

CAFII Board Meeting Agenda

Date: Tuesday, December 3, 2024

Time: 3:00 – 5:00 p.m. EST

Chair: V. Gillis

Host: Chubb Life Insurance Company of Canada








Location: 199 Bay Street - 25th Floor, Muskoka Meeting Room, Toronto, ON M5L 1E2

Virtual: <https://cb.webex.com/meet/rahul.kakar>

Meeting Code: 2437 620 4054

Dial-In: rahul.kakar@cb.webex.com

1. Welcome, Call to Order, Meeting Confirmation and Board Constitution Matters	3:00 p.m.	Presenter	Action	Document
a. Welcome and Call to Order	3:01 p.m.	V. Gillis	Introduction	
b. Land Acknowledgement	3:02 p.m.	V. Gillis	Reflection	
c. Declaration of Meeting Properly Called and Constituted	3:03 p.m.	V. Gillis	Confirmation	
d. Approval of Agenda	3:04 p.m.	V. Gillis	Approval	

2. Consent Items	3:05 p.m.	Presenter	Action	Document
a. Draft Minutes of October 8/24 CAFII Board Meeting				
b. Summary of Board and EOC Action Items				
c. October & November Regulatory Update				 (2)
d. Consultations/Submissions Timetable				
e. Regulatory and Policy-Maker Visit Recap				
f. Committee Reports Addressing CAFII Priorities				
g. Board-Approved Schedule of CAFII 2025 Meetings and Events				

3. Financial Management	3:06 p.m.	Presenter	Action	Document
a. CAFII Financial Statements as at October 31/24	3:06 p.m.	D. Hinnecke	Update	✓
b. CAFII Forecast as at October 31/24	3:09 p.m.	D. Hinnecke	Update	✓
c. CAFII 2025 EOC-Endorsed Operating Budget, Including a Motion to Authorize the Board Chair and Vice Chair to Approve the Salary Adjustments for CAFII Staff At a Later Date	3:16 p.m.	K. Martin	Update /Approval	✓

4. Strategic and Regulatory Initiatives	3:26 p.m.	Presenter	Action	Document
a. Federal Department of Finance Proposed Amendment to the Criminal Code to Include Insurance Costs in the Calculation of Interest	3:26 p.m.	V. Gillis/K. Martin	Update	
b. Next Steps on the October 8, 2024 Presentation by the AMF to CAFII	3:31 p.m.	K. Martin	Update	
c. Update on Plans to Visit FCAC and the Federal Department of Finance, in Ottawa	3:36 p.m.	K. Martin	Discussion	✓ (2)
d. Update on the Research with Deloitte on Technology Trends and Artificial Intelligence	3:39 p.m.	K. Martin	Update	✓ (2)
e. Update on Expansion of Quarterly RSM Canada Benchmarking Study to Include HELOC Penetration Rates	3:42 p.m.	K. Martin	Update	
f. Update on Hiring of New Senior Manager, Operations	3:47 p.m.	K. Martin	Update	

5. Governance	3:47 p.m.	Presenter	Action	Document
a. EOC-Endorsed Policy Around Who Can Join CAFII Committees	3:52 p.m.	K. Kasperski	Approval	✓
b. Summary Results of the DEI Survey with CAFII Members	4:00 p.m.	R. Jennings	Update	✓ (2)
c. EOC-Endorsed Proposal to Wind-Down the DEI Working Group Now that is Has Achieved its Objectives	4:10 p.m.	T. Harri-Morar/K. Martin	Approval	✓
d. Update on Website Investments, Including Videos on LIMRA Research and Rebuild of Backend	4:20 p.m.	W. Bairos/K. Martin	Update	✓

e. Update on Article for National Post	4:25 p.m.	W. Bairos/K. Martin	Update	✓ (2)
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6. Read Only Items	4:35 p.m.	Presenter	Action	Document
a. Mario Beaudoin Quarterly Meeting with Keith Martin on November 5, 2024				✓
b. Merging of the Media Advocacy Committee and the Research & Education Committee into a New Research, Media, Education and Communications (RMEC) Committee				✓ (3)
c. Response from the Insurance Council of BC to CAFII's Submission on the Proposed Performance Requirements Framework for the Restricted Insurance Agency Regime				✓ (3)
d. BCFSa Welcomes Tolga Yalkin as New Chief Executive Officer and Chief Statutory Officer				✓

7. In-Camera Session	4:35p.m.	Presenter	Action	Document

Next EOC Meeting: Tuesday, January 21/25, 2:00 to 4:00 p.m. EST (Virtual-only meeting)

Next Board Meeting: Thursday, April 3/25, 3:00 to 5:00 p.m. EST (Hybrid), Hosted by TD Insurance (TBD)

Briefing Note

CAFII BOD Meeting December 3, 2024—Agenda Item 1(a)

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

Purpose of this Agenda Item—*Introduction*

Formal start of meeting.

Background Information

The meeting will be called to order by Board of Directors Chair Valerie Gillis.

Recommendation / Direction Sought—*Introduction*

Start of meeting.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 1(b)

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

Purpose of this Agenda Item—*Reflection*

To acknowledge all traditional lands and territories.

Background Information

CAFII Board Chair Val Gillis will deliver the land acknowledgment.

Recommendation / Direction Sought—*Reflection*

No action required.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 1(c)

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

Purpose of this Agenda Item—Confirmation

To declare the meeting properly called and constituted.

Background Information

The meeting will be declared properly called and constituted by CAFII Board Chair Valerie Gillis.

Recommendation / Direction Sought—Confirmation

This is an introduction item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 1(d)

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

Purpose of this Agenda Item—Approval

Approval of the agenda.

Background Information

CAFII Board Chair Valerie Gillis will ask the Board to approve the agenda for the December 03, 2024 Board of Directors meeting.

Recommendation / Direction Sought—Approval

Board approval will be sought.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting 03 December 2024—Agenda Item 2(a-g) Consent Items

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 Valerie Gillis will present the following consent items, none of which require any discussion or decision:

- a. Draft Minutes of October 8/24 CAFII Board Meeting
- b. Summary of Board and EOC Action Items
- c. October & November Regulatory Updates
- d. Consultations/Submissions Timetable
- e. Regulatory and Policy-Maker Visit Recap
- f. Committee Reports Addressing CAFII Priorities
- g. Board-Approved Schedule of CAFII 2025 Meetings and Events

Recommendation / Direction Sought—Information Only

Chair Valerie Gillis will call for a Board resolution to approve the Draft Minutes of the October 8/24 CAFII Board Meeting (item 2(a)) and receive for the record Consent Items 2(b) through 2(g) via a single omnibus motion. CAFII Research Analyst Robyn Jennings will then provide a brief high-level overview of the October and November Regulatory updates.

Attachments Included with this Agenda Item

No attachments.

Link: *CAFII December 3/24 BOD Meeting Consent Items - Google Drive Document Repository.*

This link includes documents for:

- [Draft Minutes of October 8/24 CAFII Board Meeting](#)
- [Summary of Board and EOC Action Items](#)
- [October Regulatory Update](#)
- [November Regulatory Update](#)
- [Consultations/Submissions Timetable](#)

- [Regulatory and Policy-Maker Visit Recap](#)
- [Committee Reports Addressing CAFII Priorities](#)
- [Board-Approved Schedule of CAFII 2025 Meetings and Events](#)

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 3(a)
Financial Management – CAFII Financial Statements as at October 31/24

Purpose of this Agenda Item—Update

To provide an update to the Board on CAFII's financial statements as at October 31/24.

Background Information

CAFII Treasurer Donald Hinnecke will update the Board on CAFII's financial statements as at October 31/24.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.

CAFI I

20 Richmond Street East, Suite 600-25
Toronto, ON M5C 2R9

Statement of Operations As at Oct 31st, 2024

	Current Month	Budget Oct-24	Variance to Monthly Budget	Current YTD	Budget '24 YTD	Variance Budget to YTD	Budget 2024
Revenue							
<i>Member and Associate Dues</i>	\$78,706	\$76,362	\$2,344	\$787,063	\$763,618	\$23,445	\$916,342
<i>Interest Revenue</i>							
Interest Revenue - Saving Account	\$1,251	\$1,250	\$1	\$9,900	\$12,500	(\$2,600)	\$15,000
45030 Interest-Savings, Short-term CD	\$970	\$0	\$970	\$16,658	\$0	\$16,658	\$0
Total Interest Revenue	\$2,222	\$1,250	\$972	\$26,558	\$12,500	\$14,058	\$15,000
<i>Miscellaneous (One time event fees)</i>	\$0	\$0	\$0	\$270	\$0	\$270	\$0
TOTAL REVENUE	\$80,928	\$77,612	\$3,316	\$813,891	\$776,118	\$37,773	\$931,342
Expenses							
<i>Association operating</i>							
CAFI Staff Salaries and Benefits	\$27,523	\$36,875	\$9,352	\$369,260	\$383,019	\$13,760	\$456,767
Managing Matters Contractual Fees	\$11,388	\$10,637	(\$751)	\$107,655	\$106,373	(\$1,282)	\$127,648
Legal Counsel and Consultant Support Associated w	\$0	\$3,000	\$3,000	\$692	\$27,000	\$26,308	\$30,000
Audit Fees	\$1,417	\$1,417	(\$0)	\$11,964	\$14,167	\$2,203	\$17,000
Insurance	\$733	\$708	(\$25)	\$7,273	\$7,080	(\$193)	\$8,500
Website SEO and Enhancements	\$28,023	\$12,769	(\$15,254)	\$28,907	\$83,507	\$54,600	\$96,276
Member Communication and Technology Tools	\$1,332	\$958	(\$374)	\$13,660	\$9,583	(\$4,076)	\$11,500
Telephone/Fax/Internet	\$396	\$500	\$105	\$5,745	\$5,000	(\$745)	\$6,000
Postage/Courier	\$0	\$17	\$17	\$55	\$166	\$111	\$200
Office Expenses	\$55	\$300	\$245	\$2,171	\$3,000	\$829	\$3,600
Bank Charges	\$25	\$56	\$31	\$944	\$568	(\$376)	\$680
Depreciation Computer/Office Equipment	\$215	\$268	\$53	\$2,147	\$2,681	\$534	\$3,217
Managing Matters Webinar Fees	\$1,921	\$1,921	\$0	\$11,526	\$9,605	(\$1,921)	\$11,526
New Hire for 6 months	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Office Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Professional Development/Continuing Education	\$0	\$0	\$0	\$0	\$5,650	\$5,650	\$5,650
Miscellaneous Expense	\$0	\$0	\$0	\$0	\$1,000	\$1,000	\$1,000
Total Association operating Expenses	\$73,028	\$69,426	(\$3,602)	\$561,997	\$658,399	\$96,402	\$781,164
<i>Research and education committee</i>							
Research/Studies	\$0	\$0	\$0	\$16,802	\$16,950	\$148	\$68,814
CAFI Benchmarking Study/RSM Canada	\$0	\$16,950	\$16,950	\$33,900	\$50,850	\$16,950	\$67,800
Total Research and education committee Expenses	\$0	\$16,950	\$16,950	\$50,702	\$67,800	\$17,098	\$136,614
<i>Market conduct committee</i>							
Provincial Regulatory Visits and Relationship-Building	\$0	\$0	\$0	\$5,531	\$4,400	(\$1,131)	\$6,600
Federal Regulatory Visits and Relationship-Building	\$0	\$0	\$0	\$0	\$2,000	\$2,000	\$2,000
Total Market conduct committee	\$0	\$0	\$0	\$5,531	\$6,400	\$869	\$8,600
<i>Networking and events committee</i>							
Annual Members and Associates Luncheon	\$0	\$0	\$0	\$20,707	\$14,000	(\$6,707)	\$14,000
Board Hosting (External)	\$0	\$0	\$0	\$0	\$0	\$0	\$7,500
Board/EOC Meeting Expenses	\$182	\$1,778	\$1,596	\$3,740	\$12,444	\$8,704	\$16,000
Industry Conferences and Events	\$170	\$0	(\$170)	\$11,175	\$11,000	(\$175)	\$11,000
EOC Annual Appreciation Dinner	\$65	\$0	(\$65)	\$4,731	\$6,500	\$1,769	\$6,500
Speaker fees & travel	\$0	\$0	\$0	\$0	\$0	\$0	\$1,600
Gifts	\$0	\$0	\$0	\$1,987	\$800	(\$1,187)	\$1,200
CAFI Staff/Board Relationship-Building	\$0	\$330	\$330	\$1,425	\$1,650	\$225	\$2,000
Networking Events	\$0	\$500	\$500	\$826	\$2,000	\$1,174	\$2,000
CAFI 25th Anniversary Celebration	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Networking and events committee	\$417	\$2,608	\$2,191	\$44,591	\$48,394	\$3,804	\$60,200
<i>Media and advocacy strategy committee</i>							
Media Outreach	\$497	\$0	(\$497)	\$6,916	\$2,100	(\$4,816)	\$3,000
Media Consultant Retainer	\$2,543	\$3,000	\$458	\$25,425	\$30,000	\$4,575	\$36,000
Marketing Collateral	\$0	\$1,350	\$1,350	\$130	\$1,350	\$1,220	\$2,700
Total Media and advocacy strategy committee	\$3,039	\$4,350	\$1,311	\$32,471	\$33,450	\$979	\$41,700
TOTAL EXPENSE	\$76,484	\$93,334	\$16,850	\$695,291	\$814,444	\$119,152	\$1,028,278
NET INCOME	\$4,444	(\$15,722)	20,166	\$118,600	(\$38,325)	\$ 156,925	(\$96,936)
proof	-	0	-	0	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 cafi.com, subscription and website improvements.

CAFII

20 Richmond Street East, Suite 600-25
Toronto, ON M5C 2R9

Balance Sheet As at Oct 31st, 2024

	CAFII Operations		
	31-Oct 2024	30-Sep 2024	31-Dec 2023
ASSETS			
Current Assets			
Bank Balance	\$193,863	\$520,764	\$35,071
Savings Account	\$423,206	\$496,955	\$208,306
TD Investment in GIC- 1104 8045480 01	\$300,000	\$404,603	\$404,603
PLCLCAD Plooto Clearing	\$0	\$0	\$0
TD Canada Trust			
****054	\$0	\$0	\$0
Undeposited Funds	\$0	\$0	\$0
Accounts Receivable	\$0	\$0	\$1,594
Interest Receivable	\$401	\$3,864	\$709
Prepaid Expenses	\$6,910	\$7,134	\$5,780
Computer/Office Equipment	\$10,303	\$10,303	\$9,866
Accumulated Depreciation -Comp/Equip	(\$4,370)	(\$4,155)	(\$2,223)
Total Current Assets	\$930,313	\$1,439,467	\$663,706
TOTAL ASSETS	\$930,313	\$1,439,467	\$663,706
LIABILITIES			
Current Liabilities			
Accrued Liabilities	\$16,427	\$17,553	\$18,622
Credit Card	\$1,072	\$792	\$441
Account Payable	\$35,684	\$18,190	\$43,527
Deferred Revenue	\$157,413	\$236,119	\$0
Suspense	\$0	\$451,540	\$0
Total Current liabilities	\$210,596	\$724,194	\$62,590
TOTAL LIABILITIES	\$210,596	\$724,194	\$62,590
UNRESTRICTED NET ASSETS			
Unrestricted Net Assets, beginning of year	\$601,117	\$601,117	\$669,275
Excess of revenue over expenses	\$118,600	\$114,156	(\$68,158)
Total Unrestricted Net Assets	\$719,717	\$715,273	\$601,117
Total Unrestricted Net Assets	\$719,717	\$715,273	\$601,117
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$930,313	\$1,439,467	\$663,706
	0	0	-
Financial Reserves Targets as per 2024 Budget:			
Minimum 3 months (25%) of Annual Operating Expenses=		\$	257,070
Maximum 6 months (50%) of Annual Operating Expenses=		\$	514,139
			36,152.46
			72,304.92
Current Level of Financial Reserves (total unrestricted net assets):			
Current Level of Financials Reserve (%):			\$719,717
			70%
			0.09

CAFII
20 Richmond Street East, Suite 600-25
Toronto, ON M5C 2R9
Membership Fees

		<u>Jan-24</u>		<u>Invoice sent</u>	<u>Method of Payment</u>	<u>Received Date</u>
		<u>Billed</u>	<u>Received</u>			
TD Insurance	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Cheque	02-Feb-24
BMO Bank of Montreal	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	15-Feb-24
CIBC Insurance	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	01-Feb-24
RBC Insurance	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	02-Feb-24
Scotia Insurance	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	29-Jan-24
Desjardins Financial Security Life Assura	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Cheque	22-Apr-24
National Bank Insurance	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	31-Jan-23
Manulife Financial	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	01-Feb-24
The Canada Life Assurance Company	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	28-Feb-24
Securian Canada	2024 Lower Tier Member	\$ 38,555	\$ 38,555	24-Jan-24	Cheque	Deposited - Mar 12
Assurant	2024 Lower Tier Member	\$ 38,555	\$ 38,555	24-Jan-24	Direct Payment - EFT	25-Jan-24
CUMIS Group Ltd	2024 Lower Tier Member	\$ 38,555	\$ 38,555	24-Jan-24	Cheque	02-Feb-24
Canadian Tire Bank	2024 Lower Tier Member	\$ 38,555	\$ 38,555	24-Jan-24	Direct Payment - EFT	09-Feb-24
Chubb Life Insurance Company of Canada	2024 Initiation Members (Lower Tier)	\$ 23,133	\$ 23,133	24-Jan-24	Cheque	Deposited - Mar 12
RSM Canada	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Cheque	09-Feb-24
Willis Towers Watson	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Direct Payment - EFT	26-Feb-24
KPMG LLP	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Cheque	22-Apr-24
Optima Communications	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Direct Payment - EFT	26-Feb-24
RGA Life Reinsurance Company of Canada	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Direct Payment - EFT	06-Mar-24
Torys LLP	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Direct Payment - EFT	23-Feb-24
Stikeman Elliott	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Cheque	02-Feb-24
Norton Rose Fulbright Canada	Associate	\$ -		24-Jan-24	Norton has given indication that they aren't renewing their membership for this year- We reversed this invoice	
Royal & Sun Alliance Insurance Company	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Cheque	05-Apr-24
Total of Renewing Members		\$911,343	\$911,343			
New Members						
PWC	Associate	\$ 5,000	\$ 5,000	29-Feb-24	Cheque	26-Mar-24
Fasken	Associate	\$ 5,000	\$ 5,000	03-Apr-24	Direct Payment - EFT	09-Apr-24
Canadian Western Bank	2024 Initiation Members (Lower Tier)	\$ 23,133	\$ 23,133	26-Mar-24	Direct Payment - EFT	30-Apr-24
Total Membership Fees		\$944,476	\$944,476			
Total amount to realocate monthly Jan-Dec. 2024		\$78,706.33				

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 3(b)
Financial Management – CAFII Forecast as at October 31/24.

Purpose of this Agenda Item—Update

To provide an update to the Board on the forecast for CAFII's 2024 fiscal year as at October 31/24.

Background Information

CAFII Treasurer Donald Hinnecke will update the Board on the forecast for CAFII's 2024 fiscal year as at October 31/24. As the financials for the Association are well identified, this forecast is close to a statement of Actuals for the 2024 fiscal year. Mr. Hinnecke will explain the major revenue and expense variation from budget that has led the original projected deficit of \$97K to instead result in a projected surplus of \$19K, resulting in a projected end-of-year cash balance of \$623K.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.

