

Date: Tuesday, June 4, 2024
Chair: P. Thompson
Host: Securian Canada
Location: 120 Adelaide Street West, Toronto, Ontario
Virtual: [Virtual Meeting Link](#)

Time: 3:00 – 5:00 p.m. EST
Dial-In: 437-880-3267
Phone Conference ID: 304 330 335
Meeting Password: 26564456
Dial-In (Audio Only): [One-Click Connect](#)

1. Welcome, Call to Order, Meeting Confirmation, and Board Constitution Matters	3:00 p.m.	Presenter	Action	Document
a. Welcome and Call to Order	3:02 p.m.	P. Thompson	Introduction	
b. Land Acknowledgment	3:03 p.m.	N. Branker	Introduction	✓
c. Welcome to New CAFII Director Elizabeth Gandolfi (Canadian Western Bank)	3:04 p.m.	P. Thompson	Introduction	✓
d. Declaration of Meeting Properly Called and Constituted	3:07 p.m.	P. Thompson	Introduction	
e. Approval of Agenda	3:07 p.m.	P. Thompson	Approval	
f. Review and Acceptance of CAFII Competition Law Policy	3:07 p.m.	P. Thompson	Discussion/ Approval	
g. Appointment of 2024-2025 CAFII Officers	3:10 p.m.	P. Thompson	Approval	

2. Consent Items	3:10 p.m.	Presenter	Action	Document
a. Draft Minutes of April 9/24 CAFII Board Meeting				
b. Summary of Board and EOC Action Items				
c. April 2024 and May 2024 Regulatory Updates				
d. Consultations/Submissions Timetable				
e. Regulatory and Policy-Maker Visit Recap				
f. Committee Reports Addressing CAFII Priorities				
g. Board-Approved CAFII 2024 Schedule of Meetings and Events				

3. Governance Matters	3:10 p.m.	Presenter	Action	Document
a. Update on CAFII New Hires Meetings with EOC Members One-on-One Over Course of 2024	3:10 p.m.	R. Jennings/ S. Smith	Update	
b. CAFII Succession Plan	3:12 p.m.	K. Martin	Approval	✓

4. Financial Management	3:16 p.m.	Presenter	Action	Document
a. CAFII Financial Statements as at April 30/24	3:16 p.m.	D. Hinnecke	Update/ Approval	✓
b. Forecast for CAFII 2023 Fiscal Year as at April 30/24	3:20 p.m.	D. Hinnecke	Update	✓

5. Strategic and Regulatory Matters	3:24 p.m.	Presenter	Action	Document
a. CAFII 3-5 Year Strategic Plan Review – Next Steps	3:24 p.m.	K. Martin	Update	
b. Discussions with AMF Around Cancellation of Spousal Coverage	3:34 p.m.	K. Martin	Update	
c. Discussions with the Insurance Council of British Columbia on its Initiative Around a Restricted Insurance Agency (RIA) Regime	3:38 p.m.	K. Martin	Update	
d. Recommendation to the Board About Contract with Managing Matters	3:46 p.m.	K. Martin	Approval	✓
e. Recommendations Around CAFII's Media Strategy	3:50 p.m.	W. Bairos	Update/ Discussion	
f. CAFII's Update Around 2024 Research	3:58 p.m.	K. Martin	Update	
g. Multiple Complaints Regimes in Place for CAFII Members	4:06 p.m.	K. Martin	Update/ Discussion	✓
h. Plans for Immediately Ensuing Reception with Lesli Martin, Senior Vice-President, Pollara Insights	4:08 p.m.	S. Smith	Update	

6. Read Only Items	4:10 p.m.	Presenter	Action	Document

7. In-Camera Session (Suggested Agenda Topics)	4:10 p.m.	Presenter	Action	Document

Next Board Meeting: Tuesday, October 8, 2024, Liaison Lunch and Industry Issues Dialogue with AMF from 12:00 p.m. to 2:00 p.m., immediately followed by an abbreviated Board Meeting from 2:20 to 4:00 p.m. EDT (Hybrid Meeting, Hosted by National Bank Insurance); Location TBD

Briefing Note

CAFII BOD Meeting 04 June 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 Peter Thompson.

Recommendation / Direction Sought—Introduction

Start of meeting.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 1(b)

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

Purpose of this Agenda Item—Introduction

To acknowledge all traditional lands and territories.

Background Information

CAFII Board Member Nigel Branker will deliver the land acknowledgment.

Recommendation / Direction Sought—Introduction

No action required.

Attachments Included with this Agenda Item

One (1) attachment.

Land Acknowledgment

Securian Canada is grateful to acknowledge that our head office is located on the traditional, ancestral and unceded territories of many nations, including the Mississaugas of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples. While our head office is in Toronto, now home to many diverse First Nations, Inuit and Métis peoples, we also acknowledge that our other locations across Canada are situated on the traditional lands of many First Nations and Métis peoples.

Securian Canada est heureuse de reconnaître que son siège social est situé sur les territoires traditionnels, ancestraux et non cédés de nombreuses nations, y compris les Mississaugas de Credit, les Anishnabeg, les Chippewas, les Haudenosaunee et les Wendats. Bien que notre siège social se trouve à Toronto, où se trouvent maintenant de nombreux membres des Premières Nations, Inuits et Métis, nous reconnaissons également que nos autres emplacements de travail au Canada sont situés sur les terres traditionnelles de nombreuses communautés des Premières Nations et des Métis.

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 1(c)

Welcome, Call to Order, Meeting Confirmation, and Board Constitution Matters — Welcome to New CAFII Directors: Elizabeth Gandolfi (Canadian Western Bank)

Purpose of this Agenda Item—Introduction

Welcome Elizabeth Gandolfi (CWB) and give her the opportunity to introduce herself to the Board.

Background Information

CAFII Board Chair Peter Thompson will invite Elizabeth Gandolfi to introduce herself as this is her first meeting as the Board member for Canadian Western Bank.

Recommendation / Direction Sought—Introduction

This is an introduction item.

Attachments Included with this Agenda Item

One (1) attachment.

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 1(d)

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

Purpose of this Agenda Item—Introduction

To declare the meeting properly called and constituted.

Background Information

The meeting will be declared properly called and constituted by CAFII Board Secretary Rob Dobbins.

Recommendation / Direction Sought—Introduction

This is an introduction item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 1(e)

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 Peter Thompson will ask the Board to approve the agenda for the June 4/24 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 04 June 2024—Agenda Item 1(f)

Welcome, Call to Order, Meeting Confirmation, and Board Constitution Matters — Review and Acceptance of CAFII Competition Law Policy

Purpose of this Agenda Item—Discussion/Approval

To review with the Board CAFII's competition law policy and ask Board members to approve the policy and commit to adhere to it.

Background Information

CAFII Board Chair Peter Thompson will review with the Board CAFII's competition law policy and remind Board members that as an Association of competitors Board members must not share information that is prohibited from being shared such as pricing information. Once a year, at the June Board meeting, Board members are asked to review the policy and commit to adhering to it.

