

Date: Tuesday, October 8, 2024
Chair: V. Gillis
Host: National Bank of Canada
Location: National Bank Head Office
800 St-Jacques Street, 36th floor
Montreal, QC H3C 1A3

Virtual: [Virtual Meeting Link](#)
Time: 2:20 – 4:00 p.m. EST
Dial-In: 437-013-4253
Phone Conference ID: 372 523 829#







1. Welcome, Call to Order, Meeting Confirmation, and Board Constitution Matters	2:20 p.m.	Presenter	Action	Document
a. Welcome and Call to Order	2:20 p.m.	V. Gillis	Introduction	
b. Land Acknowledgment	2:21 p.m.	P. Thompson	Introduction	
c. Declaration of Meeting Properly Called and Constituted	2:22 p.m.	V. Gillis	Introduction	
d. Approval of Agenda	2:22 p.m.	V. Gillis	Approval	

2. Consent Items	2:22 p.m.	Presenter	Action	Document
a. Draft Minutes of June 4/24 CAFII Board Meeting				
b. Summary of Board and EOC Action Items				
c. June/July-August 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				
h. EOC Approved Schedule of CAFII 2025 Meetings and Events				

3. Financial Management	2:22 p.m.	Presenter	Action	Document
a. CAFII Financial Statements as at August 31/24	2:22 p.m.	D. Hinnecke	Update/ Approval	✓
b. CAFII Forecast as at August 31/24	2:25 p.m.	D. Hinnecke	Update	✓
c. CAFII 2025 Operating Budget Critical Path	2:28 p.m.	K. Martin	Update	✓

4. Strategic and Regulatory Matters	2:30 p.m.	Presenter	Action	Document
a. Debrief Discussion on Just-Completed Industry Issues Dialogue with AMF Executives, as well as earlier Breakfast with Valerie Gillis, Keith Martin, Hugo Lacroix, and Mario Beaudoin	2:30 p.m.	V. Gillis	Discussion	
b. Motion to Approve EOC-Endorsed Rescindment of CAFII Reimbursement Policy	2:40 p.m.	K. Martin/K. Kasperski/V. Gillis	Approval	✓
c. Review of EOC-Endorsed CAFII 3-5 Year Strategic Plan	2:45 p.m.	K. Martin	Update/ Approval	✓
d. Review of EOC-Endorsed CAFII Media Plan	3:05 p.m.	W. Bairos/ K. Martin	Update/ Approval	✓
e. Review of EOC-Endorsed Article for National Post	3:20 p.m.	W. Bairos/K. Martin	Update/ Approval	✓
f. Federal Department of Finance Proposed Amendment to the Criminal Code to Include Insurance Costs in the Calculation of Interest	3:25 p.m.	V. Gillis	Discussion	✓
g. Update on the Research with Deloitte on Technology Trends and AI	3:35 p.m.	K. Martin	Update	✓
h. Update on Plans to Visit FCAC and the Federal Department of Finance, in Ottawa	3:37 p.m.	K. Martin	Update	
i. Update on Executive Director September 17-18 Meetings with Regulators in Alberta and BC	3:40 p.m.	K. Martin	Update	✓
j. Update on Hiring New Operations Manager	3:43 p.m.	K. Martin	Update	✓
k. Update on Expansion of Quarterly RSM Canada Benchmarking Study to Include HELOC Penetration Rates	3:44 p.m.	K. Martin	Update	

5. Read Only Items	3:47 p.m.	Presenter	Action	Document
a. Summary of CHIA Compliance and Consumer Complaints Conference, May 22-24, 2024 in Vancouver, British Columbia				

b.	CCIR Report and PowerPoint on the Fair Treatment of Customers			 (2)
c.	Summary of July 23, 2024 Meeting Between Mario Beaudoin and Keith Martin			
d.	New Initiative from Ontario Finance Around MGA Licensing			 (2)
e.	July 30, 2024 Submission to the Insurance Council of British Columbia on its <i>Restricted Insurance Agency Performance Requirements Framework</i>			✓
f.	Meeting with BCFSa on August 9, 2024 on Draft Extraprovincial Incident Reporting			
g.	FCAC Decision to Pause its Initiative Around Guideline on Complaint – Handling Procedures for Trust and Loan Companies and Insurance Companies			 (3)
h.	BCFSa Position on Life and Health Insurance Adjustors			✓ (3)
i.	Finalizing the Spousal Coverage File with AMF, With a Three Year Extension Provided for the Cancellation of Coverages			✓
j.	Quebec Bill 68 – Monitoring by CAFII			
k.	July 25, 2024 Virtual Meeting with Hugo Lacroix, AMF			✓ (2)
l.	June 14, 2024 Submission to the AMF on Artificial Intelligence			 (2)
m.	Update on Website Investments			✓ (4)