2024 CAFII Budget
In \$ Cdn

	2021 Actuals	2022 Actuals	2023 Actuals	CAFII 2024 Budget	2024 YTD Oct 2024	2024 Forecast	Comment/Rationale
Revenue							
Member and Associate Dues	955,970	991,653	953,098	916,342	787,063	944,476	Add PWC \$5,000
Interest Revenue							
Interest Revenue - Saving Account	236	2,579	11,062	15,000	9,900	11,900	Updated - Monthly transfer to Cheuqina of 100k
Interest Revenue - Investment Account			12,216		16,658	18,539	Re-invest GIC \$300000 for 100days from Oct 18 @3.75%
Total Interest Revenue	236	2,579	23,278	15,000	26,558	30,438	
Miscellaneous (One time event fees)	-	12,511	380	-	270	270	
TOTAL REVENUE	956,206	1,006,743	976,756	931,342	\$813,891	975,184	
EXPENSE							
Association operating							
CAFII Staff Salaries and Benefits				456,767	369,260	424,305	Adjusted for Shanav's exit and Keith's revised pay+ new hire w.e.f. Oct 1
Managing Matters Contractual Fees	486,711	507,904	636,709	127,648	107,655	129,928	updated
New Hire for 6 months					16,950	16,950	Recruitment expenses for new hire
Legal Counsel and Consultant Support Associated with					692	692	Updated as per Keith's email Oct1
Regulatory Submissions and Related Communications/Advocacy	74,221	-	18,479	30,000			
Initiatives							
Audit Fees	13,224	15,187	15,902	17,000	11,964	14,798	updated
Insurance	5,877	6,275	7,681	8,500	7,273	8,738	Actual cost
Website SEO and Enhancements	50,737	45,200	45,200	96,276	28,907	68,683	Updated as per Keith's email Oct1
Member Communication and Technology Tools	6,958	7,990	11,993	11,500	13,660	15,286	updated and est Oct-Dec cost
Telephone/Fax/Internet	6,799	5,935	6,707	6,000	5,745	6,572	updated
Postage/Courier	-	60	73	200	55	55	updated
Office Expenses	2,694	7,898	2,943	3,600	2,171	2,282	updated
Bank Charges	663	548	582	680	944	994	updated
Depreciation Computer/Office Equipment	1,136	716	1,507	3,217	2,147	2,576	updated
Managing Matters Webinar Fees		7,684	13,447	11,526	11,526	11,526	Same as budaet
Speaker fees & travel	-	-	738	1,600	-	-	Same as budaet
New Office Equipment			-	-	-	-	Same as budaet
Professional Development/Continuing Education				5,650	-	-	Updated as per Keith's email Oct1
Miscellaneous Expense	-	283	-	1,000	-	-	Updated as per Keith's email Oct1
Total Association operating Expenses	649,019	605,680	761,961	781,164	561,997	703,384	
Research and education committee							
Research/Studies	75,473	73,026	67,677	68,814	16,802	61,802	\$7200 lower than the budget
CAFII Benchmarking Study/RSM Canada	67,800	67,800	84,750	67,800	33,900	81,360	updated
Total Research and education committee	143,273	140,826	152,427	136,614	50,702	143,162	
Market conduct committee							
Provincial Regulatory Visits and Relationship-Building	-	9,205	36,385	6,600	5,531	5,531	As per Keith
Federal Regulatory Visits and Relationship-Building	-	-	-	2,000	-	-	As per Keith
Total Market conduct committee	-	9,205	36,385	8,600	5,531	5,531	
Networking and events committee							
Annual Members and Associates Luncheon	-	13,147	13,666	14,000	20,707	20,707	Forecasted expenses are \$6000 over budget due to across-the-board significant increases in event costs, along with a higher than expected attendance at this event.
Board Hosting (External)	-	203	7,500	7,500	-	7,500	the Dec 3 Board meeting and reception at Chubb will result in a subsidy request from Chubb for \$7500
Board/EOC Meeting Expenses	1,822	11,361	14,599	16,000	3,740	16,182	there will be some expenses for travel and hotel for the Oct 8 meeting in Montreal
Industry Conferences and Events	-	615	5,153	11,000	11,175	11,175	Acutal expense
EOC Annual Appreciation Dinner	-	2,501	2,964	6,500	4,731	4,776	updated
Gifts	-	765	632	1,200	1,987	2,437	updated
CAFII Staff/Board Relationship-Building	-			2,000	1,425	2,000	updated
Networking Events	-	1,854	11,549	2,000	826	1,276	updated
CAFII 25th Anniversary Celebration	-	15,315	-	-	-	-	
Total Networking and events committee	1,822	45,761	56,062	60,200	44,591	66,053	
Media and advocacy strategy committee							
Media Outreach	9,542	2,779	3,939	3,000	6,916	6,916	updated to ytd
Media Consultant Retainer	29,792	37,331	32,678	36,000	25,425	30,510	updated
Marketing Collateral	717	1,787	1,462	2,700	130	130	Not to spend money on leave behinds The YTD should be the estimate for the forecast.
Total Media and advocacy strategy committee	40,050	41,897	38,079	41,700	32,471	37,556	
TOTAL EXPENSE	834,165	843,369	1,044,914	1,028,278	695,291	955,687	
Excess of Revenue over Expenses	122,041	163,374	(68,158)	(96,936)	118,600	19,498	
Unrestricted Net Assets (beginning of year)	230,223	230,223	669,275	603,791	603,791	603,791	
Unrestricted Net Assets (end of period)	352,264	393,597	601,117	506,855	722,391	623,289	

Explanatory Notes:

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

Actual/Forecasted Financial Reserves	2021 Actuals	2022 Actuals	2023 Actuals	CAFII 2024 Budget	2024 YTD Oct 2024	2024 Forecast
Minimum 3 months (25%) of Annual Operating Expenses =	208,541	210,842	261,228	257,069	173,823	238,922
Maximum 6 months (50%) of Annual Operating Expenses =	417,082	421,685	522,457	514,139	347,646	477,843
Actual/Forecasted Level of Financial Reserves:	352,264	393,597	601,117	506,855	722,391	623,289
Actual/Forecasted Level of Financial Reserves %:	0	47%	48%	49%	104%	65%

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 3(c)

Financial Management – CAFII 2025 EOC-Endorsed Operating Budget, Including a Motion to Authorize the Board Chair and Vice Chair to Approve the Salary Adjustments for CAFII Staff At a Later Date.

Purpose of this Agenda Item—Update/Approval

To provide an update to the Board on CAFII’s EOC-Endorsed 2025 operating budget, including a motion to authorize the Board Chair and Vice Chair to approve the salary adjustments for CAFII staff at a later date.

Background Information

CAFII Executive Director Keith Martin will update the Board on CAFII’s EOC-Endorsed 2025 operating budget, including a motion to authorize the Board Chair and Vice Chair to approve the salary adjustments for CAFII staff at a later date. CAFII is projecting a deficit in 2025, and K. Martin will suggest that structural deficits are likely in future years absent new revenues or reduced expenses; a steady-state budget (expenses close to revenues) may require the Board to consider a fee increase for 2026 (the last fee increase for the Association was in 2020). However, even with the currently projected deficit, the Association is currently projected to end 2026 with cash reserves of 53% of annual operating expenses, which is higher than the upper range of the target of 25-50% of cash reserves relative to annual operating expenses.

The motion to give the Board Chair and Vice Chair the authority to approve the CAFII salary increases is to allow the Operating Budget to be approved in the open, minuted portion of the meeting, while giving the Board the opportunity to discuss salary matters in camera; and because the CAFII staffs’ formal annual evaluation cannot be completed by the date of this Board meeting.

Recommendation / Direction Sought—Update/Approval

This is an update item with approval sought.

Attachments Included with this Agenda Item

One (1) attachment.

2025 CAFII Budget
In \$ Cdn

	2024 Budget	2024 Forecast	2024 Forecast Comments	2025 Operating Budget Rounded Up	2025 Budget Comment/Rationale
Revenue					
Member and Associate Dues	\$916,342	\$944,476	In 2024 we added an unbudgeted \$23,133 for CWB as a new member. We added two new Associates (PWC and Fasken) and lost one (Norton Rose) for a net pick up of \$5000. In total, we added \$28,133 in revenue (\$916,342+\$28,133=\$944,475)	\$959,900	This includes CWB as a full-year member in 2024, although we are not sure when the acquisition by National Bank will occur.
Interest Revenue					
Interest Revenue - Saving Account	\$15,000	\$11,899			
Interest-Savings, Short-term CD		\$17,994			
Total Interest Revenue	\$15,000	\$29,894		\$15,000	Projecting lower interest rates leading to lower interest revenue
Miscellaneous (One time event fees)	\$0	\$270			
TOTAL REVENUE	\$931,342	\$974,640		\$974,900	
EXPENSE					
Association operating					
CAFII Staff Salaries and Benefits	\$456,767	\$424,305	Adjusted for Shanay's exit and Keith's revised pay+ new hire w.e.f. Oct 1	\$470,500	NON DISCRETIONARY (FOR BASE; INCREASE IN PAY IS DISCRETIONARY) While most calculations are based on forecast, this forecast line includes the loss of the Operations Manager. The budget is based on three staff for the full year. Therefore the 2024 budget is the correct starting point for the 2025 calculations.
Managing Matters Contractual Fees	\$127,648	\$129,928		\$147,000	Contract Non Discretionary
	\$30,000	\$692			
Legal Counsel and Consultant Support Associated with Regulatory Submissions and Related Communications/Advocacy Initiatives			Updated as per Keith's email Oct1	\$30,000	This warrants a discussion about whether we wish to put a placeholder here. We have not spent legal fees in the past two years. We are using the same amount we did in 2024 as a set aside.
Audit Fees	\$17,000	\$14,798	Based on actual spend.	\$15,600	Adding 5% inflation costs.
Insurance	\$8,500	\$8,767	Actual cost	\$9,200	Adding 5% inflation costs.
Website SEO and Enhancements	\$96,276	\$68,683	Updated as per Keith's email Oct1	\$46,700	The bulk of the \$40K for the rebuild of the backend is a one-time 2024 costs which explains the lower budget ask in 2025.
Member Communication and Technology Tools	\$11,500	\$15,037	Updated and est Oct-Dec cost	\$14,600	No change.
Telephone/Fax/Internet	\$6,000	\$6,532	Same as budget	\$6,900	No change.
Postage/Courier	\$200	\$55	Based on actual spend.	\$200	No change.
Office Expenses	\$3,600	\$2,282	Based on actual spend.	\$3,200	No change.
Bank Charges	\$680	\$994	Updated	\$1,300	No change.
Depreciation Computer/Office Equipment	\$3,217	\$2,576	Updated	\$2,600	No change.
Managing Matters Webinar Fees	\$11,526	\$13,447	Same as budget	\$12,700	CONTRACT NON DISCRETIONARY Adding 10% additional costs with base of \$1700 plus HST. That is new costs of \$2200 per webinar, with 6 webinars planned for 2025.
Speaker fees & travel	\$1,600	\$0	Same as budget	\$2,500	Plan on inviting Mary Carmichael as a speaker in 2025, she is based in BC and we would incur some travel and hotel costs.

[Links](#)

[See Detailed Calculations for Revenue Line 5](#)

[See Detailed Calculations for Expense Line 16](#)

[See Detailed Calculations for Expense Line 17](#)

[See Detailed Calculations for Expense Line 21](#)

[See Detailed Calculations for Expense Line 25](#)

New Hire for 6 months		\$16,950	Recruitment expenses for new hire	\$0	
New Office Equipment	\$0	\$0	Same as budget	\$0	
Professional Development/Continuing Education	\$5,650	\$0	Updated as per Keith's email Oct1	\$10,000	Updated to \$10K based on John Burns' feedback
Miscellaneous Expense		\$0			This new line item was to purchase a laptop to help participants at Board/EOC meetings without video capabilities get onto the virtual meeting. I took my personal laptop to several meetings and I did not get any interest expressed, so I was not able to make a use case for the investment.
	\$1,000		Updated as per Keith's email Oct1		
Total Association operating Expenses	\$781,164	\$705,046		\$773,000	
Research and education committee					
Research/Studies	\$68,814	\$61,614	\$7200 lower than the budget	\$68,900	I was able to negotiate a better rate with Deloitte but do not anticipate doing that with Pollara.
CAFII Benchmarking Study/RSM Canada	\$67,800	\$81,360	Same as budget	\$68,000	CONTRACTUAL NON DISCRETIONARY
Total Research and education committee	\$136,614	\$142,974		\$136,900	
Market conduct committee					
Provincial Regulatory Visits and Relationship-Building	\$6,600	\$6,600	Same as budget	\$28,000	Tried to build out costs based on 2023 expenses for visits to the same regulatory authorities. Plan is for visits to every province for 2 CAFII staff in 2025.
Federal Regulatory Visits and Relationship-Building	\$2,000	\$0	Same as budget	\$2,500	Plan to visit FCAC and Department of Finance in 2025
Total Market conduct committee	\$8,600	\$6,600		\$30,500	
Networking and events committee					
Annual Members and Associates Luncheon	\$14,000	\$20,707	"Forecasted expenses are \$6000 over budget due to across-the-board significant increases in event costs, along with a higher than expected attendance at this event."	\$21,500	CONTRACTUAL NON DISCRETIONARY The quote from St. James' Cathedral for the 2025 event is higher than 2024 by \$800, so that will be added to the forecast expense.
Board Hosting (External)	\$7,500	\$7,500	the Dec 3 Board meeting and reception at Chubb will result in a subsidy request from Chubb for \$7500	\$0	The Board has rescinded the policy that allows for reimbursements for up to \$7500 of costs incurred at a reception.
Board/EOC Meeting Expenses	\$16,000	\$16,000	there will be some expenses for travel and hotel for the Oct 8 meeting in Montreal	\$16,000	
Industry Conferences and Events	\$11,000	\$11,005	Same as budget	\$15,200	Includes registration and hotel costs for 2 CAFII staff for CLHIA Conference in May 2025 in PEI.
Networking Events	\$2,000	\$1,276		\$2,000	Includes quarterly lunches with CLHIA and biannual lunch with CBA.
Gifts	\$1,200	\$1,987	Updated to ytd	\$2,000	
EOC Annual Appreciation Dinner	\$6,500	\$4,776	Updated to ytd	\$6,500	Keeping the amount to the 2024 budget because I am trying to get better attendance which would increase costs from 2024 actuals.
CAFII Staff/Board Relationship-Building	\$2,000	\$2,000	Same as budget	\$2,000	Board lunches.
CAFII 25th Anniversary Celebration	\$0	\$0	Same as budget		
Total Networking and events committee	\$60,200	\$65,251		\$65,200	
Media and advocacy strategy committee					

See Detailed Calculations for Expense Line 42

See Detailed Calculations for Expense Line 50

See Detailed Calculations for Expense Line 54

Media Outreach	\$3,000	\$6,420	Updated to ytd	\$6,500	Higher expense was partly due to main media press release on the LIMRA research. Recommend doing again in 2025. Translation costs are here too and are higher than in 2024 budget due to translation of all webinar meeting summaries.
Media Consultant Retainer	\$36,000	\$30,512	Same as budget	\$30,500	\$2542.50 is the monthly retainer charge, annual cost is \$30,500. Have negotiated an arrangement where more than the 10 hours a month is not charged, but taken from a bank of under 10 hours per month charged, leading to a lower cost than with the previous media consultant.
Marketing Collateral	\$2,700	\$130	Not to spend money on leave behinds The YTD should be the estimate for the forecast.	\$0	Physical leave-behinds are no longer necessary as people seek to avoid paper.
Total Media and advocacy strategy committee	\$41,700	\$37,062		\$37,000	
TOTAL EXPENSE	\$1,028,278	\$956,933		\$1,042,600	
Excess of Revenue over Expenses	-\$96,936	\$17,707		-\$67,700	
Unrestricted Net Assets (beginning of year)	\$603,791	\$603,791		\$621,498	
Unrestricted Net Assets (end of year)	\$506,855	\$621,498		\$553,798	

Explanatory Notes:

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

Actual/Forecasted Financial Reserves	2024 Plan	2024 Forecast	2025 Projection
Minimum 3 months (25%) of Annual Operating Expenses =	\$257,069	\$239,233	
Maximum 6 months (50%) of Annual Operating Expenses =	\$514,139	\$478,467	
Actual/Forecasted Level of Financial Reserves:	\$506,855	\$621,498	\$553,798
Actual/Forecasted Level of Financial Reserves %:	49%	65%	53%

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 4(a)
Strategic and Regulatory Matters – Federal Department of Finance Proposed Amendment to the Criminal Code to Include Insurance Costs in the Calculation of Interest

Purpose of this Agenda Item—Update

To update the Board on the Federal Department of Finance’s proposed amendment to the Criminal Code to include insurance costs in the calculation of interest.

Background Information

CAFII Board of Director Valerie Gillis and CAFII Executive Director will update the Board on the Federal Department of Finance’s proposed amendment to the Criminal Code to include insurance costs in the calculation of interest. CAFII has reached out to the Department of Finance asking for a status update on this file, and offering to meet if that would be helpful, but as of November 25, 2024 no response has been received.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 4(b)

Strategic and Regulatory Matters – Next Steps on the October 8, 2024, Presentation by the AMF to CAFII

Purpose of this Agenda Item—Update

To update the Board on the next steps following the October 8, 2024, presentation by the AMF to CAFII.

Background Information

CAFII Executive Director Keith Martin on the next steps following the AMF's presentation to CAFII on October 8, 2024. Mario Beaudoin made a presentation at the Industry Issues Dialogue meeting at the October 8, 2024 Industry Issues Dialogue in Montreal, which was later reviewed by the Quebec Committee. There are concerns with how the AMF is interpreting certain statistics around denial of claims and return of premium to customers, and there will be exploration of CAFII making an industry-level submission on these matters to the AMF.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 4(c)

Strategic and Regulatory Matters – Update on Plans to Visit FCAC and the Federal Department of Finance in Ottawa

Purpose of this Agenda Item—Discussion

To update and discuss with the Board CAFII's plans to visit the FCAC and the Federal Department of Finance in Ottawa in 2025.

Background Information

CAFII Executive Director Keith Martin will update and discuss with the Board CAFII's plans to visit the FCAC and the Federal Department of Finance in Ottawa in 2025.

At past EOC meetings, it was previously agreed that CAFII should meet with the FCAC but only when it appoints a permanent commissioner. In November, the FCAC announced the selection of a new Commissioner, Shereen Miller. The EOC, therefore, suggested meeting with the regulator in Ottawa in the early new year, possibly February. The last CAFII meeting with FCAC was in March, 2020, days before the declaration of the global pandemic.

CAFII has made a detailed written submission to the Department of Finance on its proposed draft amendments on including interest premiums in the calculation of interest. On November 9, 2024 CAFII reached out to the Department to inquire about the status of the file, but to date we have received no response. It is apparent that there are gaps in the Department's understanding of credit protection insurance products and it may be advisable for CAFII, if it is in Ottawa to meet the FCAC, to also meet the Department of Finance and provide information about the products offered by CAFII members as well as share some of the results from commissioned CAFII research.

Recommendation / Direction Sought—Discussion

This is a discussion item.