Recommendation / Direction Sought—Discussion/Approval

This is a discussion item that will require Board approval.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 1(g)

Welcome, Call to Order, Meeting Confirmation, and Board Constitution Matters — Appointment of 2024-2025 CAFII Officers

Purpose of this Agenda Item—Approval

To request the approval of the Board on the appointment of 2024-2025 CAFII officers.

Background Information

CAFII Board Chair Peter Thompson will update the Board of the proposed slate of 2024-2025 CAFII officers, for approval by the Board.

Recommendation / Direction Sought—Approval

This is an approval item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting 04 June 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 Peter Thompson will present the following consent items, none of which require any discussion or decision:

- a. Draft Minutes of April 9/24 CAFII Board Meeting
- b. Summary of Board and EOC Action Items
- c. April 2024 and May 2024 Regulatory Updates
- d. Consultations/Submissions Timetable
- e. Regulatory and Policy-Maker Visit Recap
- f. Committee Reports Addressing CAFII Priorities
- g. Board-Approved CAFII 2024 Schedule of Meetings and Events

Recommendation / Direction Sought—Information Only

Chair Peter Thompson will call for a Board resolution to approve the Draft Minutes of the April 9/24 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 April and May Regulatory updates.

Attachments Included with this Agenda Item

No attachments.

Link: [CAFII June 4/24 BOD Meeting Google Drive Document Repository](#). This link includes documents for:

- Draft Minutes of April 9/24 CAFII Board Meeting
- Summary of Board and EOC Action Items
- April 2024 and May 2024 Regulatory Updates
- Consultations/Submissions Timetable
- Regulatory and Policy-Maker Visit Recap
- Committee Reports Addressing CAFII Priorities
- Board-Approved CAFII 2024 Schedule of Meetings and Events

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 3(a)

Governance Matters – Updates on CAFII New Hires Meetings with EOC Members One-One Over Course of 2024

Purpose of this Agenda Item—Update

To provide an update to the Board on CAFII's new hires – Shanay Smith and Robyn Jennings – one-on-one meetings with EOC members over the course of 2024.

Background Information

CAFII Operations Manager Shanay Smith and CAFII Research Analyst Robyn Jennings will update the Board on the progress of their independent one-on-one meetings with all EOC members that began in May 2024. The meetings are intended to raise their profiles within the EOC, for relationship-building with EOC members, and to gather EOC feedback on CAFII.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

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

Purpose of this Agenda Item—Approval

To seek approval from the Board on CAFII's succession plan.

Background Information

CAFII Executive Director Keith Martin will update the Board on CAFII's succession plan. The succession plan was developed to provide options around the departure of the CAFII Executive Director. The plan recommends steps to be taken in different scenarios, such as a departure with a long advance notice versus a sudden departure of the Executive Director. The plan notes that there are limitations on the ability to mitigate some of the risks of a departure of the Executive Director given how small the Association is, with a total staff complement of three people.

The EOC has endorsed the report and is recommending that the Board approve it.

Recommendation / Direction Sought—Approval

Board approval will be sought.

Attachments Included with this Agenda Item

One (1) attachment.

CAFII Executive Director Succession Plan

March 2024

CAFII Executive Director Succession Plan

March 2024

Background

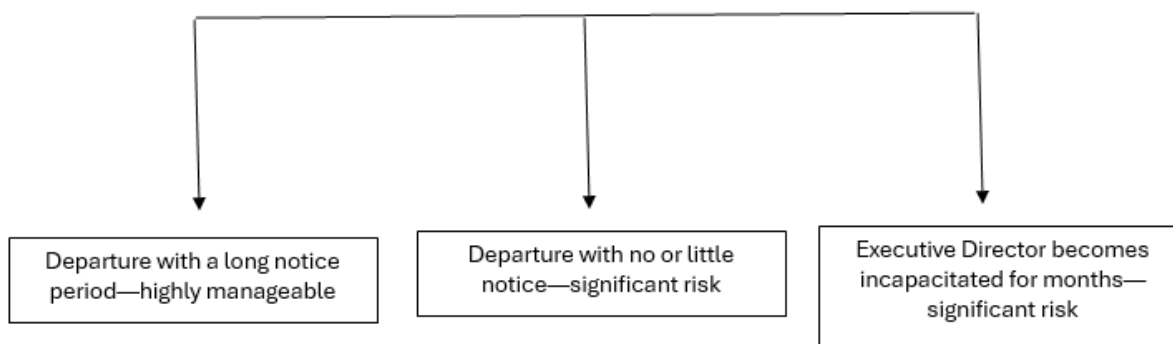
In 2023 CAFII received approval from the Board of Directors to move from a Co-Executive Director model to a model with one Executive Director, with two new hires reporting into the Executive Director.

As part of the process of moving to this new model, there was a request for the development of a succession plan that would outline options should the Executive Director depart.

In large companies, such as organizations that comprise the membership of CAFII, there can be complex and elaborate succession planning that includes a variety of options around filling key positions. Individuals can be tested in different roles to see what skills they could transfer to a new position, and which skills they would need to further develop. Such options are much more limited in an Association with only three full-time staff members.

Succession Options Depend on the Nature of the Departure

The options around succession planning for the Executive Director position at CAFII are very different depending on the nature of the departure. If the Executive Director's departure is announced well in advance of its occurrence, this allows for a relatively straightforward approach to succession planning. An unexpected or sudden departure is a more complex and risky situation. An additional scenario is if the Executive Director becomes incapacitated for months.



Scenario One: Long Term Announcement of Executive Director Departure

If the Executive Director departure is one announced well in advance of the date of departure, say six months to one year before the event, then the approach to succession is relatively simple. The Board of Directors, with the advice of the Executive Operations Committee, first needs to determine if there is a candidate internally that is ready to take on the position. If not, then the Association needs to go to market to find a new Executive Director. Managing Matters' Chief Operating Officer Lyn Wallington is very familiar with CAFII and would be a good candidate to assist the Board in the hiring process, and if not Managing Matters some form of assistance would be necessary from an external human resources expert.

With a long period before departure the Association can continue under its existing leadership structure until a new Executive Director is found and appointed, and the current Executive Director can assist in the recruitment of a new Executive Director, and in that person's training along with the transition to a new leader. This is the optimal model and is one that offers minimal risk, although any transition to a new leader is a major change and not all risk can be eliminated.

Next Steps:

1. Develop a Succession Plan Working Group that consists of the CAFII Executive Director, EOC Chair, EOC Vice Chair, with invitations to interested EOC members to join with an emphasis on former EOC Chairs, that will make recommendations around succession to the Board.
2. Succession Plan Working Group to make a recommendation to the Board on the preferred approach to hiring a new Executive Director where there is a lengthy transition period (recruitment model versus posting on job Boards).
3. If the preference is a recruitment model, request some budgets from a selection of recruitment firms so the Board can be aware of the costs.
4. If the preference is a direct hiring model, request a budget from Managing Matters including timelines, resources to be deployed, and key milestones.

Scenario Two: Sudden Departure or Short Notice

In the event that the notice of departure, for whatever reason, is short, the situation is more complex and the risk is higher. The same situation exists as in Scenario One, where a decision has to be made whether a person can be promoted internally or there is a need to go to market. However, going to market would likely require a minimum six-months timeframe from posting the position to finalizing the hiring of a new person. During that time, there might need to be temporary measures taken to ensure that the Association continues to function effectively.

