaining an open dialogue with regulators and policy-makers. In 2023, CAFII and its members visited regulators and policy-makers in every Canadian province, and Keith Martin is committed to continuing this dialogue in his new role as Executive Director.

In his new role as the sole Executive Director of CAFII, Keith Martin will continue to lead the association's mission to support consumers and promote fairness in insurance offered by financial institutions. He will work closely with members, including major Canadian banks, credit unions, and insurers.

CAFII Board Chair and National Bank Insurance CEO Peter D. Thompson expressed full confidence in Keith Martin's leadership, stating, "I have complete trust in Keith as the new sole management leader at CAFII. I am certain he will further strengthen the Association's role as a robust advocate for Credit Protection Insurance and Travel Insurance. I look forward to our continued collaboration to further our mission."

CAFII Vice Chair and Assurant Canada President and CEO Paul Cosgrove, added, "Keith has made vitally important strategic contributions to CAFII over the past 7 years, and I am excited about the Association's future under his leadership."

"I am honoured to lead CAFII in its mission to ensure Canadians have access to simple, accessible, and affordable insurance," said Keith Martin, CAFII Executive Director. "I'll continue to focus on building strong relationships with regulators and policy-makers to promote a balanced and fair regulatory environment."

Established in 1997, CAFII brings together financial institutions involved in selling insurance across various channels including client contact centres, agents, brokers, travel agents, direct mail, branches of financial institutions, and online platforms. CAFII's membership comprises the insurance arms of Canada's leading banks and credit unions, along with their life insurance company underwriter partners, collectively dedicated to promoting transparency, consumer-focused practices, and excellence in the insurance industry.

The association collaborates with government regulators at federal and provincial levels, to establish a legislative and regulatory framework for the insurance sector, ensuring that Canadian consumers have access to insurance products that suit their needs. CAFII is committed to ensuring appropriate standards are in place for the distribution and marketing of all insurance products and services.

For more information about Keith Martin and CAFII, please visit [\[https://www.linkedin.com/in/keithmartin/?originalSubdomain=ca\]](https://www.linkedin.com/in/keithmartin/?originalSubdomain=ca) and [\[https://www.cafii.com/\]](https://www.cafii.com/).

- 30 -

**About CAFII:** The [Canadian Association of Financial Institutions in Insurance](#) is a not-for-profit industry association dedicated to the development of an open and flexible insurance marketplace. CAFII believes that consumers are best served when they have meaningful choice in the purchase of insurance products and services. CAFII's 14 members include the insurance arms of Canada's major financial institutions--BMO Insurance, CIBC Insurance, Desjardins Insurance, National Bank Insurance, RBC Insurance, Scotia Insurance, and TD Insurance, along with major industry players Assurant Canada, The Canada Life Assurance Company, Canadian Tire Bank, Chubb Life Insurance Company of Canada, CUMIS Services Incorporated, Manulife (The Manufacturers Life Insurance Company), and Securian Canada.

**For further information and media requests:**

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Email: [wendy.bairos@cafii.com](mailto:wendy.bairos@cafii.com)

Phone: 416-831-9820



## **POUR DIFFUSION IMMÉDIATE**

### **Keith Martin est nommé au poste de directeur général de l'Association canadienne des institutions financières en assurance (ACIFA)**

[Toronto (Ontario), le DATE 2024] – L'Association canadienne des institutions financières en assurance (ACIFA) est fière d'annoncer la nomination de Keith Martin au poste de directeur général. Keith Martin, qui a occupé le poste de co-directeur général pendant sept années, mettra à profit sa vaste expérience des secteurs bancaire et de l'assurance pour diriger l'Association. Sa mission restera la même : promouvoir un environnement réglementaire équilibré, le traitement équitable des consommateurs, une saine concurrence et l'innovation dans l'industrie.