Attachments Included with this Agenda Item

Two (2) attachments.



Government announces appointment of Commissioner of the Financial Consumer Agency of Canada

From: [Department of Finance Canada](#)

News release

October 15, 2024 - Ottawa, Ontario - Department of Finance Canada

Today, the Honourable Chrystia Freeland, Deputy Prime Minister and Minister of Finance, announced the appointment of Shereen Miller as Commissioner of the Financial Consumer Agency of Canada (FCAC) for a five-year term, beginning on November 7, 2024.

The FCAC Commissioner plays a leading role advocating for the rights and interests of Canadians when accessing financial products and services, as well as works to improve the financial well-being of Canadians.

Quotes

"I extend my thanks to Ms. Miller for stepping up to advance Canadians' rights and interests in their dealings with financial institutions across the country. Ms. Miller's extensive experience in government, ensuring responsible regulatory oversight and developing relationships with businesses, will serve Canadians well as she delivers on FCAC's mandate. I also wish to thank the outgoing interim Commissioner, Mr. Werner Liedtke, for his service over the past year."

- *The Honourable Chrystia Freeland, Deputy Prime Minister and Minister of Finance*

Quick facts

- The Financial Consumer Agency of Canada (FCAC) was established in 2001 to protect the rights and interests of consumers of federally regulated financial products and services, and strengthen Canadians' access to financial literacy tools.
- As a regulator, FCAC monitors and supervises the compliance of financial institutions, external complaints bodies, and payment card network operators with consumer protection measures set out in legislation, public commitments, and codes of conduct.
- FCAC's focus on protecting consumers complements the work of the Office of the Superintendent of Financial Institutions (OSFI). OSFI's mandate is to regulate and supervise banks, insurance companies, and

pension plans, by ensuring they maintain sound prudential standing, uphold robust governance and risk management practices, and meet or exceed their regulatory requirements.

Related products

- [Biographical Notes for Shereen Miller](#)

Associated links

- [Financial Consumer Agency of Canada](#)

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Date modified:

2024-10-15



Biographical Notes – Shereen Miller

From: Department of Finance Canada

Background

Ms. Shereen Miller is a human rights lawyer by training, with more than 20 years of experience in various executive roles with the Government of Canada.

Prior to her appointment as Commissioner of the Financial Consumer Agency of Canada, Ms. Miller served as Senior Assistant Deputy Minister of Service Innovation at Shared Services Canada.

From 2019 to 2023, she was Senior Assistant Deputy Minister of Next Generation Human Resources and Pay at Shared Services Canada. From 2017 to 2019, Ms. Miller was Immigration and Refugee Board of Canada's Deputy Chair of Refugee Protection; and, from 2013 to 2017, was Innovation, Science and Economic Development Canada's Assistant Deputy Minister of Small Business, Tourism and Market Place Services.

Ms. Miller has extensive expertise shaping strategic policy, conceptualizing, guiding and directing key programs, working with financial institutions and overseeing operations in both service delivery and regulatory bodies. She led the creation of the Build in Canada Innovation Program and the Innovative Solutions Canada Program.

Her extensive experience includes driving initiatives that empower businesses to grow by providing the capital and tools they need. During her time at Innovation, Science and Economic Development Canada (ISED), she implemented game-changing endeavors such as the Venture Capital Action Plan and the Accelerated Growth Service. She has also managed regulatory functions and was responsible for the Office of Consumer Affairs while at ISED.

In addition, Ms. Miller led the creation and launch of the Canadian Innovation Centre for Mental Health in the Workplace. Her leadership experience includes process and organizational change, digital transformation, executive team management, and strategic partnership building.

Ms. Miller holds a Bachelor of Arts from McGill University, a Master of Arts in Criminology from the University of Pennsylvania, and a Juris Doctor from Osgoode Hall Law School. She is a long-standing advocate for human rights, diversity, and inclusion.

Search for related information by keyword: [Economics and Industry](#). | [Department of Finance Canada](#) | [Canada](#) | [Money and finances](#) | [general public](#) | [backgrounders](#)

Date modified:

2024-10-15

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 4(d)

Strategic and Regulatory Matters – Update on the Research with Deloitte on Technology Trends and Artificial Intelligence

Purpose of this Agenda Item—Update

To update the Board on the research on technology trends and artificial intelligence (AI) with Deloitte.

Background Information

CAFII Executive Director Keith Martin will update the Board on the research on technology trends and artificial intelligence (AI) with Deloitte. A survey on CPI was sent to the Research, Media, Education, & Communication (RMEC) Committee on November 13/24, with a completion date of November 27/24. Once Deloitte has received all the completed surveys, there will be another touchpoint with the RMEC Committee around December 16/24.

Recommendation / Direction Sought—Update

This is an update item with the opportunity for approval.

Attachments Included with this Agenda Item

Two (2) attachments.

Exploring Emerging Technology & Gen AI Trends in CPI

Survey Questions Draft

Legend:

Blue = Survey coding instructions (for internal team use)

Context [Include on cover page]

The financial services and insurance industries are facing several headwinds and market shifts, largely driven by evolving customer expectations, availability of emerging technologies, and intensifying competition, both within and outside the industries. To craft CAFII's 2025 research report, Deloitte will bring their perspectives and insights on the most critical emerging technology and Gen AI trends and highlight key implications for the Canadian Credit Protection Insurance (CPI) industry. Through the research report developed by Deloitte, CAFII will be able to bring Deloitte's perspective and insights on emerging technologies and key implications for CPI to its members, Board, regulators, and the public as appropriate.

To supplement our research and interviews, you have been identified as a Credit Protection Insurance leader (Business and / or Technology) within your organization that can help complete the below benchmarking study. All responses will be anonymized.

Scope [Include on every page]

This survey is focused on the Credit Protection Insurance (CPI) product. Credit Protection Insurance, also known as Creditor's Insurance, Creditor's Group Insurance, or Credit Insurance, is used to pay out a mortgage or loan balance (up to the maximum specified in the certificate of insurance) or to make/postpone debt payments on the customer's behalf in the event of death, disability, job loss or critical illness. The focus of this survey and research is on mortgage credit protection.

Unless specified for a specific product (e.g., mortgages), we request your input on the overall CPI product offering.

1. General Questions

1.1. **Q1.** With respect to Credit Protection Insurance, do you consider your organization with respect to its business model to be a: [\[Single Choice\]](#)

- Underwriter
- Distributor
- Both

1.2. **Q2.** What is the relative size and scale of the Credit Protection Insurance portfolio at your organization? [\[Table, numbers only, allow input 0-100\]](#)

Dimension	Percentage [Numbers only]	Comments [Free form short text]
(%) CPI revenue as a percentage of total life & health insurance revenue		
(%) CPI revenue as a percentage of total organization revenue		

1.3. **Q3.** Within your organizational structure, where does Credit Protection Insurance sit: [\[Select single option\]](#)

- Its own distinct line of business
- As part of a broader Life & Health insurance business line
- As part of the Wealth Management business line
- As part of the Consumer Lending business line
- Other (please specify): _____ [\[Free-form, short text\]](#)

2. CPI Business & Digital KPIs

For this section, please provide responses with respect to mortgages

2.1. **Q4.** With respect to your Credit Protection Insurance product specific to **mortgages**, please complete the below table as it portrays to your operational metrics:

	Priority [Multiple choice: High, Med, Low, Not Tracked]
• (%) Revenue Growth (new sales)	
• (%) Penetration Rate	
• (%) STP for new business	
• (%) STP for claims	
• (#) Claims settlement time	
• (#) Products per customer	
• Other (Please Specify): _____ [Short-form text]	

2.2. **Q5.** With respect to your Credit Protection Insurance product specific to mortgages, how important are the below digital metrics:

Metric	Priority [Single Choice per Row: High, Medium, Low, Not Tracked]
• (%) sales from Digital channels (e.g., website, mobile app)	
• (%) servicing intents from digital platforms (e.g., website, mobile app)	
• (%) customers digitally active (i.e., customer adoption and engagement with digital platforms)	
• (%) Conversion rates (digital experience funnel)	
• (#) Transactions/ intents available digitally	
• Other (Please Specify): _____ [Short-form text]	

2.3. **Q6.** With respect to your Credit Protection Insurance product specific to **mortgages**, how important are the below customer experience metrics:

	Priority [Single Choice per Row: High, Medium, Low, Not Tracked]
• (#) NPS	
• (%) Retention	
• (%) Claim satisfaction	
• (%) Renewal rate	
• (%) Percentage of claims with complaints filed	
• (%) Percentage of complaints with a satisfactory response	
• Other (Please Specify): _____ [Short-form text]	

2.4. **Q7.** With respect to your Credit Protection Insurance product key metrics, if there are additional details on material variances on metrics / targets between product mix and/or channels that you would like to share, please include them below
[Optional, Free-form, long text]

3. Technology Maturity

In this section, we will explore the following emerging technologies: [\[Include as notes on every page in this section\]](#)

Technology	Definition
Advanced Data Analytics & AI	Techniques and tools to analyze data (i.e., customer, third party, operations, etc.) and extract insights, enabling predictive / smart functions and informed decisions across internal and external functions
Gen AI	Artificial intelligence systems that can create new content, such as text, images, or voice, based on the data they have been trained on leveraging existing or proprietary Large Language Models (LLM)
Cloud Computing	Delivery of computing services—including storage, processing power, and software—over the internet ("the cloud"), allowing organizations to access and store data and applications remotely
Cyber & Security	Technologies and practices designed to protect systems, networks, and data from cyber threats and unauthorized access, also including identity verification tools such as Multi-Factor Authentication
CRM / Client Management	Involves the use of tools and strategies to manage client interactions, improve service, and enhance retention, including distribution technology such as digital platforms that streamline the sale, management, and renewal of policies, and other related services.
Core Technology (modernization)	This involves updating and upgrading the foundational technologies and systems that support an organization's primary operations, including systems such as policy admin, claims, underwriting, etc.
Mobile and Digital Assets	Technologies and applications designed for digital and mobile devices, enabling self-serve intents as well as live or asynchronous engagement with agents (human or AI), or static content
Process Automation	Technologies that automate repetitive and routine tasks, reducing the need for human intervention, including Robotic Process Automation (RPA), workflow automation, rule-based triggers
Other	Other new or emerging technologies being implemented in your organization to drive towards organizational objectives (i.e., Improved experience, revenue, cost optimization)

3.1. Q8. How mature do you perceive your organization's CPI Business with respect to the below technologies? [\[Matrix / Likert; Single selection per row\]](#)

Definitions:

- **Lagging industry:** Have not adopted the technology, at foundational stages of exploring the technology internally, or are behind CPI industry capabilities expected by customers to be available by all
- **At par:** Have implemented the technology in one or more area of your CPI value chain
- **Slightly ahead:** Integration / delivery of the technology to a level that is matched only by select competitors
- **Market leading:** Specific unique strength or differentiated competitive advantage is achieved / enabled through the technology

Maturity compared to the industry	Lagging industry	At par	Slightly Ahead	Market Leading
Advanced Data Analytics & AI				
Generative AI				
Cloud computing				
Cyber and security				
CRM / client management				
Core technology (modernization)				
Mobile and digital assets				
Process automation				

3.2. Q9. Over the next 3-5 years, what is the desired level of maturity your organization envisions for the following technologies? [\[Matrix / Likert; Single selection per row\]](#)

	Not a Priority Area	At Par	Slightly Ahead	Market Leading
Advanced Data Analytics & AI				
Generative AI				
Cloud computing				
Cyber and security				
CRM / client management				
Core technology (modernization)				
Mobile and digital assets				
Process automation				

3.3. **Q10.** What key barriers does your organization face, to achieve the desired level of technology maturity? Please rank the top 5. [\[Force rank, top 5\]](#)

- Lack of access to internal talent and expertise
- Legacy technology limitations
- Unknown / limited ROI
- Level of funding / investment required
- Lack of leadership support
- Organizational resistance to change
- Growth focused on short-term gains
- Lack of understanding around emerging technologies
- Integrations and shared ownership of the customer and employee experiences (underwriter / distributor)
- Evolving regulatory environment
- Lack of demand by target customers
- Unfavorable macro-economic conditions
- Inability to match competitor value
- Other, please define:

3.4. **Q11.** If there is any additional context or notes, you wish to provide regarding the current and future state of your organization, including any key barriers your organization is facing, as it relates to the technologies assessed. [\[Free Form – Optional\]](#)

	Notes / Context
Advanced Data Analytics & AI	
Gen AI	
Cloud computing	
Cyber and security	
CRM / client management	
Core technology (modernization)	
Mobile and digital assets	
Process automation	

- 3.1. **Q12.** Across the CPI value chain which emerging technology do you believe will have the greatest impact in your organization? Please enter 1 to 3 technologies for each step of the value chain – you may state N/A if none apply [\[Free Form\]](#)

Value Chain Activity	Emerging Technologies (Free Form) or N/A
Discovery / Lead Generation	
Customer Disclosure	
Product Development & Pricing	
Onboarding & Policy Admin	
Quote and Application	
Underwriting	
Claims	
Servicing	
Renewals	

- 3.2. **Q13.** In the next 5 to 7 years, how transformational do you anticipate these emerging technologies will be on the CPI industry? [\[Likert\]](#)

Definitions:

- *Incremental change from current state (i.e., slight improvements to operational efficiencies, but business model / products remain largely consistent)*
- *Significant change from current state (i.e., changes to how the business will operate, engage with clients etc.)*
- *Fundamental change from current state (i.e., changes to business operations, business model, client interaction model etc.)*

	No Change	Incremental Change	Significant Change	Fundamental Change
Advanced Data Analytics & AI				
Gen AI				
Cloud computing				
Cyber and security				
CRM / client management				
Core technology (modernization)				
Mobile and digital assets				
Process automation				
Other				

4. Technology Investment

In this section, we will explore the following emerging technologies: [\[Include as notes on every page in this section\]](#)

Technology	Definition
Advanced Data Analytics & AI	Techniques and tools to analyze data (i.e., customer, third party, operations, etc.) and extract insights, enabling predictive / smart functions and informed decisions across internal and external functions
Gen AI	Artificial intelligence systems that can create new content, such as text, images, or voice, based on the data they have been trained on leveraging existing or proprietary Large Language Models (LLM)
Cloud Computing	Delivery of computing services—including storage, processing power, and software—over the internet ("the cloud"), allowing organizations to access and store data and applications remotely
Cyber & Security	Technologies and practices designed to protect systems, networks, and data from cyber threats and unauthorized access, also including identity verification tools such as Multi-Factor Authentication
CRM / Client Management	Involves the use of tools and strategies to manage client interactions, improve service, and enhance retention, including distribution technology such as digital platforms that streamline the sale, management, and renewal of policies, and other related services.
Core Technology (modernization)	This involves updating and upgrading the foundational technologies and systems that support an organization's primary operations, including systems such as policy admin, claims, underwriting, etc.
Mobile and Digital Assets	Technologies and applications designed for digital and mobile devices, enabling self-serve intents as well as live or asynchronous engagement with agents (human or AI), or static content
Process Automation	Technologies that automate repetitive and routine tasks, reducing the need for human intervention, including Robotic Process Automation (RPA), workflow automation, rule-based triggers

4.1. **Q14.** Where are you currently focusing technology investments across your Credit Protection Insurance value chain – please allocate % to total 100 across each area [\[Table, numbers only, allow input 0-100, columns must total to 100\]](#)

Value Chain Activity	Current Estimated Focus (%)	Anticipated Allocation (next 1-2 years) (%)
Discovery / Lead Generation		
Customer Disclosure		
Product Development & Pricing		
Onboarding & Policy Admin		
Quote and Application		
Underwriting		
Claims		
Servicing		
Renewals		

4.2. **Q15.** Where are you currently focusing technology investments across emerging technologies below – please allocate % to total 100 across each area [\[Matrix table; Numerical values; each column add up to 100\]](#)

Technologies	Current Estimated Focus (%)	Anticipated Allocation (next 1-2 years) (%)
Advanced Data Analytics & AI		
Gen AI		
Cloud computing		
Cyber and security		
CRM / client management		
Core technology modernization (policy admin, billing, claims)		
Mobile and digital assets		
Process automation		
Other [please specify]		

4.3. **Q16.** Please rank the below business and technology objectives with respect to their priority in influencing your investment decisions related to emerging technologies (refer to emerging technologies as previously defined) – please rank all applicable criteria: [\[Force rank top 5\]](#)

- Enhancing Customer Experience
- Improving Customer Access /Disclosure and/or Decision-making Tools
- Improving Margins & Overall Profitability
- Revenue Growth
- Expense Savings
- Operational Efficiency
- Product Innovation
- Front-line Employee Experience (e.g., Sales)
- Cyber Protection
- Legacy / Platform Modernization
- Reduction of technology risk
- Increased Offering Flexibility
- Back-Office & Support Employee Experience (e.g., UW, Contact Center, Claims)
- Other (Please Specify)

4.4. **Q17.** What are the top 5 challenges with technology investment execution / delivery? [\[Force rank top 5\]](#)

- Access to qualified and trained internal technology resources
- Access to qualified and trained internal business resources
- Dependencies with other major investment programs
- Change management, including adoption
- User testing and quality
- Misalignment on outcomes/targets
- Program governance or project management
- Legacy systems and inflexible architecture and foundations
- Evolving regulatory environment
- Data readiness and data impact upskilling

4.5. **Q18.** What is your organization's preferred approach to accessing emerging technology? Please rank by highest to lowest preference. [\[Forced rank all\]](#)

- Build and develop in-house
- Buy
- Partner

4.6. **Q19.** Please rank the following decision criteria / factors when determining Build, Buy, Partner, by highest to lowest importance. [\[Force rank all\]](#)

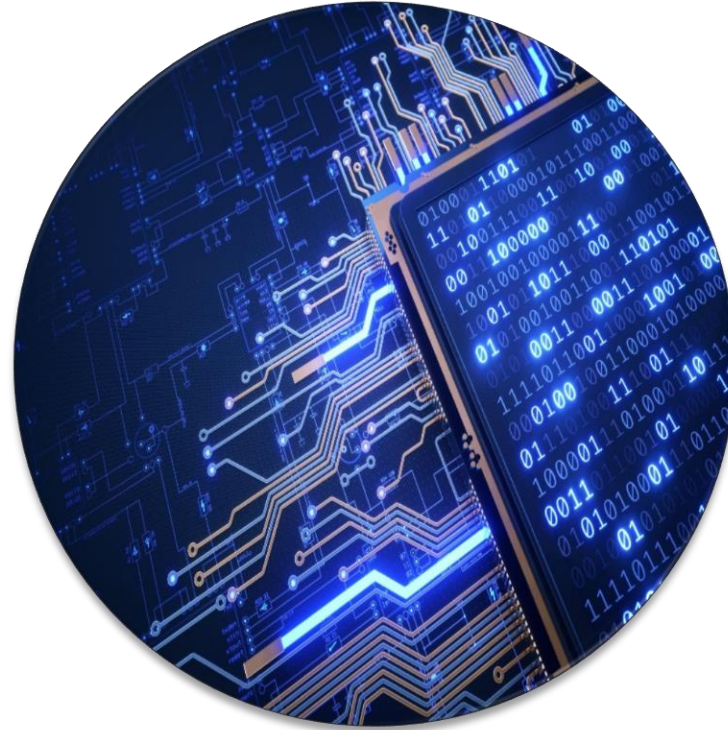
- Development pace and time to market
- Lower internal resource requirements
- Technology expertise / capabilities
- Ability to customize offering
- Lower cost to operate and scale offering
- Ability to maintain proprietary ownership