It is recommended that human resources assistance would need to be procured in either scenario for the recruitment of a new Executive Director, but especially so for Scenario Two. A critical first step would be to identify such a resource and negotiate a contract for such support. In 2023 CAFII was very effectively supported by the head of Human Resources at its Association Management Company Managing Matters, and that type of support would be an appropriate model for this situation. The contract that was developed could be used as a template. The requirements would include developing a job description, determining the strategy for posting, determining if the Board wishes to incur the costs of a recruitment firm, and securing the time from the external consultant to review applications, develop a short list, and assist the Board in the interview, hiring, compensation, and onboarding efforts.

However, while there could be a period of diminished activity during a transition where there was short notice of the departure of the Executive Director, there are two mitigating circumstances related to the new CAFII Management Model that should reduce the risk for the Association. The first is that the two individuals in the position of Research Analyst and Operations Manager would be from an operational perspective capable of keeping the Association running. The departure of the Executive Director would reduce the capacity around certain functions like strategic presentations to regulators and policy-makers, interpretative briefings to the EOC and Board, and other leadership activities. However, keeping the meetings on schedule, developing briefing notes and minutes, and moving forward on existing initiatives already sponsored by the volunteer leaders could continue to move forward. The

majority of the written outputs (like Regulatory Updates, briefing notes, the weekly digest, meeting minutes) and the operational outputs (like EOC and Board meetings, Committee and Working Group meetings, receptions) could continue to happen.

To further mitigate the risk of the departure of the Executive Director, talent development goals are in place for the two new hires and will be reviewed annually. An annual assessment can be provided by the Executive Director to the Board of the preparedness of the two recruits to manage the Association's affairs temporarily.

The second mitigating feature is the development in 2023 of a "Policies and Procedures" manual that captures all the outputs, processes, procedures, and deliverables of the Association in a highly detailed, thorough and organized fashion. This allows the two remaining staff members to be able to rely on this comprehensive document to identify how to continue to meet the obligations of the Association. It also lowers the risks associated with a new Executive Director not receiving training from the previous Executive Director, as much of that training information would be contained in the Policies and Procedures manual.

Another option would be to identify and keep up-to-date a list of potential external candidates who could step into the role quickly if the Executive Director departed. The sources for such a list could include other Associations that are in the same overall space as CAFII, or which require people with a skill set that is similar to what the CAFII ED requires. This approach could for example entail developing a list, and updating it each 12-24 months, of potential people who could step into the ED role at CAFI from CLHIA, THIA, CBA, IBC etc. Another option is to see if former Executive Director Brendan Wycks is available and interested in a temporary appointment in the event of the sudden departure of the Executive Director.

Next Steps

5. Executive Director to report annually to the Board on the preparedness of the Operations Manager and the Research Analyst to manage the Association's affairs temporarily.
6. The Succession Plan Working Group to identify a short list of potential external candidates who could be applicants for the position of Executive Director, and to present this list to the Board.
7. Managing Matters to be asked for a plan and a budget in the event of a need to rapidly hire a new Executive Director.

Scenario 3—Executive Director Incapacitated

In the event of a temporary incapacitation of the Executive Director, the requirement is to find a temporary solution. A solution for this scenario that would apply to Scenario 2 as well is to hire an interim executive through firms that offer that service, such as Odgers Berndtson. A conversation with Salvatore Badali at Odgers Berndtson could be beneficial and could be shared with the Board in terms of how this would work and what the costs would be.

<https://www.linkedin.com/in/sal-badali-74b2a710/?originalSubdomain=ca>
<https://www.odgersberndtson.com/en-ca/consultants/sal-badali/>

Next Steps

8. The Succession Plan Working Group to invite Odgers Berndtson (Salvatore Badali) to present options around budget and timelines for finding a temporary Executive Director.
9. The Succession Plan Working Group to consider inviting Salvatore Badali to make a short presentation to the Board on the process, timelines, and costs of finding a temporary Executive Director.

CAFII Executive Director Job Description

Overview

The Canadian Association of Financial Institutions in Insurance (CAFII), established in 1997, is a member-based not-for profit association, dedicated to advocating on behalf of its members. CAFII members are involved in all major lines of personal insurance, offering life, health, travel and credit protection insurance. Its members principally offer insurance through direct-to-consumer channels, like bank or credit union branches, or call centres. The key areas of advocacy for CAFII are focused on credit protection insurance (life, disability, critical illness and job loss insurance) in conjunction with a loan instrument (mortgage, HELOC, loan, credit card); travel insurance; and the direct-to-consumer channel. More information can be found at www.cafii.com.

The Executive Director is the management leader of the Association and is expected to provide leadership, vision, and creative energy to deliver on the mission and mandate of CAFII.

Position Objective

The Executive Director reports to the CAFII Board of Directors, and supports Board members, the leadership of the Executive Operations Committee and its members, and the active CAFII Committees and Working Groups.

The Executive Director has accountability for:

- Advancing and supporting CAFII's strategic objectives;
- Review no less than once every three years the CAFII 3-5 year Strategic Plan, and updating it accordingly;
- Implementing the CAFII Strategic Plan;
- Developing and fostering strong, open, and impactful relationships with CAFII's provincial and federal regulators and policy-makers;
- Maintaining the public image of CAFII and its members as credible and influential thought-leaders who are dedicated to fostering an open and flexible marketplace that is efficient, effective, fair, and which utilizes a variety of distribution methods;
- Representing, promoting and advancing the interests of financial institutions in insurance and affiliated organizations;
- Managing CAFII's communications plan, and acting as media spokesperson when required;
- Accountability for the development of meeting agendas, content, supporting documentation, and briefings in a timely manner for Board, EOC, and Committee and Working Group meetings;
- Leading the development of reactive and proactive regulatory submissions, presentations, meetings, and other interaction with regulators and policy-makers;
- Managing the CAFII employees who report into the Executive Director;
- Overseeing the development of and the management of the CAFII operating budget with the CAFII volunteer Treasurer and CAFII's paid external comptroller and accountant.

Key Accountabilities

Strategic Plan

- Ensure that the CAFII 3-5 year strategic plan is reviewed at any time the Board so requests, but no less than every three years, is updated as needed, and executed against;
- Specifically, no less than every three years the Executive Director would:
 - Present to the Board the current strategic plan;
 - Leads a Board discussion around the Executive Director's recommendations about modifications if any to the Strategic Plan;
 - Recommend what further action is needed if any in relation to the Strategic Plan and its implementation;
 - Driving the achievement of consensus from the Board to facilitate approval of the strategic plan;
 - Implementing the approved strategic plan including operational and budgetary adjustments that are required.

Research & Education

- Working with the Research & Education Committee, identifying annual research priorities that provides insights into CPI or travel insurance customers, into the products and services offered by CAFII members, and other relevant research findings;
- Actively participate in the interpretation of research findings and lead the development and deployment of communications and advocacy resulting from this work;
- Actively develop different ways of communicating the findings from research including presentations to regulators and policy-makers, as well as sharing results with media as appropriate.