Le mandat de Keith Martin en tant que co-directeur général a été marqué par un fort leadership stratégique et une grande efficacité en matière de mise en œuvre. Il a mis l'accent sur les efforts de recherche collaborative avec les membres de l'ACIFA afin d'établir des résultats pertinents qui permettent de mieux comprendre le fonctionnement de l'industrie et l'attitude des consommateurs à l'égard de l'assurance protection de crédit. De plus, il s'est investi à approfondir les connaissances financières des consommateurs et à maintenir un dialogue ouvert avec les organismes de réglementation et les décideurs politiques. En 2023, l'ACIFA et ses membres ont rencontré les organismes de réglementation et les décideurs politiques de chaque province canadienne, et Keith Martin s'est engagé à poursuivre le dialogue.

En tant que nouveau directeur général unique de l'ACIFA, Keith Martin continuera de mener à bien la mission de l'Association afin de soutenir les consommateurs et de favoriser l'équité quant aux produits d'assurance offerts par les institutions financières. Il collaborera étroitement avec les membres, notamment les grandes banques et caisses populaires ainsi que les principaux assureurs au Canada.

Le président du conseil d'administration de l'ACIFA et président-directeur général de Banque Nationale Assurances, Peter D. Thompson, a exprimé son entière confiance à l'égard du leadership de Keith Martin. « Je sais que Keith assumera parfaitement les fonctions de nouveau directeur unique de l'ACIFA. Il saura renforcer le rôle de l'Association en tant que porte-parole

de l'assurance protection de crédit et de l'assurance voyage. Je suis impatient de poursuivre notre collaboration et de faire avancer notre mission. »

Paul Cosgrove, vice-président de l'ACIFA et président-directeur général d'Assurant Canada, a ajouté : « Keith a apporté des contributions stratégiques cruciales à l'ACIFA au cours des sept dernières années, et je suis certain que l'avenir de l'Association sous son leadership sera brillant. »

« Je suis honoré de diriger l'ACIFA dans sa mission visant à s'assurer que les Canadiens ont facilement accès à des options d'assurance simples et abordables », souligne Keith Martin, directeur général de l'ACIFA. « Je vais continuer à concentrer nos efforts sur l'établissement de bonnes relations avec les organismes de réglementation et les décideurs politiques afin de promouvoir un environnement réglementaire équilibré et équitable. »

Fondée en 1997, l'ACIFA a pour but d'unifier les institutions financières impliquées dans la vente d'assurance grâce à diverses méthodes de distribution, comme les centres d'appels, les agents et courtiers, les agences de voyages, le publipostage, les succursales d'institutions financières et les plateformes en ligne. Les membres de l'ACIFA comprennent les branches d'assurance des principales banques et institutions financières ainsi que leurs partenaires-souscripteurs en matière d'assurance-vie, qui œuvrent à promouvoir la transparence, les pratiques axées sur les consommateurs et l'excellence dans l'industrie de l'assurance.

L'Association collabore avec les gouvernements et les organismes de réglementation (tant au niveau fédéral que provincial/territorial) afin d'élaborer un cadre législatif et réglementaire pour le secteur de l'assurance qui contribue à garantir que les consommateurs canadiens obtiennent les produits d'assurance qui répondent à leurs besoins. L'ACIFA s'est engagée à assurer la mise en place de normes appropriées pour la distribution et la commercialisation de tous les produits et services d'assurance.

Pour obtenir plus d'information sur Keith Martin et l'ACIFA, consultez les liens suivants : [\[https://www.linkedin.com/in/keithmartin/?originalSubdomain=ca\]](https://www.linkedin.com/in/keithmartin/?originalSubdomain=ca) et [\[https://www.cafii.com/\]](https://www.cafii.com/).

– 30 –

**À propos de l'ACIFA :** L'[Association canadienne des institutions financières en assurance](#) (ACIFA) est une association sectorielle à but non lucratif qui se consacre au développement d'un marché de l'assurance ouvert et flexible. L'ACIFA croit que les consommateurs sont mieux servis lorsqu'ils ont un choix significatif dans l'achat de produits et services d'assurance. Les membres de l'ACIFA comprennent les branches d'assurance des principales institutions financières du Canada – BMO Assurance, Assurance CIBC, Desjardins Assurances, Banque Nationale Assurances, RBC Assurances, Assurance Scotia et TD Assurance ainsi que les



principaux acteurs de l'industrie : Assurant, Assurance-vie Canada, Banque Canadian Tire, Chubb du Canada Compagnie d'assurances, CUMIS Services Incorporated, Manuvie (La Compagnie d'Assurance-Vie Manufacturers), et Securian Canada.