4.7. **Q20.** In regards to your response on the previous questions (Build, Buy, Partner preference), please comment on why you have chosen this ranking. [\[Free form, long text\]](#)

5. Final Thoughts

- 5.1. Thank you for completing the survey, if there are any additional comments you want to provide that would help contextualize your responses and clarify both the current and future CPI technology landscape of your organization, (i.e., cloud vs on prem architecture, roadmap priorities, etc.) please include it here: [\[Free Form\]](#)
- 5.2. If you have a file you would like to provide as further background for your responses, please upload it here. [\[File Upload\]](#)

END OF SURVEY



Exploring Emerging Technology & Gen AI Trends in CPI

Research, Media, Education & Communication Committee Check In

November 8th 2024

Today's Objectives

To update the Research, Media, Education & Communication Committee (RMEC) on the Deloitte – CAFII CPI research engagement we will cover the below topics;

- 1. Context and background review**
- 2. Progress to date and next steps**
- 3. Initial insights from member interviews**
- 4. Member survey plan**
- 5. Open questions**



Engagement Background & Objectives

CAFII engaged Deloitte to provide a perspective on emerging technology and Gen AI trends and the implications to the Credit Protection Insurance industry and customer experience, leveraging industry experts and supplementary research



Background

- The **financial services and insurance industries** are facing several headwinds and market shifts, largely driven by **evolving customer expectations, availability of emerging technologies**, and **intensifying competition**, both within and outside the industries
- To craft **CAFII's 2024 research report**, Deloitte will bring their **perspectives and insights** on the **most critical emerging technology and Gen AI trends** and highlight **key implications for the Canadian Credit Protection Insurance (CPI) industry**
- Through the **research report developed by Deloitte**, CAFII will be able to bring **Deloitte's perspective and insights on emerging technologies and key implications for CPI** to its members, Board, regulators, and the public as appropriate



Objectives

- 1 **Highlight** how **emerging technologies and Gen AI are changing the CPI landscape**
- 2 **Gather** perspectives **on impacts from emerging technology and Gen AI trends in CPI** from subject matter experts
- 3 **Highlight priorities** and identify **strategic investment opportunities** for CPI insurers and distributors in light of industry trends
- 4 **Consolidate** key insights and findings into a **comprehensive research report** and summarize into **presentation materials and summary output**

To achieve these objectives, we will be **working directly with CAFII members**, engaging them in both a **survey and deep dive interviews**
The focus of this document is on the Deep Dive Interviews with CAFII Members



Status Report – Week of Oct 28th

OVERALL STATUS:

MEDIUM DELAY

KEY ACTIVITIES COMPLETED

- ✓ Consolidated initial interview themes – Scotia and BMO outstanding
- ✓ Initiated external research to gather perspectives on emerging technologies impact on CPI, and customer preferences

KEY ACTIVITIES IN-FLIGHT

- Continue to complete interviews, consolidating insights and themes:
 - 11 interviews completed, 2 outstanding (BMO, Scotia)
 - 2 organizations will not be engaged (Chubb, CT Financial)
- Finalize quantitative Survey – Nov 5th
- Continue secondary research

UPCOMING ACTIVITIES

- Complete interview synthesis when final
- Share out survey finalized with members
- Finalize research and synthesize with survey and interview outputs
- Draft preliminary report

MILESTONES (M) / DELIVERABLES (D)

	Timing	Status
1 Kick-Off (M)	Prep	C
2 Stakeholder Interviews (M)	Week 1-5	M
3 Conduct Quantitative Survey (M)	Week 3-5	M
4 Conduct Supplementary External Research (M)	Week 3-5	OT
5 Touchpoint #1: Share preliminary findings (M)	Week 8	OT
6 Preliminary Research Report (M)	Week 10	M
7 Touchpoint #2: Review & Refine with CAFII RMEC	Week 13	-
8 Comprehensive Research Report (D)	January	-
9 Summary Document (D)	January	-
10 Presentation-friendly Board Materials (D)	January	-
11 Virtual Presentations (D)	TBC	-

OUTSTANDING ITEMS / ISSUES / RISKS

#	Description	Owner	Current Status	Due Date	Status
3	Finalize Survey	Deloitte/ CAFII	In progress	Nov. 5th	M

Update on the Interview Process

Deloitte has conducted the majority of interviews with CAFII members covering both underwriters and distributors of CPI, with a focus on interviewing CPI business and technology leads

CAFII Member Organizations to be Interviewed

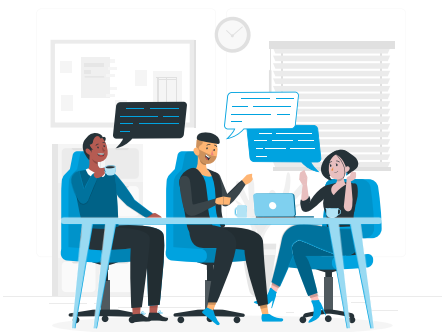


Interview Context and Scope

13/15
organization
interviewed

>25
Interviewees both on the
business and technology side

1. Chubb, and CT Financial declined to participate in interviews
2. Draft key themes are highlighted on the subsequent slide
3. Insights will be supplemented with both Deloitte research and the upcoming member benchmarking survey



Preliminary CAFII Member Engagement Themes

Based on interviews conducted with both CPI distributors and underwriters, the below key themes have emerged which will be synthesized with the upcoming survey results and Deloitte research to shape the report



Strategic Priorities

- A – Retention:** Proactively identifying opportunities to improve value to existing customers, prevent cancelations & changes
- B - Digital Discovery:** Introducing new digital experiences (i.e., education, resources, etc.) to help consumers better understand the value of CPI and the coverages available to facilitate lead generation
- C – Improve Penetration:** Creating engaging experiences and offerings that are aligned to emerging lending distribution and drive increased penetration across target segments
- D – Simplify & Streamline Operations:** Driving additional value both internally and for customers through operational enhancements



Technology Priorities

- E – Value Through Analytics:** Generating value from the data that is available across the entire value chain with a focus on client insights
- F – Scalability & Flexibility:** Powering modern front-end experiences with cost efficient operations through workflow automation
- G – Digital Engagement Channels:** Introducing self-serve functionality for customers and digital tools for advisors to easily address clients' questions
- H – Simplified Integrations:** Enabling partners and modern experiences by simplifying connectivity and data sharing through APIs where possible



Emerging Opportunities

- I – Product Innovation:** Evolving CPI products to meet the needs / expectations of today's customers and the realities of a digital first financial service ecosystem
- J – AI-Enabled Tools:** Equipping employees, both frontline and back-office, with intelligent tools to support agent training, education (e.g., agent assist, chatbot, etc.)
- K – Personalized Engagement:** Leveraging AI to personalize experiences along the lending & CPI journey to inform next best action & recommendations
- L – Automated UW & Claims:** Automatic UW at time of application and real-time adjudication and triage of claims minimizing turnaround times & costs

Key
Challenges

Regulatory Limitations <i>Many feel regulatory bodies haven't kept pace with emerging technology, stifling innovation</i>	Legacy Platforms <i>Still operating on mainframe Banking systems that are expensive to change and difficult to modernize</i>	Reliance On Lending Model <i>CPI remains a secondary product, with a high dependency on the use of digital, technology & AI in lending</i>	Funding & Resources Availability <i>Competitive environment internally for limited funding and resources to deliver emerging technology</i>
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Next Steps on the Survey

To build on the interviews and Deloitte research, we will be conducting a survey with participating CAFII members with the objective of obtaining quantifiable benchmark data

Target Audience



- We will engage the respective CAFII member appointed point of contacts to coordinate the completion of the survey
- Although each member will complete a single response, the survey can be completed by multiple individuals
- To Confirm: Should organizations that have not participated in the interview be included in the survey?



Survey



Focus Areas (Quantitative):

- **Priority Business Outcomes Driving Investment** (e.g., growth, customer penetration, profitability)
- **Operational Metrics & Targets** (e.g., % STP for new business)
- **Digital KPIs Monitored** (e.g., % of sales from digital, % of digitally active)
- **Customer Experience** (e.g., NPS, client retention)
- **Technology Investment** (e.g., budget allocation to various Technology domains current and future, approach for funding new initiatives)

Additional Details / Next Steps

1. The survey is targeted to be sent out on October November 11th and we will provide a 2-week time frame to member for its completion
2. We estimate approximately 2 weeks upon receipt of responses to consolidate and synthesize takeaways
3. The survey includes approximately 20 questions and is evaluated to take about 30 minutes to complete – assuming information is readily available
4. Anonymized survey takeaways / outputs will be shared with participating members
5. Members will have the opportunity to engage the Deloitte team to help complete the survey an address any concerns, questions, and clarifications



Any Questions?

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Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 4(e)

Strategic and Regulatory Matters – Update on Expansion of Quarterly RSM Canada Benchmarking Study to Include HELOC Penetration Rates

Purpose of this Agenda Item—Update

To update the Board on the expansion of the quarterly RSM Canada benchmarking study to include HELOC penetration rates.

Background Information

CAFII Executive Director Keith Martin will update the Board on the expansion of the quarterly RSM Canada benchmarking study to include HELOC penetration rates. RSM Canada has received the authority to move forward with this expansion. They will contact each of CAFII's member companies to collect data and understand exactly what HELOC data each member has available. The current objective is to produce a draft study by Q1 of the 2025 bank fiscal year (February 1/25).

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 4(f)

Strategic and Regulatory Matters – Update on Hiring New Senior Manager, Operations

Purpose of this Agenda Item—Update

To update the Board on the hiring of a new Senior Manager, Operations.

Background Information

CAFII Executive Director Keith Martin will update the Board on the hiring of a new Senior Manager of operations.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 5(a) Governance – EOC-Endorsed Policy Around Who Can Join CAFII Committees

Purpose of this Agenda Item—Approval

To update the Board on the EOC-endorsed policy around who can join CAFII Committees and request approval of the policy.

Background Information

CAFII EOC Chair Karyn Kasperski will update the Board on the EOC-endorsed policy around who can join CAFII Committees and request approval.

At the April 2024 Board meeting, a request was made to document governance policies around who can join the EOC, committees, working groups, and sub-committees, and an approach outlining principles associated with membership was drafted. At the October EOC Meeting, this approach was endorsed for Board approval. The most important component of the Policy stipulates that a person must be an employee of a CAFII member to join a CAFII Committee or Working Group.

Recommendation / Direction Sought—Approval

This is an approval item.

Attachments Included with this Agenda Item

One (1) attachment.

CAFII – Policy with respect to EOC membership eligibility

Purpose – As the number of individuals who wish to join CAFII’s EOC or sub-committee grows, there is an emerging need around governance to ensure that member companies are represented by eligible individuals who can adequately represent their member companies views on industry issues CAFII is engaged in.

Principle #1 – Any individual actively employed by an Member, may participate as an Executive Operations Committee (EOC) member (or any sub-committee or working group)

- Actively employed – a full time or contract employment arrangement with the Member’s organization

Principle #2 - Approval from the sitting Board Member from the Member company for the participation of the proposed individual in the EOC, sub-committee or working group

- Approval allows the proposed individual to speak on behalf of the Member in matters of discussion before the EOC, sub-committee or working group and their position will be reflective of the Member’s position in industry matters
- The sitting Board Member from the Member company is responsible for notifying the Executive Director of the individual’s role in terms of participation (example – EOC, sub-committee or working group or combination of any of these)
 - Based on the best interests of CAFII, the Executive Director will have the authority to decline the individual’s participation on discussion with the Board Member.

Principle #3 – The individual’s status changes from actively employed either through retirement, voluntary or involuntary job loss.

- Should the individual’s employment status change from that outlined in Principle #1, the individual is no longer eligible for membership within CAFII’s EOC, sub-committee or working group.
- The sitting Board Member from the Member company is responsible for notifying the Executive Director and/or EOC Chair and identifying a replacement should they wish.
 - Based on the best interests of CAFII, the Executive Director will have the authority to decline the replacement’s participation on discussion with the Board Member
- If the sitting Board Member chooses to keep the individual sitting within EOC, sub-committee or working group, they have the ability to do so by providing to the Executive Director that the individual has in place as a minimum standard a contract employment arrangement with the Member and with the full knowledge Principle #2 applies to that proposed individual. The individual’s participation in the EOC, sub- committee or working group may be ended at any time at the sitting Board Member’s discretion and notification to the Executive Director.

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 5(b) Governance – Summary Results of the DEI Survey with CAFII Members

Purpose of this Agenda Item—Update

To update the Board on the summary results from the DEI survey to CAFII members.

Background Information

CAFII Research Analyst Robyn Jennings will update the Board on summary results from the DEI survey of CAFII member companies, which was circulated over the Summer and aggregated into a summary report in the Fall.

The findings indicate that CAFII’s members have robust, dynamic DEI strategies in place, many of which include ESG work.

Recommendation / Direction Sought—Update

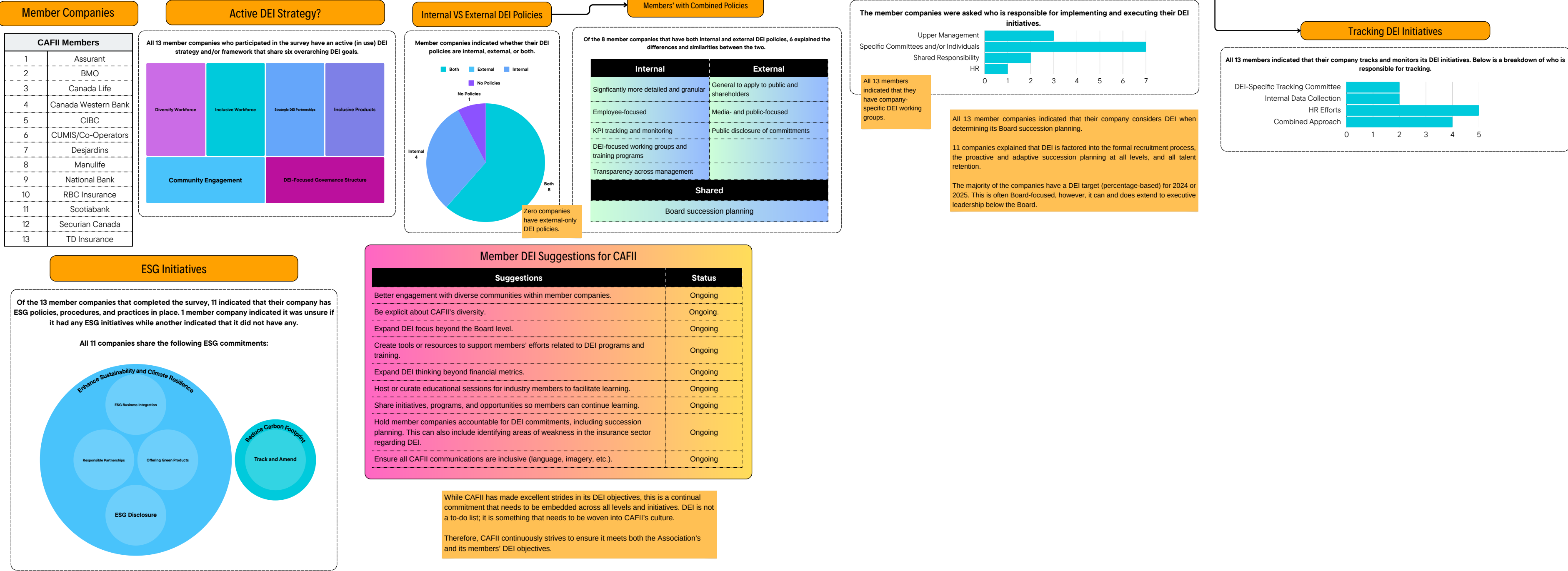
This is an update item.

Attachments Included with this Agenda Item

Two (2) attachments.

CAFII Member DEI Engagement

DEI Policies, Procedures, Activities, and Initiatives



ESG Initiatives

Of the 13 member companies that completed the survey, 11 indicated that their company has ESG policies, procedures, and practices in place. 1 member company indicated it was unsure if it had any ESG initiatives while another indicated that it did not have any.

All 11 companies share the following ESG commitments:

Member DEI Suggestions for CAFII

Suggestions	Status
Better engagement with diverse communities within member companies.	Ongoing
Be explicit about CAFII's diversity.	Ongoing.
Expand DEI focus beyond the Board level.	Ongoing
Create tools or resources to support members' efforts related to DEI programs and training.	Ongoing
Expand DEI thinking beyond financial metrics.	Ongoing
Host or curate educational sessions for industry members to facilitate learning.	Ongoing
Share initiatives, programs, and opportunities so members can continue learning.	Ongoing
Hold member companies accountable for DEI commitments, including succession planning. This can also include identifying areas of weakness in the insurance sector regarding DEI.	Ongoing
Ensure all CAFII communications are inclusive (language, imagery, etc.).	Ongoing

While CAFII has made excellent strides in its DEI objectives, this is a continual commitment that needs to be embedded across all levels and initiatives. DEI is not a to-do list; it is something that needs to be woven into CAFII's culture.

Therefore, CAFII continuously strives to ensure it meets both the Association's and its members' DEI objectives.

**CAFII Member Company Questionnaire Results On
Diversity, Equity, and Inclusion (DEI) Policies and Procedures
Within Member Companies**

CAFII is surveying its member companies to determine the scope of their approaches to Diversity, Equity, and Inclusion (DEI) initiatives, including policies, procedures, frameworks, and succession planning. We would like to share the results from individual members more generally, so please let us know if you are uncomfortable with sharing your input.

In 2023, the CAFII Board of Directors requested the creation of a DEI working group, which now has more than 13 members as of 2024. Like the working group itself, this questionnaire's goal is to better understand and draw from CAFII members' existing DEI practices and policies. This way, both CAFII and its member companies can continue strengthening and growing their DEI initiatives.

If you are not comfortable answering a question on behalf of your organization at any point, please feel free to leave it blank.

1. Member Companies' and Respondents' Details

Company Names:

Assurant,
BMO,
Canada Life,
Canada Western Bank,
CIBC,
CUMIS/Co-Operators,
Desjardins Group
Manulife,
National Bank Insurance,
RBC Insurance,
Scotiabank,
Securian Canada.
TD Insurance.

Company Representatives' Names and Job Titles:

Jennifer Russell (Assurant) - AVP Client Services, Implementation and Business Process Optimization

Andrea Berger (BMO) - Senior Advisor, Change Management

Kody Kilbourne (Canada Life) - Senior Compliance Assessment Consultant

Uppi Doshi (Canada Western Bank) - Senior Manager Inclusion and Diversity

Sania Abdul Malak (CIBC) - Group Product Manager

Michelle Costello (CUMIS/Co-Operators)- Business Compliance Manager, Creditor

Dominique Lavoie (Desjardins Group), Senior Advisor, Direct Sales Product Development and Pricing

Basilici (Bessie) Paliouras (Manulife) - Compliance Consultant, Individual Insurance and Affinity, Canada

Ivan Murray (National Bank Insurance) - Chief Compliance and Risk Officer, NB Insurance

Connie Chung (RBC Insurance) – Head, Global Diversity & Inclusion, Wealth Management & Insurance

Stephanie Kotani (Scotiabank) - Director Strategic Initiatives, Insurance Canada

Elizabeth Charles (Securian Canada) – AVP Diversity Equity & Inclusion

Andrea Stuska (TD Insurance) - Senior Manager, Environment, Government & Industry Relations

Company Representatives' Connection to DEI:

In terms of the member companies' representatives' connection to DEI, three categories stood out.