Media Relations, Communications, Regulatory and Policy-Maker Interactions

- Communicate CAFII's objectives, and maintain a positive public image for its membership, including developing media communications on key issues;
- Define and execute the CAFII media strategy in conjunction with the Media Advocacy Committee;
- Act as CAFII's public spokesperson, and respond to media issues as appropriate;
- Ensure that the CAFII website is invested in and enhanced, so that it can be a key communications tool;
- Moderate CAFII's webinars;
- Represent CAFII at speaking opportunities as appropriate;
- Present key messages to regulators and policy-makers in presentations, including in regulator and policy-maker tours;
- Regularly meet with regulators and policy-makers to share key CAFII communications messages and to deepen the relationship with regulators and policy-makers;
- Develop, in collaboration with the Market Conduct & Licensing Committee and the EOC, CAFII's response to regulatory and policy-maker consultations and submissions, and be responsible for spearheading the final written submissions;
- Identify and invite speakers and thought-leaders for receptions following Board meetings, and for the Annual Meeting of Members and Associates;

- With the Research Analyst, develop summaries of meetings and key insights on regulatory developments, including through the Weekly Digest, the monthly Regulatory Update, and through summaries of key regulator and policy-maker meetings;
- Identify and Utilize various channels of communication such as social media to advance CAFII's communication strategy.

Oversight and Management

- On behalf of the Board, and in consultation with the Executive Operations Committee, ensure that CAFII's governance structure is respected, proactively maintained and updated as necessary;
- Develop a robust, actionable succession plan for review by the CAFII Board; assessed annually and updated as needed;
- Develop new Committees and Working Groups in response to emerging issues;
- Lead the development and management of the CAFII operating budget, with support from the Board, the EOC Chair and Vice Chair, and the Treasurer;
- Act as an active participant and lead as required for CAFII Board, EOC, and Committee and Working Group meetings;
- Support the Board Chair and Vice Chair, and the EOC Chair and Vice Chair, in the determination of key priorities for CAFII;
- Manage, support, and develop CAFII employees, at this time an Operations Manager and a Research Analyst, including coaching and mentoring staff; delivering written annual performance reviews to employees; recommending annual compensation increases for CAFII employees to the EOC Chair, Vice Chair, and Treasurer; delivering approved annual compensation increases to employees;
- Engage and oversee key suppliers to execute on CAFII strategic priorities and day to day operational requirements (for example, association management company, CPI quarterly benchmarking study, research projects, website suppliers, media consultant, legal advice as required);
- Accountable for the annual review and updates as required to CAFII's Policy and Procedure manual.

Key Attributes, Experience, and Competencies

- Minimum of 10 years experience in leadership positions in industry associations, public affairs, government, or business;
- Credible and politically astute with the ability to earn the respect and trust of stakeholders through a trustworthy and transparent style (CAFII and its members, regulators and policy-makers, media, other industry associations, government officials);
- Thought leader with strong analytical, strategic, and policy skills and a deep understanding of government processes and influencers;
- Exceptional communication (written and verbal) skills, excellent presenter, strong interpersonal skills with a strong ability to negotiate, and with the ability to present ideas effectively to internal and external stakeholders;
- Strong consensus building with a highly collaborative leadership style, excellent diplomatic skills, and the ability to recognize and navigate ambiguity successfully;
- Strong networking skills with a motivated and productive approach to partnering and working with stakeholders;

- Media relations skills and experience;
- Proven ability in aligning communications, advocacy, media, and government relations to a business mission, ensuring timely implementation of initiatives and activities;
- Results oriented with strong project management skills, and excellent business and financial acumen;
- Understanding of governance principles, and experience engaging with a dedicated Board of Directors along with other senior executive level volunteer leaders;
- Post graduate degree preferable.

Last updated February 2024

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 4(a) Financial Management – CAFII Financial Statements as at April 30/24

Purpose of this Agenda Item—Update/Approval

To provide an update to the Board on CAFII's financial statements as at April 30/24.

Background Information

CAFII Treasurer Donald Hinnecke will update the Board on CAFII's financial statements as at April 30/24. After the update, D. Hinnecke will seek approval of the financial statements from the Board.

Recommendation / Direction Sought—Update/Approval

This is an update item with approval sought.

Attachments Included with this Agenda Item

One (1) attachment.

CAFI I

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

Statement of Operations As at April 30th 2024

	Current Month	Budget Apr-24	Variance to Monthly Budget	Current YTD	Budget '24 YTD	Variance Budget to YTD	Budget 2024
Revenue							
Member and Associate Dues	\$79,956	\$76,362	\$3,594	\$314,825	\$305,447	\$9,378	\$916,342
Interest Revenue							
Interest Revenue - Saving Account	\$819	\$1,250	(\$431)	\$1,932	\$5,000	(\$3,068)	\$15,000
45030 Interest-Savings, Short-term CD	\$2,417	\$0	\$2,417	\$6,186	\$0	\$6,186	\$0
Total Interest Revenue	\$3,236	\$1,250	\$1,986	\$8,118	\$5,000	\$3,118	\$15,000
Miscellaneous (One time event fees)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	\$83,192	\$77,612	\$5,580	\$322,943	\$310,447	\$12,496	\$931,342
Expenses							
Association operating							
CAFI Staff Salaries and Benefits	\$44,632	\$39,629	(\$5,003)	\$157,447	\$157,144	(\$303)	\$456,767
Managing Matters Contractual Fees	\$10,637	\$10,637	\$1	\$42,547	\$42,549	\$3	\$127,648
Legal Counsel and Consultant Support Associated w	\$692	\$3,000	\$2,308	\$692	\$9,000	\$8,308	\$30,000
Audit Fees	\$1,417	\$1,417	(\$0)	\$5,668	\$5,667	(\$1)	\$17,000
Insurance	\$722	\$708	(\$14)	\$2,888	\$2,832	(\$55)	\$8,500
Website SEO and Enhancements	\$0	\$0	\$0	\$884	\$12,769	\$11,885	\$96,276
Member Communication and Technology Tools	\$1,487	\$958	(\$529)	\$4,157	\$3,833	(\$324)	\$11,500
Telephone/Fax/Internet	\$682	\$500	(\$182)	\$2,037	\$2,000	(\$37)	\$6,000
Postage/Courier	\$0	\$16	\$16	\$0	\$64	\$64	\$200
Office Expenses	\$647	\$300	(\$347)	\$813	\$1,200	\$387	\$3,600
Bank Charges	\$33	\$57	\$25	\$302	\$228	(\$74)	\$680
Depreciation Computer/Office Equipment	\$215	\$268	\$53	\$859	\$1,072	\$214	\$3,217
Managing Matters Webinar Fees	\$0	\$1,921	\$1,921	\$5,763	\$5,763	\$0	\$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	\$0	\$0	\$5,650
Miscellaneous Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000
Total Association operating Expenses	\$61,162	\$59,411	(\$1,751)	\$224,054	\$244,122	\$20,068	\$781,164
Research and education committee							
Research/Studies	\$4,687	\$0	(\$4,687)	\$6,309	\$0	(\$6,309)	\$68,814
CAFI Benchmarking Study/RSM Canada	\$16,950	\$0	(\$16,950)	\$16,950	\$16,950	\$0	\$67,800
Total Research and education committee Expenses	\$21,637	\$0	(\$21,637)	\$23,259	\$16,950	(\$6,309)	\$136,614
Market conduct committee							
Provincial Regulatory Visits and Relationship-Building	\$389	\$2,200	\$1,811	\$1,629	\$2,200	\$571	\$6,600
Federal Regulatory Visits and Relationship-Building	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000
Total Market conduct committee	\$389	\$2,200	\$1,811	\$1,629	\$2,200	\$571	\$8,600
Networking and events committee							
Annual Members and Associates Luncheon	\$0	\$7,000	\$7,000	\$0	\$7,000	\$7,000	\$14,000
Board Hosting (External)	\$0	\$0	\$0	\$0	\$0	\$0	\$7,500
Board/EOC Meeting Expenses	\$242	\$1,778	\$1,536	\$420	\$1,778	\$1,357	\$16,000
Industry Conferences and Events	\$0	\$4,000	\$4,000	\$0	\$5,500	\$5,500	\$11,000
EOC Annual Appreciation Dinner	\$0	\$0	\$0	\$0	\$0	\$0	\$6,500
Speaker fees & travel	\$0	\$0	\$0	\$0	\$0	\$0	\$1,600
Gifts	\$400	\$0	(\$400)	\$400	\$0	(\$400)	\$1,200
CAFI Staff/Board Relationship-Building	\$0	\$330	\$330	\$0	\$660	\$660	\$2,000
Networking Events	\$0	\$0	\$0	\$1,005	\$0	(\$1,005)	\$2,000
CAFI 25th Anniversary Celebration	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Networking and events committee	\$642	\$13,108	\$12,466	\$1,825	\$14,938	\$13,113	\$60,200
Media and advocacy strategy committee							
Media Outreach	\$375	\$0	(\$375)	\$891	\$0	(\$891)	\$3,000
Media Consultant Retainer	\$2,543	\$3,000	\$458	\$10,170	\$12,000	\$1,830	\$36,000
Marketing Collateral	\$0	\$0	\$0	\$0	\$0	\$0	\$2,700
Total Media and advocacy strategy committee	\$2,918	\$3,000	\$82	\$11,061	\$12,000	\$939	\$41,700
TOTAL EXPENSE	\$86,749	\$77,719	(\$9,029)	\$261,828	\$290,209	\$28,381	\$1,028,278