**Pour obtenir de plus amples renseignements ou pour toute demande des médias, veuillez communiquer avec la personne-ressource suivante :**

Personne-ressource : Wendy Bairos, conseillère pour les médias  
Courriel : [wendy.bairos@cafii.com](mailto:wendy.bairos@cafii.com)  
Téléphone : 416-831-9820

## **Briefing Note**

**CAFII BOD Meeting 09 April 2024—Agenda Item 6(j)**  
**Read Only Items – Update on 2023 Website Achievements**

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### **Purpose of this Agenda Item—Read Only**

To share with the Board an update on the 2023 CAFII website achievements.

### **Background Information**

Over the course of 2023, CAFII made important improvements to its website.

### **Recommendation / Direction Sought—Read Only**

No action required.

### **Attachments Included with this Agenda Item**

One (1) attachment.

## CAFI: Summary of Now Completed 2023 Website Enhancements

Keith Martin <Keith.Martin@cafi.com>

Mon 2024-01-08 10:50 AM

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Hello CAFI Board member, EOC member, and Committee/Working Group member,

First of all, Happy New Year to each of you!

This is an update on the CAFI website. CAFI has now completed all website enhancements slated for 2023 with its external supplier.

On the CAFI homepage is an English and French version of a new video on the claims process for credit protection insurance:

<https://www.cafi.com/>

[ACIFA](#)

If you wish to see other CAFI videos, on the right and left of the video are arrows. Click on one of these to move forward or backward to other videos.

Another major deliverable this year is to modify the English and French homepage so that you can see the different components of the website by scrolling down. Previously, the home page was static, and you would need to click on a link or tab to see another section of the website. That was best practices when the website was constructed seven years ago, but subsequently users expect to just scroll down to see features. You can see this new approach by going to the CAFI homepage and just scrolling down.

An example of this from a leading technology company is Apple's home page:

[Apple \(Canada\)](#)

The CAFI events section has been completely modified to make it cleaner and easier to navigate, and each event now has its own unique URL. You can see the events section overall in English and French here:

[Events \(cafi.com\)](#)

[Événements \(cafi.com\)](#)

In order to add content to the website and in particular to enrich the French side, each webinar or event has a summary write-up posted on the website and these are all translated and posted on the French section in French as well.

[CAFII's Webinar Travel Trends and Travel Insurance Developments in 2023 with Katia Umutohiwase, Helen Cosburn, and Sheila Burns](#)

[Webinaire de l'ACIFA: Tendances en matière de voyage et développements relatifs à l'assurance voyage en 2023, présenté par Katia Umutohiwase, Helen Cosburn et Sheila Burns \(cafii.com\)](#)

In the backend, CAFII has continued to invest in improvements to search engine optimization.

We have also continued to invest in our LinkedIn page, which now has multiple postings:

<https://www.linkedin.com/company/canadian-association-of-financial-institutions-in-insurance/?viewAsMember=true>

We have also invested in the Google Business Profile page—this is the summary about CAFII you see on the right hand side after a Google search for “CAFII.”

Together these enhancements will continue us down the road of constantly enhancing our website and online information sources, and adding valuable content, to make the website and other online resources a source of important financial literacy information on credit protection insurance and travel insurance.

In 2024 we will continue down the road of continually enhancing the website and adding relevant content.

Thank you,

--Keith

**Keith Martin**

Executive Director / Directeur général

Canadian Association of Financial Institutions in Insurance

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*Making Insurance Simple and Accessible for Canadians*

*Rendre l'assurance simple et accessible pour les Canadiens*

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## **Briefing Note**

CAFII BOD Meeting 09 April 2024—Agenda Item 6(k)

**Read Only Items – Board-Approved CAFII 2024 Schedule of Meetings and Events**

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### **Purpose of this Agenda Item—Read Only**

To share with the Board an update on the Board-approved CAFII 2024 schedule of meetings and events.