6.	In-Camera Session (<i>Suggested Agenda Topics</i>)	3:47 p.m.	Presenter	Action	Document

Next Board Meeting: Tuesday, December 3, 2024, 3:00 to 5:00 p.m. EDT, followed by 5:30 to 7:30 p.m. Reception (Hybrid Meeting, Hosted by Chubb Life Insurance Company of Canada - Location TBD)

Briefing Note

CAFII BOD Meeting October 8, 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 October 08, 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 Peter Thompson will deliver the land acknowledgment.

Recommendation / Direction Sought—Introduction

No action required.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting October 08, 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—Introduction

To declare the meeting properly called and constituted.

Background Information

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

Recommendation / Direction Sought—Introduction

This is an introduction item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting October 08, 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 October 8/24 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 08 October 2024—Agenda Item 2(a-h) 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 June 4/24 CAFII Board Meeting
- b. Summary of Board and EOC Action Items
- c. June/July-August 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
- h. EOC 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 June 4/24 CAFII Board Meeting (item 2(a)) and receive for the record Consent Items 2(b) through 2(h) via a single omnibus motion. CAFII Research Analyst Robyn Jennings will then provide a brief high-level overview of the June and July-August Regulatory updates.

Attachments Included with this Agenda Item

No attachments.

Link: [CAFII October 8/24 BOD Meeting Consent Items - Google Drive Document Repository.](#)

This link includes documents for:

- Draft Minutes of June 4/24 CAFII Board Meeting
- Summary of Board and EOC Action Items
- June/July-August 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
- EOC Approved Schedule of CAFII 2025 Meetings and Events

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 3(a)
Financial Management – CAFII Financial Statements as at August 31/24

Purpose of this Agenda Item—Update/Approval

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

Background Information

CAFII Treasurer Donald Hinnecke will update the Board on CAFII's financial statements as at August 31/24. After the update, D. Hinnecke will seek approval of the tabled 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 Aug 31st, 2024