CAFII

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

Balance Sheet As at April 30th, 2024

	CAFII Operations		
ASSETS	30-Apr 2024	31-Mar 2024	31-Dec 2023
Current Assets			
Bank Balance	\$111,922	\$1,167,559	\$35,071
Savings Account	\$510,238	\$149,419	\$208,306
TD Investment in GIC- 1104 8045480 01	\$700,000	\$0	\$404,603
Undeposited Funds	\$0	\$5,000	\$0
Accounts Receivable	\$487	\$105,243	\$1,594
Interest Receivable	\$2,417	\$0	\$709
Prepaid Expenses	\$13,883	\$11,889	\$5,780
Computer/Office Equipment	\$10,303	\$10,303	\$9,866
Accumulated Depreciation - Comp/Equip	(\$3,082)	(\$2,867)	(\$2,223)
Total Current Assets	\$1,346,169	\$1,446,546	\$663,706
TOTAL ASSETS	\$1,346,169	\$1,446,546	\$663,706
LIABILITIES			
Current Liabilities			
Accrued Liabilities	\$26,832	\$27,338	\$18,622
Credit Card	\$222	\$4,196	\$441
Account Payable	\$27,233	\$44,617	\$43,527
Deferred Revenue	\$629,651	\$704,607	\$0
Total Current liabilities	\$683,937	\$780,758	\$62,590
TOTAL LIABILITIES	\$683,937	\$780,758	\$62,590
UNRESTRICTED NET ASSETS			
Unrestricted Net Assets, beginning of year	\$601,117	\$601,117	\$669,275
Excess of revenue over expenses	\$61,115	\$64,671	(\$68,158)
Total Unrestricted Net Assets	\$662,232	\$665,788	\$601,117
Total Unrestricted Net Assets	\$662,232	\$665,788	\$601,117
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$1,346,169	\$1,446,546	\$663,706
	0	0	
Financial Reserves Targets as per 2023 Budget:			
Minimum 3 months (25%) of Annual Operating Expenses=		\$	257,070
Maximum 6 months (50%) of Annual Operating Expenses=		\$	514,139
Current Level of Financial Reserves (total unrestricted net assets):			\$662,232
Current Level of Financials Reserve (%):			64%

36,152.46
72,304.92

0.08

CAFI

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

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 has given indication that they aren't renewing their membership for this year- We reversed this invoice						
Norton Rose Fulbright Canada	Associate	\$ -		24-Jan-24		
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 04 June 2024—Agenda Item 4(b)

Financial Management – Forecast for CAFII 2024 Fiscal Year as at April 30/24.

Purpose of this Agenda Item—Update

To provide an update to the Board on the forecast for CAFII's 2024 fiscal year as at April 30/24.

Background Information

CAFII Treasurer Donald Hinnecke will update the Board on the forecast for CAFII's 2024 fiscal year as at April 30/24.