Out of the thirteen companies that completed the survey, five representatives indicated they are members of the CAFII DEI Working Group. Outside of CAFII, eight representatives indicated that they are a part of their company's DEI working group(s) and/or committee(s). Of those who answered, only one representative indicated that their connection to DEI was a personal one (identity).

It's important to note that there's potential for overlap between these categories. For instance, an individual on the CAFII DEI working group could also be a part of their member company's DEI working group or committee. This complexity adds depth to our understanding of the representatives' engagements.

2. DEI Questions

- a. Does your company/organization have an active (in use) DEI strategy and/or framework? This can include policies, procedures, practices, etc. Please provide a detailed response. Please share any relevant documents with us.

Out of the thirteen member companies that submitted responses, all thirteen indicated that they have an active (in use) DEI strategy and/or framework. In fact, all seemed to have six overarching shared goals:

- Create a DEI-focused governance structure. This will align all DEI efforts across the organization to promote and maintain DEI at the member, client, and senior management levels.
- Build a diverse workforce. This means diversity at all levels of the organization, including upper management.
- Create an inclusive workplace and company culture. This means caring about employees' mental and physical well-being and extends to creating spaces in which employees can be their authentic selves. DEI must, therefore, be embedded in everything the member company does.
- Engage communities. This means participating in and supporting the communities in which member companies and their employees live and work. Support can take the form of fundraising or educational initiatives.
- Foster strategic partnerships to align with DEI commitments. This means prioritizing working with companies that invest in DEI and ESG initiatives to influence systemic change through partnerships.
- Offer inclusive products and services. This means fully supporting customers regardless of circumstance. It is crucial to offer inclusive products and services, including resources and tools, that consider the diversity of communities and customers.

- b. Do you have DEI policies that govern the work of your company's employees' involvement with industry associations? Please provide a detailed response. Please share any relevant documents with us.

Out of thirteen member companies that completed the survey, seven indicated that, yes, their member company does have DEI policies in place that govern the work of employees' involvement across industry associations. Only four member companies indicated no; they do not have any formal DEI policies in place that govern the work of the company's employees' involvement with industry associations.

Several of the companies that replied yes made it clear that the DEI policies governing employees were not reserved for their involvement with industry associations but, in fact, acted as a general code of conduct (based on DEI principles) expected across all interactions, industry and otherwise.

- c. Does your company have internal or external DEI policies?

Below is the tally of the member companies' responses. Four member companies indicated they have internal-only DEI policies, eight indicated they have both internal and external policies, and zero indicated they had external-only policies. One company indicated that they do not have any DEI policies in place; however, their internal and external practices align with their DEI strategic plan.

- ☐ INTERNAL - 4
- ☐ EXTERNAL - 0
- ☐ BOTH - 8
- ☐ NO POLICIES - 1

- If *BOTH*, how do these policies differ?

Six of the eight-member companies that indicated they have both internal and external DEI policies in place explained the differences between the two.

In general, internal DEI policies are more detailed to guide employees and management, while external policies are written more generally to apply to customers and shareholders. External policies involve general communication with the media and public (i.e., disclosure of DEI commitments and their impacts), while internal policies involve training programs, committees and working groups, KPI progress tracking, and policies and amendments. Overall, internal DEI policies are significantly more granular. For many member companies, however, there is a crossover between internal and external DEI policies, which is Board succession planning. This seemingly internal aspect has external implications, as this information is publicly available, which also demonstrates a company's commitment to transparency and DEI.

Two companies indicated that their internal and external DEI policies are the same because the expectations they have of themselves apply to their shareholders, partners, and the public, and vice versa.

- d. Who is responsible for implementing and executing of your company's DEI initiatives?

Regarding the implementation and execution of member companies' DEI initiatives, it became evident that all answers could be generalized and separated into four categories.

- Upper management is responsible; however, this then trickles down to each individual employee for implementation: 3
- Specific committees, working groups, and/or individual(s), possibly including upper management, are responsible for all DEI implementation: 7
- There is a general shared responsibility for DEI implementation: 2
- HR is responsible: 1

Each member company expressed that, generally, all employees, particularly those with leadership roles, are responsible for implementing and maintaining DEI initiatives.

- e. Does your company monitor and track its DEI initiatives?

Of the 13 member companies that completed the survey, all 13 indicated that their company tracks and monitors its DEI initiatives.

- ☐ YES - 13
- ☐ NO - 0
- ☐ UNSURE - 0

- If YES, please elaborate on how your company tracks DEI initiatives and what it does with this data.

Regarding the tracking and monitoring of DEI initiatives, it became evident that all answers could be generalized and separated into four categories:

- Through a DEI-specific tracking team/committee/working group: 2
- Internal data collection based on representation goals: 2
- HR efforts such as internal surveys: 5
- A combined approach involving DEI-specific team(s), data collection, DEI training completion, employee questionnaires, and accountability goals based on representation stats: 4

f. Does your organization have its own DEI Working Group (or groups)?

Of the 13 member companies that completed the survey, all 13 indicated that they had their own company-specific DEI working groups.

- ☐ YES - 13
- ☐ NO - 0
- ☐ UNSURE - 0

- If YES, how active is this group/s?

Twelve out of thirteen of CAFII member companies indicated that they have more than one DEI-focused working group and that all groups are active. In fact, many of the DEI Working Groups are involved through the regular promotion, education, and/or engagement on DEI topics and initiatives on a weekly, monthly, and quarterly basis (timing varies per company).

One member company indicated that they have one strategic, cross-functional leadership team.

- g. What initiatives do you and/or your organization participate in, if any? This can include both internal and external initiatives.

In response to the question, twelve of the member companies defined their participation in DEI initiatives as:

- Largely, if not entirely, external initiatives (charitable programs and organizations): 2
- Largely, if not entirely, internal initiatives: 2
- A combination of both external (charitable programs and organizations) and internal initiatives (company-created working groups, committees, councils, and programs): 8

One company did not disclose the initiatives, internal or external, that it participates in.

One company indicated that it participates in all major DEI days of significance, such as International Women's Day and Black History Month, and encourages its employees to volunteer in their communities as part of its initiative participation.

Many of the external and internal initiatives mentioned are focused on educational and leadership programs, alliance or allyship groups, celebration of identities, and sponsorship programs. For the most part, and in no particular order, the top categories for DEI initiatives seem to be:

- Women,
- Members of the Black community,
- Visible minority groups,
- Indigenous peoples,
- Persons with disabilities,
- 2SLGBTQIA+ people,
- Low- to moderate-income communities,
- Youth.

Member companies demonstrate a significant financial commitment to DEI initiatives, with fundraising playing a key role. Almost every company disclosed the funds it raised for specific charities in 2023, underscoring their dedication to economic prosperity and support of Canadian communities as integral parts of their DEI work.

Almost every member company publishes a sustainability report annually summarizing their DEI work, including fundraising.

- h. To your knowledge, does your company consider DEI when determining its succession planning?

Of the 13 member companies that completed the survey, all 13 indicated that their company does consider DEI when determining its succession planning.

- ☐ YES - 13
- ☐ NO - 0
- ☐ UNSURE - 0

- Please elaborate on your above answer for clarity. Succession planning can include board succession, leadership roles, etc.

When asked to elaborate, twelve companies explained that DEI is factored into the formal recruitment process, proactive and adaptive succession planning at all levels, and talent retention. Two companies indicated their DEI effort for succession planning is gender-focused. Only one member company did not elaborate.

Of those companies that did provide detailed answers, several representatives emphasized that their company employs a robust DEI review system for succession planning. This is achieved through proactive talent management and rigorous internal assessments across all levels of the organization, demonstrating our unwavering commitment to diversity.

Many, if not all, of the companies have a DEI target (percentage-based) for 2024 or 2025. This is often Board-focused; however, it can and does extend to executive leadership below the Board.

- i. To your knowledge, does your company have ESG policies, procedures, and practices in place?

Of the 13 member companies that completed the survey, 11 indicated that their company has ESG policies, procedures, and practices in place, 1 indicated that it does not, and 1 indicated that it was unsure.

- ☐ YES - 11
- ☐ NO - 1
- ☐ UNSURE - 1

- If YES, please explain your company's ESG strategy, policies, procedures, and/or practices.

Eleven out of thirteen member companies indicated they employ an ESG framework focused on improving the global climate. Many have some kind of climate risk policy or strategy in place. Two areas of focus that appeared often were:

- Reducing the company's carbon footprint, and
- Enhancing sustainability and climate resilience (offering green products, engaging in responsible partnerships, adhering to and disclosing climate action commitments). This also involves climate action through the integration of environmental commitments into *all* business decisions.

Almost every company produces a sustainability report that is published annually. The report summarizes the company's commitment to and successful adherence to DEI and ESG policies.

- If YES, does your company's DEI policies and procedures intersect with its ESG strategy, policies, and procedures?

Of the thirteen member companies that completed the survey, eleven stated that their company's DEI policies and procedures intersect with its ESG strategy, policies, and procedures, while one stated that their DEI and ESG priorities are consistent. Only one company did not provide an answer.

- j. How do you think CAFII can best further DEI in the industry? Are there things you believe CAFII can and should be doing regarding DEI and industry? Please answer below.

While CAFII has made excellent strides in its DEI objectives, this is a continual commitment that needs to be embedded across all levels and initiatives. DEI is not a to-do list; it is something that needs to be woven into CAFII's culture. Therefore, CAFII continuously strives to ensure it meets both the Association's and its members' DEI objectives.

The following is a summary of the suggestions received on how CAFII can further DEI internally and at the industry level:

- Better engagement with diverse communities within member companies.
- Be explicit about the diversity within CAFII.
- Create tools or resources to support members' efforts related to DEI programs and training.
- Ensure all CAFII communications are inclusive (language, imagery, etc.).
- Expand DEI focus beyond the Board level.
- Expand DEI thinking beyond financial metrics.
- Hold member companies accountable for DEI commitments, including succession planning. This can also include identifying areas of weakness in the insurance sector regarding DEI.
- Host or curate educational sessions for industry members to facilitate learning.
- Share initiatives, programs, and opportunities so members can continue learning.

Briefing Note

CAFIL BOD Meeting December 03, 2024—Agenda Item 5(c)

Governance – EOC-Endorsed Proposal to Wind-Down the DEI Working Group Now that it Has Achieved its Objectives

Purpose of this Agenda Item—Approval

To request approval from the Board on the EOC-endorsed proposal to wind down the DEI Working Group now that it has achieved its objectives.

Background Information

Chair of the DEI Working Group, Tejal Harri-Morar, and CAFIL’s Executive Director Keith Martin will inform the Board of the EOC-endorsed proposal to wind down the DEI Working Group since it has largely achieved its objectives. They will then request approval from the Board of a motion to approve this recommendation.

Recommendation / Direction Sought—Approval

This is an approval item.

Attachments Included with this Agenda Item

One (1) attachment.

Recommendation to the Board

From the outset of this working group, we take this opportunity in expressing our gratitude to all members who volunteered their time, expertise and views that contributed to this working group achieving the success it did.

The purpose of the CAFII DEI working group was to further the goal of seeing greater diversity at the CAFII board level and to determine whether CAFII should propose best practices for members whether that be in the form of a policy, guideline, practice or some other format.

Th working group made significant strides, directly and indirectly on furthering the representation on the CAFII Board.

It subsequently then embarked on gathering information from all members to determine what member companies currently had in place to assist the working group on understanding what type of policy, guideline or best practice was required for member companies.

From the survey conducted, CAFII discovered the following:

- 1. Member companies already have robust DEI programmes and initiatives in place which includes shared goals that underpin what CAFII was looking for to further DEI;*
- 2. Further, member companies are actively involved in DEI initiatives which indicates that DEI is an important and continuing aspect of member companies' operations and culture;*
- 3. Most members have active DEI working groups within their organizations;*
- 4. **Succession planning:** Most organizations consider DEI for appointments at Board, and senior and management level.*
- 5. Interestingly most members have ESG policies which intersect with DEI which further indicates that our member companies are already actively expanding scope of DEI to all relevant parts of their organization and thinking of DEI holistically and how it continues to intersect with different developing areas.*

As a result of the outcome of the survey, it is now evident that all member companies have been actively involved in furthering DEI and further continue to make it a priority within their respective organization. Therefore, our recommendation to the EOC committee and the Board is to:

- 1. Dissolve this working group as the purposes for which the working group was achieved and a result of the survey, it is now evident there is no need for CAFII to develop policy, guideline or practice to drive DEI at member level; AND*
- 2. Integrate the objectives of the Working Group into other CAFII Committees that can still monitor DEI development, training etc. so that CAFII can continue to contribute in this space, including the Research, Media, Education & Communications (RMEC) Committee, and the Networking and Events Committee.*
- 3. Request that the EOC and the Board consider the practices of their companies to ensure appointments at Board and EOC level are made with furtherance of DEI in mind.*

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 5(d)

Governance – Update on Website Investments, Including Videos on LIMRA Research and Rebuild of Backend

Purpose of this Agenda Item—Update

To update the Board on the website investments, including videos on the LIMRA research and the rebuild of the website backend.

Background Information

CAFII Media Consultant Wendy Bairos and CAFII Executive Director Keith Martin will update the Board on the website investments, including videos on the LIMRA research and the rebuild of the website backend.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.



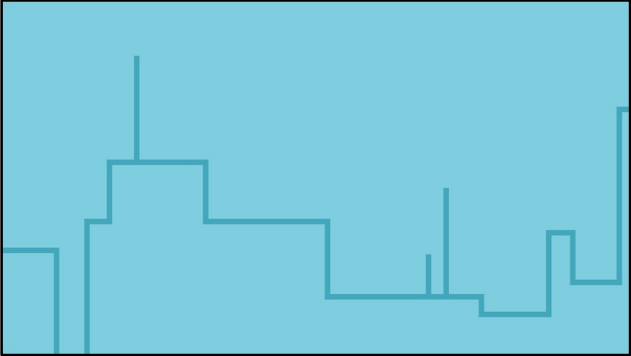
5050 Dufferin Street, Unit 227,
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T 416.675.0751
E info@keywestvideo.com

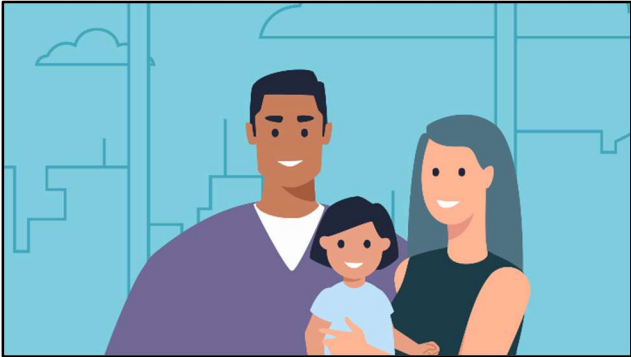


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VIDEO STORYBOARD

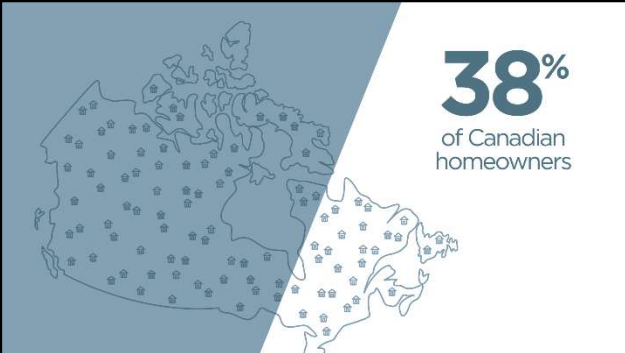

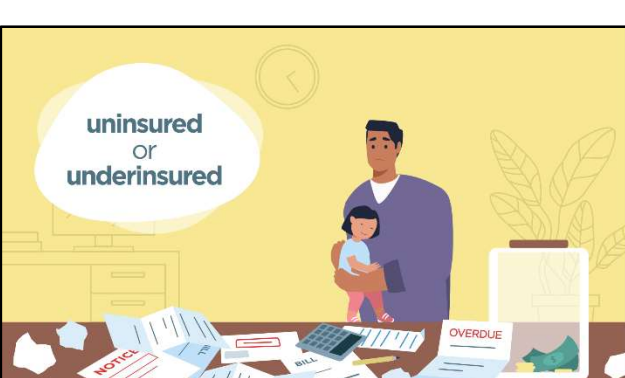
Client: CAFII
Project Name: CAFII Animations
Project Contact: Keith Martin
Role of CPI




Animator: Sarah Ryan
Date: November 07, 2024
Version: 2.0




STORYBOARD		TIMING/DESCRIPTION		SCRIPT/VOICE OVER
SHOT 1		DESCRIPTION	TEXT ON SCREEN	NARRATION
		Scene starts on the outline of a cityscape. Camera pulls back, passing through a window to show mom, dad and child happy together in their home.		Life can be unpredictable. But being prepared can make all the difference.

			
			
SHOT 2	DESCRIPTION	TEXT ON SCREEN	NARRATION
	<p>Scene transitions to a map of Canada, small house icons dotted throughout it.</p> <p>White split screen slides in, showing '38% of homeowners' text while highlighting a similar portion of the map and house icons.</p>	38% of Canadian homeowners.	According to a LIMRA study, 38% of Canadian homeowners may be at financial risk if an unexpected event were to happen.


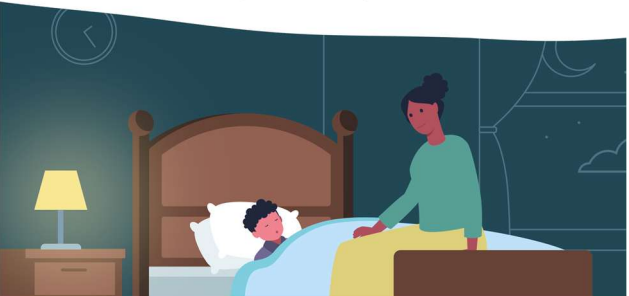



			
SHOT 3	DESCRIPTION	TEXT ON SCREEN	NARRATION
	<p>Scene transitions back to the home of the previous family, showing the father playing with his daughter alone - implying the mother has passed away.</p> <p>'uninsured or underinsured' text bubble appears on screen.</p>	<p>Underinsured or Uninsured</p>	<p>If you're like those Canadians who are uninsured or underinsured, you might not have enough coverage to protect what matters most – your home, your family.</p>
	<p>Camera zooms out as father looks worriedly at a pileup of bills and payment noticed, their savings jar running low.</p>		
SHOT 4	DESCRIPTION	TEXT ON SCREEN	NARRATION


	Camera zooms out to show house exterior. It's rainy and cloudy, but the scene turns sunny in time with the VO.		But there's a simple way to help secure that peace of mind.
			