### **Background Information**

CAFII will be sharing with the Board the Board-approved schedule for CAFII's 2024 meetings and events.

### **Recommendation / Direction Sought—Read Only**

No action required.

### **Attachments Included with this Agenda Item**

One (1) attachment.

## Approved Schedule of CAFII 2024 Meetings and Events

**EOC Meetings:** *To be held virtually and hybrid in alternating months*

- **Tuesday, January 23, 2024** (2:00–4:00 p.m. MS Teams virtual-only meeting)
- **Tuesday, February 27, 2024** (2:00–3:30 p.m. MS Teams virtual-only meeting)  
*(Family Day Stat Holiday in Ontario: Monday, February 19)*
- **Tuesday, March 26, 2024** (2:00–4:00 p.m. MS Teams virtual-only meeting)  
*(Quebec Spring Break: March 4 – March 8. Ontario March Break: March 11 – March 15)*
- **Tuesday, April 23, 2024** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)  
*(Passover: Evening of April 23 – April 30)*
- **Tuesday, May 14, 2024** (2:00–3:30 p.m. MS Teams virtual-only meeting)  
*(Victoria Day Stat Holiday: Monday, May 20)*
- **Tuesday, June 25, 2024** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)
- **Tuesday, July 16, 2024** (tentative summer meeting (2:00–3:30 p.m. MS Teams virtual-only meeting))
- **Tuesday, August 13, 2024** (tentative summer meeting (2:00–3:30 p.m. MS Teams virtual-only meeting))
- **Tuesday, September 17, 2024** (3:00–5:00 p.m. in-person/virtual-hybrid meeting, followed by EOC Annual Appreciation Dinner)  
*(National Day for Truth and Reconciliation: September 30)*
- **Tuesday, October 29, 2024** (2:00–3:30 p.m. MS Teams virtual-only meeting)  
*(Yom Kippur: October 12. Thanksgiving Stat Holiday: October 14. Diwali: October 31)*
- **Tuesday, November 19, 2024** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)  
*(Remembrance Day: November 11)*

**Board Meetings:**

- **Tuesday, April 9, 2024** (3:00–5:00 p.m. in- person/virtual-hybrid meeting, followed by ensuing Reception)  
**HOST: Assurant Canada**  
*(Good Friday: Friday, March 29; Easter Monday: Monday, April 1)*
- **Tuesday, June 4, 2024** (2:30–5:00 p.m. in- person/virtual-hybrid meeting, preceded by 2024 Annual Meeting of Members and followed by ensuing Reception). (To comply with CAFII Bylaw provisions, the Annual Meeting of Members materials package must be disseminated between 60 days and 21 days prior to the date of the Annual Meeting: i.e. between Friday, April 5, 2024 and Tuesday, May 14, 2024)  
**HOST: Securian Canada**
- **Tuesday, October 8, 2024** (2:20–4:00 p.m. in- person/virtual-hybrid meeting, immediately following liaison lunch and Industry Issues Dialogue with AMF staff executives)  
*(Rosh Hashanah: October 3; Thanksgiving Stat Holiday: Monday, October 14)*  
**HOST: National Bank Insurance; Alternate: BMO Insurance (Montreal)**
- **Tuesday, December 3, 2024** (3:00–5:00 p.m. in- person/virtual-hybrid meeting, followed by Holiday Season/Year-End Reception)  
**HOST: Chubb Life Insurance Company of Canada**



**2024 Annual Members and Associates Luncheon:**

- *Tentative Date: Tuesday, May 28, 2024, from 11:45 a.m. EST to 2:15 p.m. EST at St. James Cathedral Centre Event Venue*

**2024 EOC Annual Appreciation Dinner:**

- *Tentative Date: Tuesday, Sept 17, 2024 at 5:30 p.m. at a TBD location*

**Webinars:**

- January 31 or February 1, 2024
- March 27 or 28, 2024
- April 24 or 25, 2024
- September 11 or 12, 2024
- October 9 or 10, 2024
- November 13 or 14, 2024