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 Apr 2024	2024 Forecast	Comment/Rationale
Revenue							
Member and Associate Dues	955,970	991,653	953,098	916,342	314,825	944,475	Add PWC \$5,000
Interest Revenue							
Interest Revenue - Saving Account	236	2,579	11,062	15,000	1,932	6,000	Keep Ave of 200k in savings @3.5%
Interest Revenue -Investment Account			12,216		6,186	16,392	Keep GIC \$400000 for 200days and \$300,000 for 100days @4.2%
Total Interest Revenue	236	2,579	23,278	15,000	8,118	22,392	
Miscellaneous (One time event fees)	-	12,511	380	-	-	-	
TOTAL REVENUE	956,206	1,006,743	976,756	931,342	\$322,943	966,867	
EXPENSE							
Association operating							
CAFII Staff Salaries and Benefits				456,767	157,447	456,767	Same as budget
Managing Matters Contractual Fees	486,711	507,904	636,709	127,648	42,547	127,648	Same as budget
Legal Counsel and Consultant Support Associated with Regulatory Submissions and Related Communications/Advocacy Initiatives	74,221	-	18,479	30,000	692	30,000	Same as budget
Audit Fees	13,224	15,187	15,902	17,000	5,668	17,000	Same as budget
Insurance	5,877	6,275	7,681	8,500	2,888	8,500	Same as budget
Website SEO and Enhancements	50,737	45,200	45,200	96,276	884	96,276	Same as budget
Member Communication and Technology Tools	6,958	7,990	11,993	11,500	4,157	11,500	Same as budget
Telephone/Fax/Internet	6,799	5,935	6,707	6,000	2,037	6,000	Same as budget
Postage/Courier	-	60	73	200	-	200	Same as budget
Office Expenses	2,694	7,898	2,943	3,600	813	3,600	Same as budget
Bank Charges	663	548	582	680	302	680	Same as budget
Depreciation Computer/Office Equipment	1,136	716	1,507	3,217	859	3,217	Same as budget
Managing Matters Webinar Fees		7,684	13,447	11,526	5,763	11,526	Same as budget
Speaker fees & travel	-	-	738	1,600	-	1,600	Same as budget
New Hire for 6 months				-	-	-	Same as budget
New Office Equipment			-	-	-	-	Same as budget
Professional Development/Continuing Education				5,650	-	5,650	Same as budget
Miscellaneous Expense	-	283	-	1,000	-	1,000	Same as budget
Total Association operating Expenses	649,019	605,680	761,961	781,164	224,054	781,164	
Research and education committee							
Research/Studies	75,473	73,026	67,677	68,814	6,309	68,814	Same as budget
CAFII Benchmarking Study/RSM Canada	67,800	67,800	84,750	67,800	16,950	67,800	Same as budget
Total Research and education committee	143,273	140,826	152,427	136,614	23,259	136,614	
Market conduct committee							
Provincial Regulatory Visits and Relationship-Building	-	9,205	36,385	6,600	1,629	6,600	Same as budget
Federal Regulatory Visits and Relationship-Building	-	-	-	2,000	-	2,000	Same as budget
Total Market conduct committee	-	9,205	36,385	8,600	1,629	8,600	
Networking and events committee							
Annual Members and Associates Luncheon	-	13,147	13,666	14,000	-	19,820	"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	Same as budget
Board/EOC Meeting Expenses	1,822	11,361	14,599	16,000	420	16,000	Same as budget
Industry Conferences and Events	-	615	5,153	11,000	-	11,000	Same as budget
Networking Events	-	1,854	11,549	2,000	1,005	2,000	Same as budget
Gifts	-	765	632	1,200	400	1,200	Same as budget
EOC Annual Appreciation Dinner	-	2,501	2,964	6,500	-	6,500	Same as budget
CAFII Staff/Board Relationship-Building				2,000	-	2,000	Same as budget
CAFII 25th Anniversary Celebration	-	15,315	-	-	-	-	Same as budget
Total Networking and events committee	1,822	45,761	56,062	60,200	1,825	66,020	
Media and advocacy strategy committee							
Media Outreach	9,542	2,779	3,939	3,000	891	3,000	Same as budget
Media Consultant Retainer	29,792	37,331	32,678	36,000	10,170	36,000	Same as budget
Marketing Collateral	717	1,787	1,462	2,700	-	2,700	Same as budget
Total Media and advocacy strategy committee	40,050	41,897	38,079	41,700	11,061	41,700	
TOTAL EXPENSE	834,165	843,369	1,044,914	1,028,278	261,828	1,034,097	
Excess of Revenue over Expenses	122,041	163,374	(68,158)	(96,936)	61,115	(67,231)	
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	664,906	536,560	

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 2023 Plan Base Case (4% staff salary Increase)	2024 YTD Apr 2024	2024 Forecast	
Minimum 3 months (25%) of Annual Operating Expenses =	208,541	210,842	261,228	257,069	65,457	258,524	
Maximum 6 months (50%) of Annual Operating Expenses =	417,082	421,685	522,457	514,139	130,914	517,049	
Actual/Forecasted Level of Financial Reserves:	352,264	393,597	601,117	506,855	664,906	536,560	
Actual/Forecasted Level of Financial Reserves %:	0	47%	48%	49%	254%	52%	

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 5(a)

Strategic and Regulatory Matters – CAFII 3-5 Year Strategic Plan Review – Next Steps

Purpose of this Agenda Item—Update

To update the Board on the review of CAFII's 3-5 year strategic plan.

Background Information

CAFII Executive Director Keith Martin will update the Board on the review of CAFII's 3-5 year strategic plan. The plan was reviewed and discussed at the May 14, 2024, EOC meeting, and there was much discussion about it as well as some written comments provided prior to the meeting. Because additional modifications need to be made to the plan based on the feedback received, it was not possible to provide the Board with an updated version for approval at this meeting. However, the proposed changes to the plan are not major, and there is general support for the strategic direction the organization is taking. As such, it was felt that it was best not to rush this process, and to provide additional opportunity to discuss the plan with the EOC and present the version for Board feedback and possible approval at the October 8, 2024, Board meeting.

The one change to the plan that has been proposed and which is potentially significant is for CAFII to no longer include representing travel insurance in its mandate, on the basis that this is a small part of most CAFII members' business, CAFII does not contribute to travel insurance discussions in a distinct way from CLHIA and THIA, and that including travel insurance in the CAFII mandate is a distraction. This will continue to be a discussion item with the EOC and with the Board.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 5(b)

Strategic and Regulatory Matters – Discussion with AMF Around Cancellation of Spousal Coverage

Purpose of this Agenda Item—Update

To update the Board on the status of discussions with AMF regarding the cancellation of spousal coverage.

Background Information

CAFII Executive Director Keith Martin will update the Board on the status of discussions with AMF regarding the cancellation of spousal coverage. CAFII has asked the AMF for an extension of the January 1, 2025, deadline to cancel these policies, and is waiting for the AMF's response.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 5(c)

Strategic and Regulatory Matters – Discussions with the Insurance Council of British Colombia on its Initiative Around a Restricted Insurance Agency (RIA) Regime

Purpose of this Agenda Item—Update

To provide an update to the Board on the ongoing discussions with the Insurance Council of British Colombia regarding its initiative around a Restricted Insurance Agency (RIA) regime.

Background Information

CAFII Executive Director Keith Martin will update the Board on the ongoing discussions with the Insurance Council of British Colombia regarding its initiative around a Restricted Insurance Agency (RIA) regime.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 5(d)

Strategic and Regulatory Matters – Recommendation to the Board About Contract with Managing Matters

Purpose of this Agenda Item—Approval

To seek the Board's approval on the recommendation regarding the contract with Managing Matters.

Background Information

CAFII Executive Director Keith Martin will seek the approval of the Board regarding the recommendation about the contract with Managing Matters. The contract with Managing Matters expires at the end of 2024. The EOC has endorsed the recommendation from management that the contract term be extended for a further three years. If this is approved, negotiations will occur with Managing Matters on the terms of the contract, including revised pricing.

Recommendation / Direction Sought—Approval

This is an item with a request for approval.

Attachments Included with this Agenda Item

One (1) attachment.

Summary of Recommendation around Managing Matters Contract

Background

When Keith Martin joined CAFII in 2017, one of his major initial tasks was to determine the best model for CAFII to be supported in the delivery of its key outputs, and to identify how to fulfil on that model. This stemmed from a dissatisfaction with the performance of the Association Management Company that had been supporting CAFII, TO Corp.

Two models were explored: an Association Management Company (AMC) model, and a permanent hire model. In an AMC model, a company with people with various skills is hired, and a portion of those people's time is purchased to support key activities. A model with a permanent employee was also explored. An RFP was developed and AMCs and potential employees were interviewed. The interviews were conducted by the Co-Executive Directors of CAFII and a team of volunteers from CAFII's membership.