			
SHOT 5	DESCRIPTION	TEXT ON SCREEN	NARRATION

	<p>Background transforms into a shield surrounding family home. A soft glow radiates from it as “CPI – helping protect your home.” text appears.</p>	<p>CPI – helping protect your home.”</p>	<p>Credit Protection Insurance, or CPI, is designed to help reduce or pay off your outstanding mortgage or home equity line of credit balance when an approved claim is made.</p>
 <p>CPI – helping protect your home.</p>			
SHOT 6	DESCRIPTION	TEXT ON SCREEN	NARRATION
	<p>Scene transitions to show the same father and daughter eating together.</p>		<p>It’s about ensuring that your loved ones can remain in the home they know, even during life’s hardest moments.</p>



			
SHOT 7	DESCRIPTION	TEXT ON SCREEN	NARRATION
<p>Secure your family's future.</p> 	<p>Scene transitions to show single mother tucking her son into bed.</p> <p>"Secure your family's future." Text appears.</p>	<p>Secure your family's future.</p>	<p>With CPI, you're taking a small but important step to secure their future.</p>
SHOT 8	DESCRIPTION	TEXT ON SCREEN	NARRATION
	<p>Scene transitions to show family of three watching tv together. CAFII and LIMRA logo appear.</p>		<p>Because protecting your home means protecting what matters most.</p>
SHOT 9	DESCRIPTION	TEXT ON SCREEN	NARRATION



<p>CAFII: Making insurance simple, accessible, and affordable.</p>	<p>Scene transitions to white. CAFII tagline fades in, followed by the CAFII and LIMRA logos. URL appears below them.</p>	<p>CAFII: Making insurance simple, accessible, and affordable.</p>	<p>CAFII strives to make insurance simple, accessible, and affordable. Learn more about Credit Protection Insurance and how it can give you peace of mind.</p>
<div data-bbox="226 574 577 669"><p>The Canadian Association of Financial Institutions in Insurance</p></div> <p data-bbox="359 735 457 756">cafii.com</p>			



Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 5(e)
Governance – Update on Article for National Post

Purpose of this Agenda Item—Update

To update the Board on the article for the National Post.

Background Information

CAFII Media Consultant Wendy Bairos and CAFII Executive Director Keith Martin will update the Board on the article for the National Post. A CAFII member has concerns about risks associated with the article and these will be discussed by the Board.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

Two (2) attachments.

DRAFT Op-Ed

To be pitched to media

For Approval by the CAFII Board

The Unseen Risk: Why Canadian Homeowners Are Falling Short on Insurance

By Keith Martin, Executive Director of the Canadian Association of Financial Institutions in Insurance (CAFII)

A troubling trend has surfaced in the Canadian homeownership landscape, posing a significant risk to many families' financial stability: an alarming number of homeowners are either uninsured or underinsured when it comes to life and health insurance. According to recent research conducted by LIMRA on behalf of the Canadian Association of Financial Institutions in Insurance (CAFII), a staggering 80% of Canadian homeowners surveyed fall into these categories. This statistic is representative of many Canadian families who may be at significant financial risk due to unforeseen circumstances.

The implications of this insurance gap could be severe. Without adequate life and health insurance coverage, families could face immense financial strain if an unexpected covered event were to occur, such as disability, critical illness, or the untimely death of any household income earners. This financial strain could result in negative impacts to families' current financial health and long-term stability, making it challenging to manage debts, maintain their standard of living, or plan for the future.

Consider a Canadian family with a mortgage of \$300,000. If the primary income earner was to pass away unexpectedly without adequate insurance, the surviving family members may need to use their savings to cover monthly mortgage payments and in worse-case scenarios, they may not have sufficient savings to service their debts which could result in the loss of their home.

In contrast, if the same family had a credit protection insurance (CPI) policy for their \$300,000 mortgage covering the primary income earner, the CPI could reduce or pay off the remaining mortgage balance in the event of their death, up to the policy limit. This means the surviving family members could maintain their standard of living and potentially avoid the devastating consequences of being underinsured.

The important role of credit protection insurance (CPI) is undeniable, especially for low-income homeowners who are disproportionately affected. Nearly half of these homeowners are uninsured, and among those who are insured, 75% are underinsured, with policies covering less than seven to ten times their income—as defined by the Financial Consumer Agency of Canada. Our study, which surveyed over 1,175 Canadian homeowners across various income brackets, revealed significant disparities in insurance coverage. While 55% of homeowners with a mortgage, home equity line of credit or both have some form of CPI, low-income homeowners have significantly fewer CPI products. This gap highlights an opportunity to educate more homeowners on the benefits of CPI and the role it plays as part of a family's overall financial plan to help ensure future security.

Moreover, the survey uncovered that many low-income homeowners do not seek financial advice. Exacerbating the issue, approximately 38% indicated they neither have nor wanted a financial professional to provide them with advice. Financial attitudes and concerns are another insightful aspect of the research. Among low-income homeowners, 48% reported being somewhat or not at all financially knowledgeable, and 53% are primarily concerned with paying monthly bills, while 44% worry about having enough money for comfortable retirement.

The urgency of addressing this issue has never been clearer. Recent parliamentary discussions about improving financial literacy and access to insurance products underscore the need for decisive action. The government's focus on enhancing financial inclusion, as highlighted in the recent 2024 budget, aligns with our study's findings and presents an opportune moment for financial institutions and policymakers to collaborate on closing the insurance gap by:

- Improving awareness of the importance of adequate insurance coverage.
- Launching educational campaigns that target vulnerable households, emphasizing the benefits of both traditional life insurance and CPI.
- Providing accessible and affordable financial advice to ensure all homeowners are making more informed decisions.

Insurance providers can also play a part in closing the insurance gap by continuing to develop more inclusive products tailored to the needs of low-income homeowners. Simplified application processes and flexible payment options could make insurance more accessible to this underserved market.

Effective government regulations are vital for safeguarding homeowners, but they must be crafted to protect consumers without stifling access to essential insurance. Overly restrictive regulations risk deterring people from securing the coverage they need, leaving them vulnerable to financial hardships. The goal should be to create smart, streamlined regulations that empower, rather than inhibit, the purchase of adequate insurance. By doing so, governments can ensure widespread financial protection without unintended consequences.

Closing the insurance gap is critical to ensure families have the knowledge they need to make informed decisions about the CPI needs in times of adversity. As we move forward, it is imperative that we take decisive action to support Canadian homeowners in securing their financial futures.

November 21, 2024 Email from CAFII Board Member Andrew Kugler, VP, Manulife to CAFII Executive Director Keith Martin on the Draft Article for the National Post

Hi Keith – I reviewed with our legal teams and unfortunately I don't think I can be the mover on this motion. The rationale is that we have some concern that the stats could be perceived as being presented in an aggressive manner pressuring consumers into sales. Given that FSRA focuses on hard sales tactics, and the hesitancy of regulators to get behind creditor products, we are wondering whether it is worth the risk of attracting scrutiny. While the statistics seem reasonably explained, there is a general tone of urgency and risk that could be viewed as aggressive. Additionally, there is a slight risk of making performance claims about the ability of Consumer Protection Insurance to remedy individuals' financial health - this is of particular sensitivity in Quebec, where there is an adjacent (though not directly applicable) prohibition on misleadingly representing to consumers that credit can improve their financial situation.

Thanks,

Andrew Kugler

VP, Head of Distribution, Affinity Markets Canada

E andrew.kugler@manulife.ca

T 519-498-9608



500 King St. North, Waterloo, Ontario, N2J 4C6

Briefing Note

CAFII BOD Meeting December 03, 2024—Agenda Item 6(a-d) Read Only Items

Purpose of this Agenda Item—Read Only

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

Background Information

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

- a. Mario Beaudoin Quarterly Meeting with Keith Martin on November 5, 2024
- b. Merging of the Media Advocacy Committee and the Research & Education Committee into a New Research, Media, Education and Communications (RMEC) Committee
- c. Response from the Insurance Council of BC to CAFII's Submission on the Proposed Performance Requirements Framework for the Restricted Insurance Agency Regime
- d. BCFSa Welcomes Tolga Yalkin as New Chief Executive Officer and Chief Statutory Officer

Recommendation / Direction Sought—Read Only

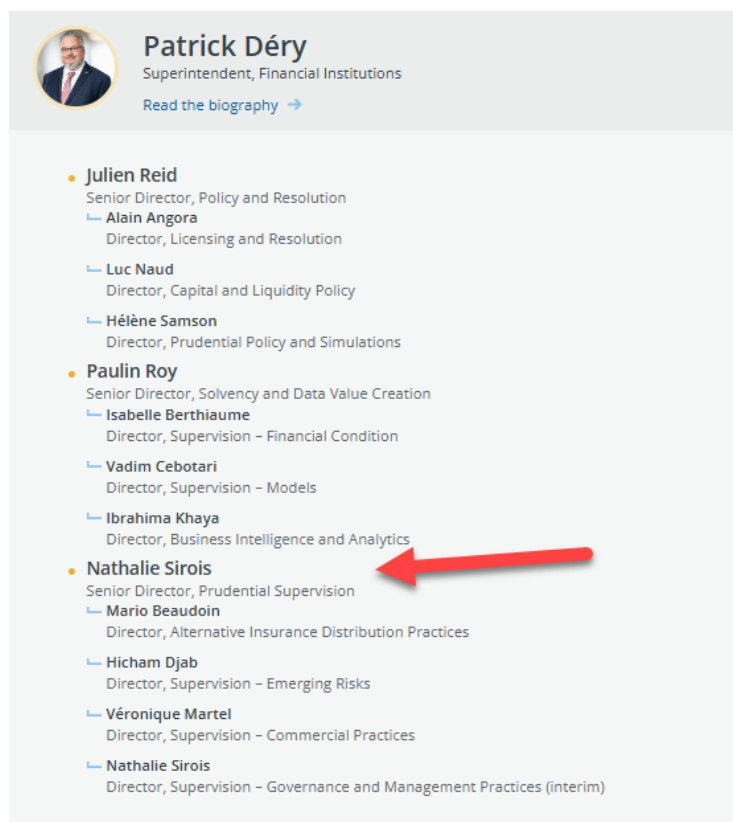
No action required.

Attachments Included with this Agenda Item

Eight (8) attachments.

Summary of Conversation Between Mario Beaudoin and Keith Martin, November 5, 2024

- CAFII Executive Director Keith Martin met with AMF's Mario Beaudoin virtually on November 5, 2024 as part of a regular quarterly meeting.
- Mario Beaudoin commented on how much the AMF team enjoyed the session on October 8, 2024 and how impressed he was by the new National Bank facilities.
- Mario Beaudoin shared an internal announcement that Nathalie Sirois, who Mario Beaudoin reports into in Patrick Déry's department, would be retiring in June, 2025. There is an active recruitment for her replacement, with a recruitment firm hired. It very much sounded like the preference is to hire an external candidate, and Mario said that this would be complicated by a hiring freeze recently imposed on the civil service by the Government of Quebec. It is possible to get exempted from the restriction, but it adds time and complexity to the search, Mario said.
- This announcement is producing a cascade effect on Nathalie Sirois' department, the current structure of which I am sharing here.



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
 - ↳ **Isabelle Berthiaume**
Director, Supervision - Financial Condition
 - ↳ **Vadim Cebotari**
Director, Supervision - Models
 - ↳ **Ibrahima Khaya**
Director, Business Intelligence and Analytics
- **Nathalie Sirois**
Senior Director, Prudential Supervision
 - ↳ **Mario Beaudoin**
Director, Alternative Insurance Distribution Practices
 - ↳ **Hicham Djab**
Director, Supervision - Emerging Risks
 - ↳ **Véronique Martel**
Director, Supervision - Commercial Practices
 - ↳ **Nathalie Sirois**
Director, Supervision - Governance and Management Practices (interim)

A red arrow points to the entry for Nathalie Sirois under the Paulin Roy branch.

- The exact implications of Nathalie Sirois' retirement are not entirely clear yet. However, Mario said he would in future quarterly meetings bring individuals who might be more focused on Distribution Without a Representative, which Mario may be exiting from. It appears that Véronique Martel is obtaining new responsibilities, something she also shared with me at the October 8, 2024 lunch and dialogue with the AMF in Montreal, and that a new person, **Hicham Jab**, would be taking over the Commercial Practices role, and that Distribution Without a Representative might fit into that department, meaning that the critical role played by Mario may now migrate to Hicham Jab. I will be monitoring this carefully.
- Mario Beaudoin is expected to take on a new role as **Director, Emerging Risk**, where he will be monitoring and providing plans for emerging risks including climate change, quantum computing, artificial intelligence, and cyber risk.
- Mario also said that while Hugo Lacroix and Patrick Déry had teams which would be relevant to CAFII, at a leadership level Patrick was stepping back from active engagement with Associations and Hugo would be the leader at the AMF we would likely have more need to interact with.
- Mario then spoke about some the objectives of the statistics his team has gathered around claims denial rates, and return of premium to customers. His comments are consistent with themes he has shared in the past, including in his presentation on October 8.
- **Mario emphasized that the performance of industry for credit protection insurance for mortgages and loans was good, and he was satisfied with the numbers he saw, especially for life insurance for these loan instruments.**
- However, he was puzzled that the performance was less impressive when critical illness insurance was added into the product plan, and that this would continue to be something the AMF looks into. It would be helpful if the performance of the critical illness product could improve, Mario added.
- Mario said that the claims denial rate and the return of premium to customers was completely different, and much less impressive, for credit card products.
- With reference to travel insurance, he said that travel insurance products for which a premium was paid were performing well and providing an important service, but that was not the case for embedded credit card products, which "are like a totally different product in terms of performance." He said there was a prolific number of these products, and that some members said that they could not calculate the statistics requested because there were so few claims made. Mario said he was concerned that if a product have few claims, it might be of limited value in the marketplace, and that industry might want to simplify these offers including by not having such products if no one claims on them.
- Specifically, he said that the AMF had a threshold for a product to have "significant claims" of 10 claims in a year, or \$10,000 in claims in a year, and that for embedded products few met this threshold. In contrast, travel insurance for medical emergencies insurance for which a premium was paid saw \$40 million paid in claims.
- Mario said that for now this was an internal discussion with industry and the AMF and there was time to address these issues, but at some point there may be a requirement to share these numbers publicly and he is concerned about the reaction publicly if that happened. **He said he felt he could say that credit protection insurance products like mortgage life insurance "are**

good products” that add value to customers, but that he would not be able to say that for credit card embedded insurance products. If industry can address some of these credit card issues, he said, that would be helpful around avoiding any negative perception of these products.

- Throughout the discussion I shared with him that there were subtleties around the reporting of statistics that had to be taken into account, and he said he appreciated that and it was why he felt it was important to continue to have conversations and his team wants to understand the full picture.
- Mario concluded by saying that if industry could address the critical illness insurance product’s performance, as well as the metrics for embedded credit card travel insurance, that would alleviate many of the concerns the AMF has.
- Mario asked me to set up four more virtual meetings in 2025, but said that as roles change he may bring additional people to those meetings.

From: Keith Martin

Sent: October 22, 2024 12:18 PM

To: cecillia.xiao@assurant.com; Rebecca.Saburi@bmo.com; graeme.auchincloss@cwbank.com; Bobby.Khangura@cibc.com; Lauren.Ross@cibc.com; kevin.szweras@cibc.com; amogh.yadav@cibc.com; michelle.costello@cumis.com; deirdre.kennedy@cumis.com; stephanie.beaulieu@dsf.ca; fernando.heleno@rbc.com; Venkata.Bojedla@securiancanada.ca; andrea.stuska@td.com; sergey.beznosov@td.com; dallas.ewen@gwl.ca; aaron.sobeski@bmo.com; barbara_nelson@cooperators.ca; Shivani_Patel@manulife.ca; Stephanie.Kotani@scotiabank.com; Jacqlyn.Marcus@securiancanada.ca; andrea.stuska@td.com

Cc: 'Karyn Kasperski' <karyn.kasperski@rbc.com>; Burns, John <John.Burns@securiancanada.ca>; Robyn Jennings <Robyn.Jennings@cafii.com>; Troy Woodland <Troy.Woodland@cafii.com>; Wendy Bairos <Wendy.bairos@cafii.com>

Subject: CAFII: Proposed Amalgamation of R&E and Media Advocacy Committees

Hello Member of the Research & Education Committee, and the Media Advocacy Committee:

CAFII's Media Advocacy Committee has made important contributions to the Association under the very strong leadership of Jacqlyn Marcus as Chair. Jacqlyn is looking to step down from her role as Chair, and this has prompted a review of the best Committee structure going forward.

CAFII's front-end website has undergone significant enhancements over the past five years and our major focus is on ensuring there is continued excellent content populated on the website, including annual videos, and to invest in search engine optimization. Our media strategy has developed significantly over the past year through the work of our Media Consultant Wendy Bairos, and includes a strategy for mainstream media, trade media, our website, and social media. The key content for media and the website continues, per the Strategic Plan, to be generated from our annual commissioned research, which is led by the Research & Education Committee.

As such, we have concluded that it may be more efficient to merge the two Committees, which have always worked closely together. Andrea Stuska, who has also made an outstanding contribution to the Committee she has been chairing, has agreed, if this recommendation is approved by the EOC, to continue as Chair of the new amalgamated "Research, Media, Education, and Communications (RMEC) Committee." Research & Education Committee Vice Chair Michelle Costello would like to stay on the amalgamated Committee, but feels the time is right for her to step down as Vice Chair. We are advancing the name of **Stephanie Kotani, Scotia Insurance, as the new Vice Chair of the Committee.**

This will be an Agenda item, for approval, at the upcoming meeting on October 29 of the EOC.

Thank you,

--Keith

Keith Martin

Executive Director / Directeur général

Canadian Association of Financial Institutions in Insurance

L'association canadienne des institutions financières en assurance

keith.martin@cafii.com

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[Visit the CAFII LinkedIn Page](#)



*Making Insurance Simple and Accessible for Canadians
Rendre l'assurance simple et accessible pour les Canadiens*

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Rebecca	Saburi	Rebecca.Saburi@bmo.com	BMO Insurance	Research & Education
Graeme	Auchincloss	graeme.auchincloss@cwbank.com	Canadian Western Bank	Research & Education
Bobby	Khangura	Bobby.Khangura@cibc.com	CIBC Insurance	Research & Education
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* Chair				
**Vice Chair				

<div> Media Advocacy Committee </div>				
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Andrea	Stuska	andrea.stuska@td.com	TD Insurance	Media Advocacy
*Chair				

CAFII Committee Mandates/Descriptions As At February 8, 2022

Executive Operations Committee (EOC)

Reports to: Board of Directors

Current Chair: Rob Dobbins, Assurant Canada

Current Vice-Chair: Karyn Kasperski, RBC Insurance

Working with CAFII Co-Executive Directors, responsible for

- serving as a roll-up the sleeves committee and sounding board which works closely with CAFII management (Co-Executive Directors) on implementation of the Board-approved Strategic Plan and related results monitoring and accountability reporting;
- receiving and providing feedback on accountability reports/updates from Co-Executive Directors on all areas of CAFII activity, strategic and operational; and from the five EOC subcommittees;
- receiving and providing feedback on CAFII's monthly financial statements and financial forecast to the end of the fiscal year;
- reviewing/vetting and providing feedback on penultimate drafts of all CAFII regulatory submissions, prior to their finalization for EOC Chair's electronic signature and transmittal to the regulatory authority;
- meeting monthly either in-person or virtually, on an alternating basis, for either 90 minutes (1.5 hours) or two hours. Typically meets 9 to 11 times per year: every month except December, with July and August virtual meetings booked into calendars as Tentative/If Necessary.