	Current Month	Budget Aug-24	Variance to Monthly Budget	Current YTD	Budget '24 YTD	Variance Budget to YTD	Budget 2024
Revenue							
Member and Associate Dues	\$78,706	\$76,362	\$2,344	\$629,651	\$610,895	\$18,756	\$916,342
Interest Revenue							
Interest Revenue - Saving Account	\$1,611	\$1,250	\$361	\$7,241	\$10,000	(\$2,759)	\$15,000
45030 Interest-Savings, Short-term CD	\$1,443	\$0	\$1,443	\$14,291	\$0	\$14,291	\$0
Total Interest Revenue	\$3,054	\$1,250	\$1,804	\$21,532	\$10,000	\$11,532	\$15,000
Miscellaneous (One time event fees)	\$0	\$0	\$0	\$270	\$0	\$270	\$0
TOTAL REVENUE	\$81,760	\$77,612	\$4,148	\$651,453	\$620,895	\$30,558	\$931,342
Expenses							
Association operating							
CAFI Staff Salaries and Benefits	\$38,925	\$37,176	(\$1,749)	\$314,087	\$309,269	(\$4,818)	\$456,767
Managing Matters Contractual Fees	\$10,637	\$10,637	\$1	\$85,094	\$85,099	\$5	\$127,648
Legal Counsel and Consultant Support Associated w	\$0	\$3,000	\$3,000	\$692	\$21,000	\$20,308	\$30,000
Audit Fees	\$1,417	\$1,417	(\$0)	\$9,130	\$11,333	\$2,204	\$17,000
Insurance	\$733	\$708	(\$25)	\$5,808	\$5,664	(\$143)	\$8,500
Website SEO and Enhancements	\$0	\$0	\$0	\$884	\$70,738	\$69,854	\$96,276
Member Communication and Technology Tools	\$1,304	\$958	(\$346)	\$11,620	\$7,667	(\$3,953)	\$11,500
Telephone/Fax/Internet	\$206	\$500	\$294	\$4,563	\$4,000	(\$563)	\$6,000
Postage/Courier	\$0	\$17	\$17	\$55	\$132	\$77	\$200
Office Expenses	\$53	\$300	\$247	\$1,571	\$2,400	\$829	\$3,600
Bank Charges	\$128	\$57	(\$71)	\$745	\$456	(\$289)	\$680
Depreciation Computer/Office Equipment	\$215	\$268	\$53	\$1,717	\$2,145	\$427	\$3,217
Managing Matters Webinar Fees	\$0	\$0	\$0	\$7,684	\$5,763	(\$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	\$53,618	\$55,038	\$1,421	\$443,648	\$532,315	\$88,667	\$781,164
Research and education committee							
Research/Studies	\$15,001	\$0	(\$15,001)	\$16,802	\$16,950	\$148	\$68,814
CAFI Benchmarking Study/RSM Canada	\$0	\$0	\$0	\$33,900	\$33,900	\$0	\$67,800
Total Research and education committee Expenses	\$15,001	\$0	(\$15,001)	\$50,702	\$50,850	\$148	\$136,614
Market conduct committee							
Provincial Regulatory Visits and Relationship-Building	\$0	\$0	\$0	\$4,231	\$2,200	(\$2,031)	\$6,600
Federal Regulatory Visits and Relationship-Building	\$0	\$0	\$0	\$0	\$1,000	\$1,000	\$2,000
Total Market conduct committee	\$0	\$0	\$0	\$4,231	\$3,200	(\$1,031)	\$8,600
Networking and events committee							
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	\$0	\$1,778	\$1,778	\$2,078	\$8,889	\$6,811	\$16,000
Industry Conferences and Events	\$154	\$0	(\$154)	\$11,005	\$9,500	(\$1,505)	\$11,000
EOC Annual Appreciation Dinner	\$0	\$0	\$0	\$0	\$0	\$0	\$6,500
Speaker fees & travel	\$0	\$0	\$0	\$0	\$0	\$0	\$1,600
Gifts	\$0	\$0	\$0	\$1,886	\$800	(\$1,086)	\$1,200
CAFI Staff/Board Relationship-Building	\$0	\$330	\$330	\$0	\$1,320	\$1,320	\$2,000
Networking Events	\$0	\$0	\$0	\$1,005	\$1,000	(\$5)	\$2,000
CAFI 25th Anniversary Celebration	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Networking and events committee	\$154	\$2,108	\$1,954	\$36,680	\$35,509	(\$1,171)	\$60,200
Media and advocacy strategy committee							
Media Outreach	\$0	\$0	\$0	\$6,420	\$1,200	(\$5,220)	\$3,000
Media Consultant Retainer	\$2,543	\$3,000	\$458	\$20,340	\$24,000	\$3,660	\$36,000
Marketing Collateral	\$0	\$0	\$0	\$130	\$0	(\$130)	\$2,700
Total Media and advocacy strategy committee	\$2,543	\$3,000	\$458	\$26,889	\$25,200	(\$1,689)	\$41,700
TOTAL EXPENSE	\$71,315	\$60,146	(\$11,168)	\$562,150	\$647,074	\$84,924	\$1,028,278

CAFI
411 Richmond Street E, Suite 200
Toronto, ON M5A 3S5
Balance Sheet
As at Aug 31st, 2024

	CAFII Operations			
	31-Aug 2024	31-Jul 2024	31-Dec 2023	
ASSETS				
Current Assets				
Bank Balance	\$474,488	\$532,604	\$35,071	\$451,540.42 in suspense account , actual balance- \$81,063.48
Savings Account	\$595,547	\$593,936	\$208,306	
TD Investment in GIC- 1104 8045480 01	\$404,603	\$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	\$2,468	\$1,024	\$709	
Prepaid Expenses	\$7,854	\$8,351	\$5,780	
Computer/Office Equipment	\$10,303	\$10,303	\$9,866	
Accumulated Depreciation -Comp/Equip	(\$3,941)	(\$3,726)	(\$2,223)	
Total Current Assets	\$1,491,321	\$1,547,095	\$663,706	
TOTAL ASSETS	\$1,491,321	\$1,547,095	\$663,706	
LIABILITIES				
Current Liabilities				
Accrued Liabilities	\$13,593	\$12,182	\$18,622	
Credit Card	\$656	\$1,042	\$441	
Account Payable	\$20,287	\$8,825	\$43,527	
Deferred Revenue	\$314,825	\$393,532	\$0	
Suspense	\$451,540	\$451,540	\$0	
Total Current liabilities	\$800,902	\$867,121	\$62,590	
TOTAL LIABILITIES	\$800,902	\$867,121	\$62,590	
UNRESTRICTED NET ASSETS				
Unrestricted Net Assets, beginning of year	\$601,117	\$601,117	\$669,275	
Excess of revenue over expenses	\$89,303	\$78,857	(\$68,158)	
Total Unrestricted Net Assets	\$690,420	\$679,974	\$601,117	
Total Unrestricted Net Assets	\$690,420	\$679,974	\$601,117	
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$1,491,321	\$1,547,095	\$663,706	
	0	0		
Financial Reserves Targets as per 2024 Budget:				
Minimum 3 months (25%) of Annual Operating Expenses=		\$	257,070	36,152.46
Maximum 6 months (50%) of Annual Operating Expenses=		\$	514,139	72,304.92
Current Level of Financial Reserves (total unrestricted net assets):			\$690,420	
Current Level of Financials Reserve (%) :			67%	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 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 October 08, 2024—Agenda Item 3(b)
Financial Management – CAFII Forecast as at August 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 August 31/24.