Pros and Cons of the Two Models

In an AMC model, CAFII can gain access to specific skills it requires, specifically administrative support, IT support, event management support, and accounting support. Because these people work in teams, there is the additional benefit of bench-strength, where one can fill in for the usual individual providing support in the event of sickness, vacation, or departure. It also allows the teams to compare notes and develop centres of competence, which is a key feature that MM emphasizes.

In an individual hire model, the individual can over time become expert in the affairs of the Association, but it is very difficult to find one person with such disparate expertise, and if they depart the HR burden falls entirely on CAFII around a new hire, and dealing with the absence of the person until a replacement is found. In the AMC model, the HR burden falls on the supplier.

The group reviewing these models determined that given CAFII's very small staff size, the AMC model was the best one for the Association. After a thorough round of interviews, Managing Matters was chosen based on its professionalism, the pitch from MM that it had excellent cultural alignment with CAFII, the dedication of its top leaders (Jenny Faucher CEO, Lyn Wallington COO), and its size (over 50 employees) which provides the benefits noted above around bench-strength.

A one-year contract was signed in 2018, renewed for 3 years in 2019 (2019-2020-2021), and renewed again in 2022 for 3 years (2022-2023-2024). The contract expires at the end of 2024 and CAFII must begin the process of deciding what its plan is for 2025 and beyond.

Contractual Terms with Managing Matters

CAFII has access to the following functions at the following levels of time:

Administration: 40% FTE

IT: 10% FTE

Event Management: 20% FTE

Accounting: 14% FTE

Total: 84% FTE

This allocation has worked well and it is not recommended that it be changed. In 2024, the costs for all these functions was \$110,742. As well, during COVID CAFII began to organize webinars that the Board has concluded are valuable and should continue even with the return to in-person meetings. CAFII pays MM outside of its contract for the organization of these webinars, at a cost of \$1700 / webinar with a usual set of 6 produced a year. This is an incremental addition to the costs of the contract. This could be incorporated into the contract, but MM is fine with having these outside of the contract and from CAFII's perspective it gives us the flexibility to determine how many webinars to hold in a given year.

Pros and Cons of Managing Matters

<u>Pros</u>	<u>Cons</u>
Known entity to CAFII	There have been turnover at times, especially in accounting, that has caused some challenges
Strong bench-strength allows for people to fill in if someone is not available	There is a cost over that of a full-time employee when outsourcing to an AMC
Dedication and commitment of senior leadership to CAFII	
Strong cultural fit—MM prides itself on being a “good place to work” where people matter	
CAFII members are large, well-respected firms—this makes CAFII a marquee client	

Recommendation from CAFII Executive Director

The recommendation is to renew the contract for another three years, 2025-2027. The model works well for CAFII, and MM has proven to be a dedicated AMC. Where there are problems or challenges, the senior leaders of MM have always been committed to a resolution, and they are open to improving processes where needed.

As well, 2023-2024 have been a time of significant transition for CAFII. There has been a transition to a sole Executive Director, the hiring and training of two new hires, and the onboarding of a new media consultant. Managing Matters is one constant that has provided some stability and continuity, and it is recommended that we not add to the changes that CAFII has been managing by contemplating moving AMCs at this time.

MM also has strong HR capabilities which have also proven valuable. In 2023, CAFII recruited for two new hires (Operations Manager, Research Analyst) and Lyn Wallington was contracted to support CAFII on this project. She proved highly capable and dedicated, and was a great supporter during this challenging process with over 4000 applicants received for the two positions.

Briefing Note

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

Strategic and Regulatory Matters – Recommendations Around CAFII's Media Strategy

Purpose of this Agenda Item—Update/Discussion

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

Background Information

CAFII Media Consultant Wendy Bairos will update the Board on CAFII's media strategy. W. Bairos will then open the floor for discussion and Board input regarding all proposed strategies.

Recommendation / Direction Sought—Update/Discussion

This is an update item with the opportunity for discussion.

Attachments Included with this Agenda Item

No attachment.

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 5(f) Strategic and Regulatory Matters – CAFII's Update Around 2024 Research

Purpose of this Agenda Item—Update

To provide an update to the Board on CAFII's proposed research project for 2024.

Background Information

CAFII Executive Director Keith Martin will update the Board on CAFII's 2024 research project.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 5(g)

Strategic and Regulatory Matters – Multiple Complaints Regimes in Place for CAFII Members

Purpose of this Agenda Item—Update/Discussion

To provide and discuss with the Board the multiple complaints regimes in place for CAFII members.

Background Information

CAFII Executive Director Keith Martin will update the Board on the multiple complaints regimes in place for CAFII members. He will then provide an opportunity for all Board members to provide their input and discuss their thoughts on the regimes. Because of these multiple complaints regimes, CAFII members have additional administrative burden and costs around managing complaints. This is an opportunity for members to share thoughts on how they manage the complaints process in their organizations.

Recommendation / Direction Sought—Update/Discussion

This is an update item with the opportunity for discussion.

Attachments Included with this Agenda Item

One (1) attachment.

DRAFT--Summary of the Regulatory Requirements on CAFII Members Regarding Complaints and Dispute Resolution

Background

There are multiple different regulatory expectations around complaints and dispute resolution that CAFII members need to comply with. There are challenges that CAFII members face in adhering to these different requirements, with different definitions of complaints and different procedures and time-lines for responding to complaints. This document is meant to be a primer on the different requirements to provide context for a Board discussion on these requirements and how different members are managing this process.

CCIR/CISRO

The CCIR/CISRO approach to complaints is a Guidance outlined in the Conduct of Insurance Business and Fair Treatment of Customers, which was released in 2018.

6.11 Complaints Handling and Dispute Resolution

CCIR and CISRO expect complaints to be examined diligently and fairly, using a simple and accessible procedure.

The complaint examination and dispute resolution processes are key indicators for assessing organizational performance regarding the fair treatment of Customers.

A complaint can be defined as an expression of dissatisfaction about the service or product provided by an Insurer or Intermediary. It may involve, but is differentiated from, a claim (unless relating to the administration of the claim process) and does not include a simple request for information.

Expectations to achieve this outcome (Insurers and Intermediaries)

- Establish policies and procedures to deal with received complaints in a fair manner. These include keeping a record of each complaint and the measures taken for its resolution.
- Respond to complaints without unnecessary delay; complainants are kept informed about the handling of their complaints.
- Analyze the complaints received to identify trends and recurring risks. Analysis of what leads to individual complaints can help them to identify and to correct common root causes.
- Provide clear, transparent and easy to understand information about independent dispute resolution processes.

As well, CCIR/CISRO have an Annual Statement on Market Conduct survey which requires annual disclosure of the escalated complaints that insurers have managed each year.

For more information: <https://www.ccir-ccrra.org/Documents/View/3450>

In the fall of 2023 CCIR indicated that it was looking at a new definition of complaints and capturing additional complaint reporting requirements. CAFII wrote a letter disagreeing with this approach and indicating how it would be inconsistent with the current CCIR complaints approach and onerous. CCIR has not moved forward to date on this initiative and we continue to monitor this situation carefully.