**2023 Board meetings Hosted by:**

Canadian Tire Bank, Manulife, RBC Insurance, Scotia Insurance

**2022 Board meetings Hosted by:**

TD Insurance, Desjardins Insurance, CIBC Insurance

**2021 Board meetings Hosted by:**

None, due to COVID-19 pandemic situation

**2020 Board meetings Hosted by:**

None, due to COVID-19 pandemic situation

**2019 Board meetings Hosted by:**

CUMIS (National Club), Manulife Financial, National Bank Insurance, TD Insurance

**2018 Board Meetings Hosted by:**

CAFI; ScotiaLife Financial; BMO Insurance; The Canada Life Assurance

**2017 Board Meetings Hosted by:**

TD Insurance; CAFI; Desjardins Insurance; CIBC Insurance

## **Recent Years' Annual Members and Associates Luncheons**

### **2023 Annual Members and Associates Luncheon**

**Date:** Tuesday, May 9, 2023 from 11:45 a.m. to 2:15 p.m. EDT

**Topic:** "The Changing Insurance Law and Regulatory Environment: Challenges, Risks, and Opportunities"

**Speaker:** Stuart Carruthers, Partner, Stikeman Elliot and Jill McCutcheon, Partner, Torys LLP

**Venue:** St. James Cathedral Centre Event Venue, 65 Church St., Toronto, Ontario

### **2022 Annual Members and Associates Luncheon**

**Date:** Tuesday, September 13, 2022 from 12:00 p.m. – 2:30 p.m. EDT

**Topic:** "With Authority: Executing On A Bold Vision for A New Kind of Financial Services Regulator in Ontario; and Laying the Groundwork for Its Long-Term Success"

**Speaker:** Mark White, CEO, FSRA

**Venue:** St. James Cathedral Centre Event Venue, 65 Church St., Toronto, Ontario

### **2021 Annual Members and Associates Virtual Luncheon Webinar**

**Date:** Tuesday, November 9, 2021 from 1:00 p.m. – 2:30 p.m. EDT

**Topic:** "The Changing Regulatory Environment – Challenges, Risks and Opportunities"

**Panelists:** Jill McCutcheon, Partner, Torys LLP; Stuart Carruthers, Partner, Stikeman Elliott LLP; Marc Duquette, Partner, Norton Rose Fulbright Corporation. Panel Moderator: Keith Martin, CAFII

**Venue:** Virtual-Only Webinar

### **2020 Annual Members and Associates Virtual Luncheon Webinar**

**Date:** Wednesday, October 21, 2020 from 12 Noon to 1:00 p.m. EDT

**Topic:** "Setting the Bar Higher: How the Financial Consumer Protection Framework Sets a New Standard for Fairness and Transparency"

**Speakers:** Frank Lofranco, Deputy Commissioner, Supervision and Enforcement, Financial Consumer Agency of Canada (Remarks actually delivered by Teresa Frick, Director, FCAC who was subbed in for Frank Lofranco at the last minute)

**Venue:** Virtual-Only Webinar

## **Briefing Note**

CAFII BOD Meeting 09 April 2024—Agenda Item 6(I)

Read Only Items – Plans for a Mental Health in the Workplace Webinar on April 25/24

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### **Purpose of this Agenda Item—Read Only**

To share with the Board the plans for a *Mental Health in the Workplace* webinar on April 25/24.

### **Background Information**

CAFII will be sharing with the Board the plans for a *Mental Health in the Workplace* webinar on April 25/24.

### **Recommendation / Direction Sought—Read Only**

No action required.

### **Attachments Included with this Agenda Item**

One (1) attachment.

[Back to Events](https://www.cafii.com/category/events/) (<https://www.cafii.com/category/events/>).

## CAFII Webinar: Paula Allen, TELUS Health, and Nigel Branker, Securian Canada, on Mental Health Issues in the Workplace

March 30, 2023

March 30 2023 CAFII Webinar: Mental Health Issue...