Market Conduct & Licensing Committee

Reports to: Executive Operations Committee (EOC)

Current Chair: Brad Kuiper, ScotiaLife Financial

Current Vice-Chair: Fay Coleman, TD Insurance

Working with CAFII Co-Executive Directors, responsible for

- reviewing formal and informal regulatory consultation documents and information/feedback requests related to industry market conduct and licensing issues; and generating CAFII submission content for all such opportunities;
- vetting and providing feedback on one or more draft written submissions developed to respond to formal and informal regulatory consultation and information/feedback requests;
- meeting virtually on an *ad hoc* basis – typically for one hour – as required to develop and/or review CAFII regulatory submission content. Most regulatory consultations require one to two committee meetings; more complex/lengthy consultation documents may require three meetings.

Research & Education Committee

Reports to: Executive Operations Committee (EOC)

Current Chair: Andrea Stuska, TD Insurance

Current Vice-Chair: Michelle Costello, CUMIS Services Inc.

Working with CAFII Co-Executive Directors, responsible for

- formulating strategy, making recommendations, and providing accountability reports/updates to the EOC – and ultimately via the EOC to the CAFII Board – on CAFII's implementation of its Strategic Plan priority of commissioning independent, third party research on matters related to credit protection insurance (CPI), travel insurance, life and health insurance, and alternate distribution – in support of CAFII's regulatory relationship-building/communications/advocacy objectives and/or its consumer/media communications objectives;
- monitoring the implementation/execution of CAFII research initiatives, following Board approval;
- formulating strategy for and overseeing implementation of CAFII education/insights-sharing initiatives which flow from the Association's commissioned research and are targeted at insurance regulators and policy-makers, and other key stakeholder;
- liaising and co-ordinating with Media Advocacy Committee to maximize communications utility of the findings and insights emerging from CAFII's commissioned research;
- meeting on an *ad hoc* basis, as required, arising from the above-noted responsibilities.

Media Advocacy Committee

Reports to: Executive Operations Committee (EOC)

Current Chair: vacant

Current Vice-Chair: vacant

Working with CAFII Co-Executive Directors, responsible for

- formulating strategy, making recommendations, and providing accountability reports/updates to the EOC – and ultimately via the EOC to the CAFII Board – on CAFII's implementation of its Strategic Plan priority of maintaining a dynamic, consumer-focused website; related search engine optimization; and selected media relations initiatives to advance the Association's communications objectives;
- liaising and co-ordinating with Research & Education Committee to maximize communications utility of the findings and insights emerging from CAFII's commissioned research;
- meeting on an *ad hoc* basis, as required, arising from the above-noted responsibilities.

Travel Insurance Experts Committee

Reports to: Executive Operations Committee (EOC)

Current Chair: Katia Umutoniwase

Current Vice-Chair: vacant

Working with CAFII Co-Executive Directors, responsible for

- formulating strategy, making recommendations, and providing accountability reports/updates to the EOC – and ultimately via the EOC to the CAFII Board – on CAFII's responses to regulatory consultations and/or other industry issues related to travel insurance in one or more of its several forms: travel medical insurance; trip cancellation insurance; baggage loss insurance.
- meeting on an *ad hoc* basis, as required, arising from the above-noted responsibilities.

Networking & Events Committee

Reports to: Executive Operations Committee (EOC)

Current Chair: Carmelina Manno, Manulife Financial

Current Vice-Chair: Marco DeiCont, Valeyo

Working with CAFII Co-Executive Directors, responsible for

- providing strategy and content recommendations, and assisting in implementation oversight of CAFII events: Annual Members and Associates Luncheon; major Anniversary Celebrations (25th, 30th, etc.); post-Board meeting in-person Receptions; and annual webinar series.
- meeting on an *ad hoc* basis, as required, arising from the above-noted responsibilities.

Working Groups

CAFII also utilizes Working Groups on an *ad hoc*, as needed basis, which are created for a specific mandate and duration, typically to tackle a time-sensitive issue, after which they are disbanded.

For example, two Working Groups have recently completed their work and their activities have therefore been paused, but they may be reactivated after regulators respond to CAFII submissions that emanated from those Working Groups. They are:

Working Group on FCAC Appropriateness Guideline

Chair: Martin Boyle, BMO Insurance

This Working Group met bi-weekly from June to December 2021, to develop content for a CAFII response to the FCAC's intended "Appropriateness Guideline," which CAFII is concerned will be challenging for the credit protection insurance sector to be able to implement.

**CAFII Working Group On Industry Alignment Around Compliance With AMF's Expectations Re RADM's
Applicability To Credit Card-Embedded Insurance Benefits**

Initial Chair (Up to December 2021): Karyn Kasperski, RBC Insurance

Successor Chair (December 2021 and Subsequent): Jennifer Russell, Assurant Canada

This Working Group met weekly throughout the latter half of 2021 to develop responses to the AMF around the application of the Regulations respecting Alternative Distribution Methods (RADM) to credit card-embedded insurance benefits, including proposed modifications to the Fact Sheet and the Notice of Rescission to make them accurate with respect to those products.

Research, Media, Education, and Communications (RMEC) Committee

Reports to: Executive Operations Committee (EOC)

Proposed Chair: Andrea Stuska, TD Insurance

Proposed Vice Chair: Stephanie Kotani, Scotia Insurance

Working with CAFII's Executive Director, responsible for:

- Formulating strategy, making recommendations, and providing accountability reports and updates to the EOC, and ultimately via the EOC to the Board, on CAFII's implementation of its Strategic Plan priority of commissioning independent, third party research on matters related to credit protection insurance (CPI) and related issues relevant to CAFII's mandate, in support of CAFII's regulatory relationship-building, communications, and advocacy objectives including its communications and media objectives;
- Monitoring the implementation and execution of CAFII research initiatives, following Board approval;
- Formulating the strategy for and overseeing implementation of CAFII education and insight-sharing initiatives which flow from the Association's commissioned research and targeted at insurance regulators and policy-makers, and other stakeholders;
- Maximizing the utility of research findings as well as other assets and insights (such as the recordings of webinars or the summaries of comments from speakers at CAFII events, and videos on relevant CPI topics) on the CAFII website, with trade and mainstream media, and on social media;
- Formulating strategy, making recommendations, and providing accountability reports and updates to the EOC, and ultimately via the EOC to the Board, on CAFII's implementation of its Strategic Plan priority of maintaining a dynamic, consumer-focused website; related search engine optimization; and selected media relations initiatives to advance the Association's communications objectives;
- Oversight of the CAFII website to ensure it is supporting the Strategic Plan objective of providing relevant information to regulators, policy-makers, and the general public;
- Committee members are encouraged to consult internally within their organizations on research initiatives and media articles including from their legal departments.

July 30, 2024

Janet Sinclair
Chief Executive Officer, Insurance Council of British Columbia
1400-745 Thurlow Street
Vancouver, BC V6E 0C5

Dear Ms. Sinclair,

Re: Consultation—Insurance Council of British Columbia Restricted Insurance Agency Performance Requirements Framework

CAFII would like to thank the Insurance Council of British Columbia (“**Insurance Council of BC**”) for offering us the opportunity to comment on the ***Restricted Insurance Agency Performance Requirements Framework***.

General Comments

Background

CAFII met virtually with the Insurance Council of BC on May 8, 2023, at which an explanation was provided of the “Competency Model” (since renamed the “Performance Requirements Framework”), which would outline specific requirements around knowledge and training for individual representatives offering insurance under a corporate Restricted Insurance Agency (“**RIA**”) license. The Council introduced an expectation that individual representatives would have to meet a series of requirements that were, in CAFII’s view, more appropriate for “licensed individuals” than “unlicensed representatives” operating under a corporate license. In a meeting that occurred on April 24, 2024, CAFII was relieved that the Council suggested it would allow RIA licensees to administer an examination if they were able to do so in a way that met the Council’s expectation, rather than requiring a licensing examination conducted by a third-party certification authority.

Unlicensed Representatives are Not Providing Advice

In CAFII’s view, these requirements for unlicensed representatives under an RIA regime are transplanting the expectations that exist in British Columbia for a fully licensed insurance agent onto an unlicensed representative. Such unlicensed representatives should not be required nor expected to have the level of knowledge akin to someone who is individually licensed. For CAFII member companies, non-insurance representatives operating under an RIA, based on the Bank Act restrictions, cannot conduct a needs analysis for the customer nor can they offer any insurance advice. Under an RIA, the unlicensed representative can facilitate a customer obtaining a mortgage, HELOC, or loan know that there are optional credit protection insurance products that can insure the product against a loss, and, if the customer is interested in learning more, provide the customer with documentation and sources of information related to these credit protection insurance products.

CAFII notes that the Insurance Council of BC has similar requirements to what is being proposed for an unlicensed individual under an RIA regime as for licensed individuals, as demonstrated on your website here: [General Insurance Competency Framework \(insurancecouncilofbc.com\)](https://insurancecouncilofbc.com)

Unlicensed Representatives in Financial Institutions Have Processes and Technology to Support Them

CAFII's members have training and processes in place that ensure that the information and documentation that customers need are embedded into the process of offering specific insurance coverages. This knowledge is different from that required for someone in an individually licensed advisory role.

By promoting training for individual representatives under an RIA regime that is comparable to training for individual licensing requirements, the Council risks misalignment with other regulatory regimes that are more likely to ensure proper consumer protections. Because of the type of product and distribution channels we operate in, CAFII believes that current training requirements and processes already in place, which are regularly reviewed and refreshed, meet the requirements needed to offer these optional protections.

Examinations for Unlicensed Representatives May be Unnecessary

CAFII was concerned that the Council expected that unlicensed individuals would need to pass an exam administered by a third party. However, we have been reassured that if a CAFII member meets the training requirements expected by the Council, then that organization could fulfill those expectations itself. This is a realistic and reasonable approach, and we appreciate this clarification.

CAFII continues to believe that the expectation of an exam is more aligned with the expectations for licensed individuals. Given the internal training and processes already in place with CAFII members for RIA regimes in other provinces, as well as the design of the products being offered, we do not believe that an exam is necessary; and we believe the requirement for an exam would not be aligned with other RIA regimes. CAFII feels that if an examination is required, the level of knowledge mandated currently in the Framework will be greater than necessary for an unlicensed individual.

Council's Existing Requirements Not Harmonized with Other Provincial RIA Regimes

The Council's proposed approach for unlicensed representatives under an RIA regime would lead British Columbia to be unharmonized with the other existing RIA regimes. Alberta, Saskatchewan, Manitoba, and New Brunswick do not have examination requirements, and their requirements for unlicensed representatives are more general in nature. The approach currently proposed in British Columbia would increase the administrative burden on organizations that operate nationally by imposing unique requirements in BC.

CAFII is of the view that new regulatory requirements should only be implemented if it has been demonstrated that they fulfil a necessary purpose. CAFII is not aware of concerns among the existing jurisdictions with RIA regimes around their operation. Therefore, we would ask what is the problem that these additional requirements are solving? Additional regulatory requirements should be based on evidence of the customer protection it is producing.

Other RIA regimes have a broader set of requirements for representatives and are principles-based, as opposed to prescriptive. Examples of requirements for unlicensed individuals in other provincial jurisdictions can be found in Appendix A.

CAFII would also like to highlight the important distinction between a designated representative within an RIA-licensed organization and their knowledge requirements and obligations to ensure proper procedures and policies are followed, versus the requirements of the actual individual representatives offering the products. We believe that the expectations in section 3.1.2 of the Framework are

reasonable; however, our concern is with the detailed and granular level of knowledge for individual representatives detailed in other sections of the Framework.

Credit Protection Insurance Fills an Important Gap in the Life and Health Insurance Sector

CAFI has recently commissioned research which found that 80 percent of Canadian homeowners are underinsured or uninsured and that these individuals are often not served by the commissioned, licensed channel. Given such realities, regulations should not inhibit the opportunity to offer Canadians access to critically important insurance protections.

Different Sectors Offering Insurance May Require Different Levels of Regulatory Oversight

We recognize the challenge for the Insurance Council of BC in developing a regime that captures a variety of different business models and applies them to companies of different sizes. There may be challenges that your organization faces with some channels, like the auto dealership channel offering some credit protection-type insurance products. You may feel this requires greater scrutiny or regulatory oversight by the Insurance Council of BC than is the case for other channels.

CAFI members are among the largest financial companies in Canada, including large banks, credit unions, and insurers. They are committed to the fair treatment of customers, prioritize compliance with the regulatory requirements of provincial regulators and licensing authorities, and have advanced processes, systems, and technologies to ensure customer protections are embedded into the actual process of offering insurance. We believe that it is crucial not to have a “one-size-fits-all” approach that risks organizations, which already meet expectations, becoming mired in new requirements to ensure that other channels or business models also meet your expectations.

We are attaching an excerpt of a letter we wrote to CIRSO on April 21, 2023, in relation to its consultation on its 2023-2026 strategic plan, outlining the benefits of a fully harmonized approach to RIA regimes among provincial licensing authorities (see Appendix B). We recommend this excerpt as an aspirational example of what industry believes would be a more efficient way to achieve the same consumer protections that you seek without in any way limiting the authority of provincial authorities around their implementation and management of RIA regimes.

Specific Comments

Examples of expectations of unlicensed individuals in the Restricted Agency Performance Requirements Framework that we feel are too granular or are simply not applicable include the following:

Examples of Problematic Requirements in the Restricted Agency Performance Requirements Framework

<u>Section</u>	<u>Requirement</u>	<u>Comments</u>
1.1.1	Demonstrate knowledge of the function of insurance and the structure of the insurance sector.	Why is there a requirement to understand the structure of the sector?
1.2.1	Demonstrate knowledge of applicable insurance coverage to assist clients in forming an informed decision.	Unlicensed individuals are limited to speaking to the actual creditor insurance products being offered and do not offer advice, and would not assist the customer in making a decision,

<u>Section</u>	<u>Requirement</u>	<u>Comments</u>
		other than sharing appropriate resources and documentation that they could consult.
2.1.1	Demonstrate ability to evaluate the client's needs and recommend the best available insurance product, if applicable.	Unlicensed individuals do not offer recommendations, do not conduct a needs analysis, and do not offer advice.
2.1.2	Representatives provide clients with an explanation of the benefits and limitations of the product(s) under consideration.	Unlicensed individuals provide information and facts, rather than explanations.
2.1.3	Representatives support clients in making informed decisions. // Demonstrate the ability to respond to the client's concerns and expectations about insurance products and services.	The unlicensed individual is letting the customer know about certain optional insurance products that are available, and are not helping them make decisions and are not offering advice.
2.1.5	Demonstrate knowledge of the purpose of an intermediary in an insurance transaction.	Credit protection insurance is insurance that is offered directly to a customer without an intermediary.
2.1.7	Representatives support clients in claim reporting.	In the broker/advice channel, the intermediary may support the customer in the making of a claim. In the direct-to-consumer model used with credit protection insurance, the distributor channel is not engaged in the claim other than providing the customer with the contact information, if requested, of the insurer. The insurer or underwriter of the insurance manages the claim process directly with the customer.
3.1.1	Demonstrate knowledge of their obligations set out by the Insurance Council of BC, including but not limited to applicable Council Rules and the Code of Conduct.	It might be more effective to call out that the Designated Representative needs to have this knowledge, and needs to ensure that there are policies in place that ensure that the unlicensed individual conforms to those expectations.

Section	Requirement	Comments
3.1.1	Demonstrate awareness of any policies under the Financial Institution Act, directed through the Insurance Council of BC.	Same point as above.
3.1.1	Demonstrate knowledge of the basis and limitations of their license.	Unlicensed individuals do not hold a license.
3.2	Errors and omissions.	There is no E&O requirement under the federal Bank Act for Authorized Products like credit protection insurance.

Concluding Comments

CAFII would like to conclude by noting how collaborative, transparent, and open to feedback you and your colleagues at the Insurance Council of BC have been. We believe that better regulations emerge from open dialogue between regulators and regulated entities, therefore, we appreciate your willingness to hear our concerns and feedback.

We would also like to call out that the Insurance Councils of Saskatchewan has been engaged in sharing information with the credit protection insurance industry through the creation of a Restricted Insurance Agent Advisory Group (“RIACC”), which includes representatives from the industry as well as observer status for CAFII and CLHIA in the meetings of this group. The inspiration for the creation of this group was the need for representation from the credit protection insurance industry in the deliberations of the Insurance Councils of Saskatchewan, whose Council members only represented advisory channels. We understand that the western provinces have a body for discussing licensing issues of common interest, at which the concept of expanding the RIACC to include all four western provinces has been raised. We encourage the Insurance Council of BC to consider this mechanism for ensuring continued open dialogue and the pursuit of more harmonized western Canada licensing regimes.

Thank you again for the opportunity to provide input and feedback on the *Restricted Agency Performance Requirements Framework*. 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 or 647.460.7725.

Sincerely,



Karyn Kasperski
Board Secretary and EOC Chair

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 choices when purchasing 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, Canadian Western Bank, Chubb Life Insurance Company of Canada, CUMIS Services Incorporated, Manulife (The Manufacturers Life Insurance Company), and Securian Canada.

Appendix A
Provisions of RIA Regimes in Provinces Across Canada

Saskatchewan RIA Regime
Saskatchewan Insurance Act

5-78(1) Every business that is a restricted licensee shall have a designated representative who:

- (a) meets the prescribed requirements;
- (b) is recommended by the licensed insurer that recommended that the business be issued a restricted insurance agent's licence; and
- (c) is responsible for receiving notices and other documents pursuant to this Act on behalf of the restricted licensee and for carrying out any other prescribed duties.

Manitoba RIA Regime
Insurance Agents and Adjusters Regulation, Man Reg 389/87 R

Qualifications of designated official

28 A person may not be the designated official under a restricted insurance agent licence unless

- (a) the person
 - (i) is a director, officer or employee of the restricted licence holder if it is a body corporate,
 - (ii) is a member of the partnership if the restricted licence holder is a partnership, or
 - (iii) in a case where the restricted licence is issued to an individual in connection with a business — carried on by the individual — that is not a body corporate or a partnership, is that individual; and
- (b) the person has the qualifications, and satisfies the educational, training and other standards, established under section 396.1 of the Act.

Replacement or incapacity of designated official

29(1) If a restricted licence holder's designated official ceases to be eligible under subclause 28(a)(i) or (ii) or the designation of a person as the designated official under a restricted insurance agent licence is otherwise to be terminated, the restricted licence holder must, without delay, inform the superintendent and provide the superintendent with a designation of a replacement designated official.

29(2) If a restricted licence holder's designated official is unable to discharge the responsibilities expected of the designated official, the restricted licence holder must, without delay, inform the superintendent and provide the superintendent with a designation of a replacement designated official.