AMF

The AMF released on February 15, 2024 the final version of the Regulation respecting complaint processing and dispute resolution in the financial sector. This is a regulation not a guideline, with monetary penalties for failure to comply. There were some features of the original Regulation, including more prescriptive requirements, the requirement for a customer drafting service, and a 10 day timeline for resolving simple complaints, that industry pushed back on and which were modified in the final version of the regulation.

For Quebec transactions, members now need to have a different approach to complaints, including a different definition of complaints:

3. For the purposes of this Regulation, “complaint” means any reproach or dissatisfaction in respect of a service or product offered by a financial institution or a financial intermediary where the reproach or dissatisfaction is communicated by a person who is a member of the clientele of the financial institution or financial intermediary and a final response is expected.

It also means any reproach or dissatisfaction in respect of a practice of a credit assessment agent where the reproach or dissatisfaction is communicated by any person concerned by a record that the credit assessment agent holds.

A final response is expected when the complainant’s communication explicitly or implicitly implies that action must be taken to address the complaint.

The following are not considered complaints:

- (1) a request made for information or materials in respect of an offered product or service;
- (2) a request for access or rectification made in accordance with the Act respecting the protection of personal information in the private sector (chapter P-39.1);
- (3) a claim for an indemnity or any other insurance claim;
- (4) a request for correction of a clerical error or mistake in calculation; and
- (5) communication of a comment or feedback.

The Quebec regulation has different approaches to complaints that are settled by the front line in 20 days or less, which do not require being reported to the AMF. The Regulation is in-force on July 1, 2025, giving industry over a year to implement it.

The Regulation can be found at:

<https://lautorite.gc.ca/fileadmin/lautorite/reglementation/traitement-plaintes/2024-02-15/2024fev15-r-traitement-plaintes-secteur-financier-final-en.PDF>

FCAC

The FCAC published a final “Guideline on Complaint-Handling Procedures for Banks and Authorized Foreign Banks” on January 27, 2022 with an in-force date of June 30, 2022. The FCAC Guideline references Section 627.02 of the *Bank Act* for its definition of a complaint:

complaint means dissatisfaction, whether justified or not, expressed to an institution with respect to

- (a) a product or service in Canada that is offered, sold or provided by the institution; or
- (b) the manner in which a product or service in Canada is offered, sold or provided by the institution. (*plainte*)

An important concession made from drafts of the Guidance was to recognize that there was no “one size fits all” for complaints:

1.6 FCAC recognizes that Banks may tailor their complaint-handling Policies and Procedures to align with the nature, size and complexity of their business, distribution channels, and products and services.

The FCAC establishes its own timelines for dealing with complaints:

30. To be considered timely, the timeframe for referral should not exceed 14 calendar days from the date on which the complaint is first communicated to the Bank.

There are also reporting requirements that are contained in the Regulatory reporting guide for banks and authorized foreign banks:

Banks must submit a record of each complaint received (directly or referred to them) by a designated officer or employee to FCAC within 60 days after the end of each quarter, as outlined in the Bank Act and FCPF Regulations. The content of the record to be submitted to FCAC is outlined in section 627.44 of the Bank Act.

The full Guideline can be found here:

<https://www.canada.ca/en/financial-consumer-agency/services/industry/commissioner-guidance/complaint-handling-procedures-banks.html>

On November 23, 2023 the FCAC released a consultation on a new “Guideline on Complaint-Handling Procedures for Trust and Loan Companies and Insurance Companies” to which CAFII made a written submission stating that the Guideline was unnecessary, would result in duplicative effort, and exceeded the FCAC’s authority as insurance was exclusively within provincial jurisdiction. We have learned that similar arguments about jurisdiction were also made by FSRA and CCIR. Since the Guideline was released for consultation, the Commissioner of the FCAC Judith Robertson left the organization and no further information has been received from the FCAC about the Guideline.

CAFII Presses on Harmonization

CAFII has consistently made the case to the different regulatory authorities that harmonization is a fundamentally important criterion. In our December 11, 2021 submission to the FCAC around its approach to a new regime for complaints, for example, we wrote

On a separate very important matter, CAFII strongly believes that the insurance and financial ecosystem in Canada is best served by a regulatory system that is harmonized to the maximum degree across provincial/territorial and federal jurisdictions.

As you may be aware, CAFII’s members—which comprise federally regulated financial institutions (FRFIs) that distribute credit protection insurance (CPI) and travel insurance across the country as Authorized Insurance Products, along with their insurer underwriter partners—are subject to both federal and provincial regulatory frameworks that govern the offering of CPI and travel insurance.

Given that dual regulatory framework reality, it is our strong belief that major benefits would be achieved for both consumer protection and industry efficiency throughout Canada if the FCAC’s Guideline on Complaints Handling could be as consistent and harmonized as possible with corresponding provincial/territorial guidance.

We therefore encourage the FCAC to engage with, and possible become an observer participant at the meetings of, the Canadian Council of Insurance Regulators (CCIR), the national co-ordinating body of the provincial/territorial insurance supervisory authorities.

Having a patchwork of different regulations and guidelines in federal and provincial/territorial jurisdictions across the country results in inefficiencies, and causes financial institutions to have to focus on exception management rather than dedicating the optimal level of resources to meeting both consumers’ needs and wants and regulators’ objectives around fair treatment of customers.

Improvements to Complaints Regulations Through Industry Engagement

While the desire for a harmonized approach has not been achieved, industry engagement with regulatory authorities has produced improvements to some of the regulatory requirements. In Quebec, the AMF has modified its regime so that reporting is now only required for complaints that are not resolved in 20 days, an increase over the original timeline of 10 days that CAFII requested. The FCAC was asked to recognize that there is not a “one-size fits all” approach to regulation, and in response the final guidance included the following modified language:

*FCAC recognizes that banks may tailor their complaint-handling policies and procedures to align with the nature, size and complexity of their business, distribution channels, and products and services.
(Clause 6.)*

Costs to CAFII Members Due to Multiple Complaints Regimes

There are costs to companies that need to comply with multiple different complaints regimes. One approach some companies have taken is to have a national approach with the “highest requirements” applied generally, but in practice this raises its own challenges. What component of the complaints regime should be used for the national approach? Is it definitions, timelines, reporting requirements, or something else? Or should each component be used for a national approach that is “highest requirements”? Some components of the complaints regimes, like timelines for responding to customers, are prescriptive and need to be used for that jurisdiction alone. There is no simple solution to managing multiple complaints regimes and this an administrative burden and an additional cost to companies.

Briefing Note

CAFII BOD Meeting 04 June 2024—Agenda Item 5(h)

Strategic and Regulatory Matters – Plans for Immediately Ensuing Reception with Leslie Martin, Senior Vice-President, Pollara Insights

Purpose of this Agenda Item—Update

To update the Board on the plans for CAFII's immediately ensuing reception with Leslie Martin, Senior Vice-President for Pollara Insights.

Background Information

CAFII Operations Manager Shanay Smith will update the Board on the plans for CAFII's immediately ensuing reception with Leslie Martin, Senior Vice-President for Pollara Insights.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.