CAFII held a webinar on mental health issues in the workplace on 30 March, 2023 with Paula Allen, Global Leader, Research & Total Wellbeing, TELUS Health; and Nigel Branker, Chief Executive Officer of Securian Canada, and a CAFII Board member. This is the second webinar on this issue that CAFII has held.

Paula Allen started the webinar off by citing research that indicates that there was a massive negative mental health impact in the beginning of 2020 due to the pandemic, which produced conditions that the human mind does not like; and that since those increases in high risk were noted in 2020, there has not been an improvement. In 2019, 19% of workers were categorized as “high risk”; that number jumped to 35% in February of 2023.

Nigel Branker noted that he was a former colleague of Paula Allen’s at Morneau Sobeco/LifeWorks (predecessor to TELUS Health) and was very pleased to be on a panel with her. He noted that mental health issues were a primary driver of lost hours in the workplace, and that the workplace is a critical space to help people with mental health issues. Paula Allen noted that productivity improvements require attention to mental health issues in the workplace.

Nigel Branker said that organizations need to look at root causes of mental health issues, as opposed to just having programs to help people who have fallen through the cracks. Workloads have to be looked at, as well as workplace flexibility including working from home. Commutes are long in Toronto

and elsewhere in Canada, and that has an impact on people's quality of life. Some people are also not comfortable with returning to the office because of inclusivity issues.

Progress has been made, Mr. Branker said, in removing the stigma around mental health issues, but much more needs to be done, and many employees do not take advantage of existing programs out of a concern it could impact on their career prospects. Paula Allen said that stigmatizing people is harmful, and prevents people from seeking help. Also concerning is that young people have more concerns around mental health issues damaging their careers than older workers. As well, senior leaders disproportionately feel that revealing mental health issues would impact their careers, and that the values of the company around supporting employees do not apply to their level of seniority.

Nigel Branker said that someone in the organization who is a high performer but not aligned with the organization's values can do a lot of damage, and that an organization should not tolerate behaviours that harm other employees. He added that there are a lot of systemic issues in the workplace that can be addressed. Paula Allen said that managers need to be trained in these issues so that they can be better prepared to handle them when they arise. Nigel Branker added that executives give very tangible sales and other targets to employees, and that a similar discipline is required around supporting employees' mental health in the workplace.



Paula Allen noted that women are more likely to want to work from home, and that the commute for younger people and new Canadians may be longer, as they may live further from where the business is located. This could result in a less diverse group being in the office physically; and that, in turn, could have impacts on networking and career prospects for those who work from home.

Paula Allen and Nigel Branker said that financial uncertainty in the economy at this time is also leading to additional stress and mental health issues. Nigel Branker agreed that financial stress is one of a large number of contributors to mental health issues today. Both panelists concluded with a call to action by employers to continue to commit to doing better around addressing mental health issues in the workplace.

There were attendees at the webinar from allied industry associations CLHIA and THIA, and from regulator and policy-maker organizations including:

- The Financial and Consumer Services Commission of New Brunswick, or FCNB;
- The Canadian Council of Insurance Regulators, or CCIR;
- the Insurance Councils of Saskatchewan, or ICS;
- the Alberta Insurance Council, or AIC;
- the Government of Alberta;
- Alberta Treasury Board and Finance, or ATBF; and

- the British Columbia Financial Services Authority, or BCFSA.

The poll results can be found here:

<https://www.cafii.com/wp-content/uploads/2023/04/CAFI-Webinar-March-30-English-Poll-Results.pdf>  
(<https://www.cafii.com/wp-content/uploads/2023/04/CAFI-Webinar-March-30-English-Poll-Results.pdf>)

#### Previous

[CAFI Holds a Webinar with Dallas Ewen,  
Canada Life, and Dav...](#)

(<https://www.cafii.com/cafii-webinar-a-virtual-fireside-chat-with-dallas-ewen-and-david-elder-on-privacy/>).

#### Next

[CAFI Hosts Guest Speaker Kartik Sakthivel, Global Chief Inf...](#)