Restricted licence holder's responsibilities

30(1) A restricted licence holder must

- (a) have reasonable and demonstrable policies and procedures to ensure that anyone who solicits, negotiates or transacts insurance on behalf of the restricted licence holder is knowledgeable, competent and suitable taking into account the class or type of insurance;
- (b) ensure that anyone who solicits, negotiates or transacts insurance on behalf of the restricted licence holder complies with the policies and procedures mentioned in clause (a);

Qualified entity's responsibilities

31(1) A qualified entity that acts on behalf of a restricted licence holder must

- (a) ensure that its employees who solicit, negotiate or transact insurance in relation to the restricted licence holder's goods or services comply with the policies and procedures mentioned in clause 30(1)(a);
- (b) upon receiving an application for insurance in relation to the restricted licence holder's goods or services, ensure

- (i) that the person applying is informed that the person is contracting with the insurer and not with the restricted licence holder or the qualified entity,
- (ii) that the person applying is provided with a summary of
 - (A) the terms, including limitations and restrictions, of the insurance, and
 - (B) the circumstances under which the insurance commences or terminates and the procedures to follow in making a claim, and
- (iii) that the person applying is notified that, upon approval of the application,
 - (A) the insurance policy and documentation describing the insurance coverage will be sent to the person, or
 - (B) a certificate will be sent the person if the insurance applied for is group insurance;
- (c) ensure that, within 20 business days after a person's insurance coverage comes into force, the person applying is provided with
 - (i) documentation evidencing the insurance coverage and stating the name of the insurer and how it may be contacted,
 - (ii) documentation stating the information required by subclause (b)(i), and
 - (iii) the policy and documentation referred to in paragraph (b)(iii)(A) or the certificate referred to in paragraph (b)(iii)(B) is provided to the person applying within 20 days after the insurance coverage comes into force; and
- (d) ensure that, if the restricted licence holder or the qualified entity receives direct or indirect compensation, or a direct or indirect inducement or benefit, from the insurer for soliciting, negotiating or transacting the insurance, it discloses that fact to any person considering obtaining insurance from it.

Alberta RIA Regime

Alberta Insurance Act

Restricted certificate holders — designated individual

457 Every business that holds a restricted insurance agent's certificate of authority must designate an individual to be responsible for receiving notices and other documents under this Act.

New Brunswick RIA Regime

FINANCIAL AND CONSUMER SERVICES COMMISSION RULE INS-001

INSURANCE INTERMEDIARIES LICENSING AND OBLIGATIONS

PART 10 – DESIGNATED REPRESENTATIVES

Requirements for a designated representative

73. A designated representative of a licensed firm or a restricted insurance representative shall be:

- (a) in the case of a corporation, a director, officer or management employee of the licensed firm or restricted insurance representative;
- (b) in the case of a partnership, a partner or a management employee designated by the partnership; or
- (c) in the case of a sole proprietorship, the sole proprietor or a management employee designated by the sole proprietor.

74. A designated representative shall satisfy the following qualifications:

(a) in the case of a general insurance agency, the person shall hold a level 3 general insurance agent licence;

(b) in the case of a managing general agent, the person shall hold one of the following:

(i) a level 3 general insurance agent licence;

i (ii) a life insurance agent licence and have been licensed as a life insurance agent for two years;

ii (iii) an accident and sickness insurance agent licence and have been licensed as an accident and sickness insurance agent for two years;

iii (c) in the case of a life insurance agency, the person shall hold a life insurance agent licence and have been licensed as a life insurance agent for two years;

iv (d) in the case of an accident and sickness insurance agency, the person shall have been licensed for at least two year as either:

v (i) an accident and sickness insurance agent licence; or

vi (ii) a life insurance agent licence;

vii (e) in the case of an adjusting firm, the person shall hold a level 3 senior adjuster licence.

75. (1) A licensed firm or a restricted insurance representative shall satisfy the Superintendent that the individual nominated as the designated representative is suitable.

(2) On request by the Superintendent, an individual nominated as the designated representative shall provide the Superintendent with any information or documentation required by the Superintendent to assess the nominated individual's suitability to be the designated representative.

Appendix B

Excerpt from April 21, 2023 Letter to CISRO on its Consultation on its 2023-2026 Strategic Plan

With respect to the inter-related Priorities of “*Promote Consumer Protection Through Harmonized Approaches To The Regulation Of Insurance Intermediaries*” and “*Enhance Effectiveness Of CISRO As A Forum For Information-Sharing And Regulatory Collaboration*”, CAFII congratulates CISRO for identifying those two priorities as areas of strong, strategic focus and a commensurate allocation of resources over the next three years.

Our strong support for the inclusion of those two inter-related priorities is rooted in our view that a lot of work remains to be done for CISRO to live up to its full potential with respect to “Harmonized Approaches.” Harmonization, from CAFII’s perspective, does not mean that a jurisdiction contemplating licensure regime change will review the definitions, rules, and requirements deployed in other, predecessor jurisdictions, and then try to align itself overall, more or less, with what came before. Rather, harmonization – in order to achieve clarity/lack of ambiguity, consistent consumer protection objectives, and to foster opportunities for industry efficiencies and effectiveness – means that a common set of RIA/RIR licensing definitions, rules, and requirements should be established.

We cite as an example the four Restricted Insurance Agent licensing regimes that now exist across the country: Alberta (established 2000), Saskatchewan (established 2010), Manitoba (established 2015), and New Brunswick (established 2023).

All four of those RIA/RIR regimes are aligned in terms of objectives, but they all differ in aspects that are typically of a minor nature; but in some instances the differences constitute more substantive, unique positioning. In an ideal world, CISRO would have been able to play a real-time and impactful harmonization role by facilitating a process through which each successive RIA/RIR regime would have been able to harmonize more fully with its predecessors. In CAFII’s view, this is a role and goal which CISRO should strive for, as it would facilitate the exact same consumer protections that each successive RIA/RIR regime province has sought, while at the same time largely eliminating the melange of unique definitions, rules, and requirements among the provincial/territorial licensing authorities.

Alternatively, but in the same vein, CISRO would, at this point in time, be ideally placed as a national co-ordinating body to engage in an exercise of identifying a common set of RIA/RIR licensing definitions, rules, and requirements – building upon the existing requirements in the four provinces with such a regime – which could then be put forward as a model for Alberta, Saskatchewan, Manitoba, New Brunswick, and any future RIA/RIR provinces/territories to adopt.

CISRO’s pursuit of either of the two RIA/RIR ‘harmonization approaches’ recommended above would not compromise provincial/territorial autonomy, as each jurisdiction would still have its own licensing authority, its own governance model, and its own priorities and supervisory plans around audits, monitoring, communication, and enforcement. But each provincial/territorial authority would be operating under the same set of definitions, rules, and regulatory requirements, allowing industry players to focus on meeting the harmonized, common expectations rather than having to engage in the significant “exception management” exercise of allocating resources to understanding, and complying with, subtle differences among jurisdictions.

While the CAFII recommendation above boils down to is our strong encouragement to CISRO to assume a heightened “Harmonized Approaches and Accountability” role, with the emphasis on accountability being that CISRO members should be accountable to each other, around the national co-ordinating body table, for prioritizing and achieving Harmonized Approaches; and we therefore recommend that this aspirational growth dimension be reflected in CISRO’s new Strategic Plan.

To return to the RIA/RIR regimes example, with a more focused “Harmonized Approaches and Accountability” lens: if one of the existing RIA/RIR regimes is clearly better than the others, CISRO would clearly be the ideal forum for conducting a comparative analysis; and, if a case can be made for the superiority of one such regime, the other regimes should be willing to align with the best approach at their first available legislative/regulatory amendment opportunity.

November 12, 2024

Karyn Kasperski, Board Secretary and EOC Chair, The Canadian Association of Financial Institutions in Insurance

Cc: Keith Martin, Executive Director, The Canadian Association of Financial Institutions in Insurance

20 Richmond St E #600-25

Toronto, ON M5C 2R9

Dear Ms. Kasperski,

Subject: Restricted Insurance Agency Performance Requirements Framework (“Performance Requirements”)

Thank you for taking the time to carefully consider the proposed elements of the Insurance Council of BC’s (Insurance Council) Restricted Insurance Agency Performance Requirements Framework. Your perspective is important for the Insurance Council to consider as we develop this regulatory program.

Our team has reviewed the specific feedback you have about the Performance Requirements and have adjusted some indicators and flagged other sections for review with our Licensing Committee for their consideration. If any items require additional clarification, please let us know.

Specific areas we have reevaluated and addressed:

- (1.1.1) Redundant indicators and the need to understand the structure of the *insurance industry*. We determined that the indicator may imply a deeper understanding of the industry than is required. Therefore, we believe that *organization* is a more suitable term, as it highlights the roles within the sector.
- (1.2.1) Amendments to the indicator to *support clients* in making an insurance decision rather than *assist* as we agree the term *assist* may imply providing advice.
- (3.1.1) Amendment to the indicator to acknowledge that it is not the individual representative’s licence and clarify that the agency licence is subject to limitations.
- Recommendations were brought forward to our Licensing Committee for consideration of other additional descriptive words to clarify requirements.

Regarding unlicensed representatives of restricted agencies, who are facilitating the sale of insurance products, the Insurance Council believes they should have at least a basic understanding of the

product(s) they are offering to consumers. The knowledge requirements being considered are simply aimed at providing representatives with this baseline level of knowledge about the insurance product(s) being offered. The Designated Representative and the agency are ultimately responsible to ensure those who are interacting with insurance products are adequately trained and knowledgeable about the products they are interacting with.

As a regulator we're encouraged to hear CAFII's members have substantive systems and processes in place to support compliance with regulatory obligations. This should allow for an efficient transition to the new regime and any new requirements that may apply. We expect once the Performance Requirements are set, it will be up to individual course providers to determine their own course structure, including knowledge measurement. The Insurance Council's involvement is expected to be only with respect to approving courses for accreditation purposes.

We agree regulation for the sake of regulation is not an effective strategy to ensure the public's protection and we support harmonization where possible and well-reasoned. To that end, we met with our regulatory counterparts with restricted licensing regimes to gain their advice about our proposed Performance Requirements and their insights and perspectives have been considered. There is alignment amongst regulators that we must ensure consumers are working with individuals that maintain a minimum standard of knowledge to ensure the public's protection.

We understand the importance of the public having access to credit protection insurance products and we do not foresee the Performance Requirements, or any part of the restricted licensing regime, negatively impacting access to these products.

We appreciate your acknowledgement of the broad spectrum of industries and businesses that will potentially fall within the restricted licensing regime. It is our intention to establish balanced and appropriate regulatory oversight for these diverse products and businesses. Once regulations are published outlining the products and businesses captured within the regime, we will be adding more context to the performance requirements.

We truly appreciate you and your members analyzing and familiarizing yourselves with the initial core pieces of this licensing regime and value your participation. We have attached the most recent version of the Performance Requirements with indicators for your information.

As we work on developing additional elements of the restricted licensing regime, we look forward to your continued participation and perspective to ensure we develop fit for purpose regulation.

Sincerely,

A handwritten signature in black ink, appearing to be 'BT', with a stylized flourish extending to the right.

Brett Thibault, Director, Governance and Stakeholder Engagement
Insurance Council of BC

The Restricted Agency Performance Requirements Framework		
	Performance Requirement (Competency)	
SECTION 1. KNOWLEDGE OF INSURANCE		
The Agency ensures that:		
1.1	Knowledge of basic insurance concepts and terminology	
1.1.1	Representatives apply knowledge of basic insurance concepts and terminology applicable to available products.	Demonstrate knowledge of basic insurance concepts and terminology applicable to available products.
		Demonstrate knowledge of terminology used in an insurance policy to applicable insurance products and services.
		Demonstrate knowledge of the function of insurance and the organization of the insurance sector.
		Demonstrate awareness of relevant general classes of insurance.
		Demonstrate awareness of licensee restrictions in the sale of insurance products.
1.2	Insurance products and services	
1.2.1	Representatives maintain knowledge of current products and services available to clients.	Demonstrate awareness of available products and services offered to clients.
		Demonstrate knowledge of applicable insurance coverage to support clients in forming an informed decision.
		Demonstrate knowledge of applicable insurance legislation.
SECTION 2. TECHNICAL ABILITIES		
The Agency ensures that:		
2.1	Product sales, processing and servicing	
2.1.1	Representatives offer insurance coverage that may meet client needs and expectations.	Demonstrate ability to evaluate the client's needs and recommend the best available insurance product, if applicable.
		Demonstrate knowledge of effective communication techniques in discussing insurance coverage.
		Demonstrate knowledge of general eligibility guidelines for the insurance product.

2.1.2	Representatives provide clients with an explanation of the benefits and limitations of the product(s) under consideration.	Demonstrate knowledge of available insurance products and the coverage purpose, including the benefits, limitations, and additional features.
		[CREDIT LIFE] Demonstrate basic knowledge of applicable options for death benefits, and supplementary policy benefits if applicable.
		[CREDIT PROTECTION] Demonstrate basic awareness of potential tax implications.
		[CREDIT PROTECTION] Demonstrate basic knowledge of applicable options for death benefits, and supplementary policy benefits if applicable.
		[TRAVEL] Demonstrate knowledge of travel insurance coverages, including the difference between individual and group products when applicable.
		[GENERAL INS] Demonstrate knowledge of various types of insurance available in the appropriate subgroup, if applicable.
		Demonstrate knowledge of the available length of coverage, if applicable.
		[GAP] Demonstrate knowledge of loan value, depreciation, and basis of settlement if applicable.
		[RENTED VEHICLE] Demonstrate knowledge of the impact of relevant provincial highway traffic acts and regulations, if applicable.
		[RENTED VEHICLE] Demonstrate knowledge of automobile coverages or applicable coverage(s) that may exist elsewhere.
2.1.3	Representatives support clients in making informed decisions.	Demonstrate the ability to respond to the client's concerns and expectations about insurance products and services
2.1.4	Representatives support clients in understanding the terms of coverage and conditions.	Demonstrate knowledge of applicable policy obligations that can alter, void, or terminate the coverage.
		Demonstrate the ability to summarize the terms of coverage, including policy limitations, exclusions, and restrictions.
2.1.5	Representatives comply with specific requirements established by insurers or third parties (if applicable)	Demonstrate knowledge of the purpose of an intermediary in an insurance transaction.

		Demonstrate knowledge of the relationship of intermediaries, insurers, and if applicable, third-party administrators.
2.1.6	Representatives ensure completion of documentation to initiate and confirm coverage.	Demonstrate awareness of usual document-handling procedures and requirements.
		Demonstrate awareness of requirements to complete an insurance transaction and documents produced to confirm coverage is in place.
		Demonstrate knowledge of proof of insurance in British Columbia, if applicable.
2.1.7	Representatives support clients in claim reporting.	Demonstrate the knowledge of how to report a claim.
		Demonstrate awareness of any required documentation from the consumer in the event of a claim, if applicable.
		Demonstrate knowledge of roles in a claims handling process.
2.2	Legal and regulatory requirements affecting sales and processing	
2.2.1	The Agency and representatives protect the privacy and confidentiality rights of clients.	Demonstrate knowledge of relevant privacy laws.
		Demonstrate knowledge of the purpose of applicable associations and regulatory bodies.
2.2.2	The Agency and representatives comply with disclosure requirements as established by the Insurance Council of British Columbia and governing legislation.	Demonstrate understanding of applicable disclosure requirements in the sale of insurance products and services.
		Demonstrate knowledge of other sources of potential coverage duplication to the insurance products and services the Agency is offering, if applicable.
		Demonstrate knowledge of the term of amortization period in relation to the amount of coverage in applicable insurance products.
SECTION 3. BUSINESS SKILLS		
The Agency ensures that:		
3.1	Professional conduct and ethics	
3.1.1	The Agency and representatives comply with policies and directives as provided by the Insurance Council of British Columbia.	Demonstrate knowledge of their obligations set out by the Insurance Council of BC, including but not limited to applicable Council Rules and the Code of Conduct.
		Demonstrate awareness of any policies under the Financial Institution Act, directed through the Insurance Council of BC.

		Demonstrate knowledge of the basis and limitations of the Agency licence.
		Demonstrate knowledge of potential consequences of non-compliance with the requirements of a Representative.
		Demonstrate knowledge of the role of the Insurance Council of British Columbia.
3.1.2	Representatives receive sufficient training, coaching, and evaluation.	Designated Representative demonstrate knowledge of existing training and development program for representatives.
		Designated Representative demonstrates the awareness to assess competence and coach representatives in the sales of applicable insurance products and services.
3.2	Errors and omissions	
3.2.1	The Agency develops an awareness of situations where errors and omissions may occur.	Designated Representatives demonstrate the ability to identify potential errors and omissions.
		Designated Representatives demonstrate the ability to avoid common errors and omissions.
3.2.2	The Agency recognizes and takes appropriate steps to address potential errors and omissions.	Designated Representatives demonstrate knowledge to identify and assess errors and omissions.
		Designated Representatives demonstrate the ability to address errors and omissions.
3.3	Information management	
3.3.1	The Agency maintains complete, timely and accurate records of insurance transactions.	Demonstrate knowledge of obligations in collecting, securing, and maintaining documentation.
		Demonstrate knowledge of appropriate document and data management techniques.
		Demonstrate knowledge of accurate and complete records for all insurance transactions.
3.3.2	Representatives provide clients with evidence of insurance products purchased, and information on how to submit a claim.	Demonstrate knowledge of available resources to provide clients with accurate information or available resources consumers can access.
		Demonstrate knowledge of information outlined within documents generated in the sale of insurance products or services.



BCFSA Welcomes Tolga Yalkin as New Chief Executive Officer and Chief Statutory Officer

- [News Release](#)

19 November 2024

BC Financial Services Authority (“BCFSA”) is pleased to announce the appointment of Tolga Yalkin as its new Chief Executive Officer and Chief Statutory Officer, effective January 13, 2025. Mr. Yalkin, who will succeed Blair Morrison after announcing his retirement earlier this year, joins BCFSA from his current role leading the regulatory agenda at Canada’s Office of the Superintendent of Financial Institutions (“OSFI”).

Mr. Yalkin brings extensive public sector experience and a forward-thinking approach to oversight, having led transformative initiatives in financial services regulation. Known for his collaborative leadership and commitment to strengthening Canada’s financial system, he is well-equipped to guide BCFSA’s evolution within British Columbia’s dynamic financial services landscape.

“We are thrilled to welcome Tolga as our new CEO and CSO,” said Dr. Stanley Hamilton, Chair of the BCFSA Board of Directors. “His leadership, expertise, and experience will help us continue to build a vibrant, accessible financial services sector for British Columbians, backed

by a strong regulatory framework and an organization where Team Members are valued and supported.”

Mr. Yalkin’s leadership will be central to BCFSa’s continued efforts to build confidence in B.C.’s financial services sector by prioritizing stability, security, and consumer protection.

“I’m honoured to take on this role and excited to work with the talented team at BCFSa,” said Mr. Yalkin. “Together, we’ll tackle the challenges and seize the opportunities ahead to keep B.C.’s financial services sector strong, inclusive, and innovative as a regulator that is focused on the people we serve.”

Mr. Yalkin holds honours degrees in business and law from the University of Oxford, the University of Sydney, and the University of British Columbia.

About BCFSa

BC Financial Services Authority (“BCFSa”) is the province’s regulator for the financial services sector that helps to protect British Columbians during some of the most important financial decisions of their lives. As a Crown agency of the Government of British Columbia, BCFSa oversees credit unions, trust companies, insurance companies, pension plans, mortgage services, real estate services, real estate development marketing, and money services. BCFSa also administers the Credit Union Deposit Insurance Corporation of British Columbia (“CUDIC”). BCFSa’s mission is to instill confidence in the financial services sector by focusing on the safety and soundness of regulated entities and consumer protection.

BCFSa has approximately 400 employees and an annual operating budget of \$75 million. BCFSa has been named to the List of Top BC Employers for the past two years, recognized as a “Great Place to Work,” and achieved certification in the Rick Hansen Foundation Accessibility Certification program.