Background Information

CAFII Treasurer Donald Hinnecke will update the Board on the forecast for CAFII's 2024 fiscal year as at August 31/24.

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 Aug 2024	2024 Forecast	Comment/Rationale	
Revenue								
Member and Associate Dues	955,970	991,653	953,098	916,342	629,651	944,475	Add PWC \$5,000	
Interest Revenue								
Interest Revenue - Saving Account	236	2,579	11,062	15,000	7,241	6,000	Keep Ave of 200k in savings @3.5%	
Interest Revenue -Investment Account			12,216		14,291	16,195	Keep GIC \$400000 for 200days and \$300,000 for 100days @4.2%	
Total Interest Revenue	236	2,579	23,278	15,000	21,532	22,195		
Miscellaneous (One time event fees)	-	12,511	380	-	270	-		
TOTAL REVENUE	956,206	1,006,743	976,756	931,342	\$651,453	966,670		
EXPENSE								
Association operating								
CAFII Staff Salaries and Benefits				456,767	314,087	441,500	Adjusted for Shanay's exit and Keith's revised pay+ new hire w.e.f. Oct 1	31866.66667
Managing Matters Contractual Fees	486,711	507,904	636,709	127,648	85,094	127,648	Same as budget	
Legal Counsel and Consultant Support Associated with								
Regulatory Submissions and Related Communications/Advocacy	74,221	-	18,479	30,000	692	30,000	Same as budget	
Initiative<								
Audit Fees	13,224	15,187	15,902	17,000	9,130	17,000	Same as budget	
Insurance	5,877	6,275	7,681	8,500	5,808	8,767	Actual cost	
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	11,620	11,500	Same as budget	
Telephone/Fax/Internet	6,799	5,935	6,707	6,000	4,563	6,000	Same as budget	
Postage/Courier	-	60	73	200	55	200	Same as budget	
Office Expenses	2,694	7,898	2,943	3,600	1,571	3,600	Same as budget	
Bank Charges	663	548	582	680	745	680	Same as budget	
Depreciation Computer/Office Equipment	1,136	716	1,507	3,217	1,717	3,217	Same as budget	
Managing Matters Webinar Fees		7,684	13,447	11,526	7,684	11,526	Same as budget	
Speaker fees & travel	-	-	738	1,600	-	1,600	Same as budget	
New Hire for 6 months				-	-	15,000	Recruitment expenses for new hire	
New Office Equioment			-	-	-	-	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	443,648	781,164		
Research and education committee								
Research/Studies	75,473	73,026	67,677	68,814	16,802	68,814	Same as budget	
CAFII Benchmarking Study/RSM Canada	67,800	67,800	84,750	67,800	33,900	67,800	Same as budget	
Total Research and education committee	143,273	140,826	152,427	136,614	50,702	136,614		
Market conduct committee								
Provincial Regulatory Visits and Relationship-Building	-	9,205	36,385	6,600	4,231	6,600	Same as budget	
Federal Regulatory Visits and Relationship-Building	-	-	-	2,000	-	2,000	Same as budget	Move to Market Conduct Category
Total Market conduct committee	-	9,205	36,385	8,600	4,231	8,600		
Networking and events committee								
Annual Members and Associates Luncheon	-	13,147	13,666	14,000	20,707	20,700	*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	2,078	16,000	Same as budget	
Industry Conferences and Events	-	615	5,153	11,000	11,005	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	1,886	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	36,680	66,900		
Media and advocacy strategy committee								
Media Outreach	9,542	2,779	3,939	3,000	6,420	3,000	Same as budget	
Media Consultant Retainer	29,792	37,331	32,678	36,000	20,340	36,000	Same as budget	
Marketing Collateral	717	1,787	1,462	2,700	130	2,700	Same as budget	
Total Media and advocacy strategy committee	40,050	41,897	38,079	41,700	26,889	41,700		
TOTAL EXPENSE	834,165	843,369	1,044,914	1,028,278	562,150	1,034,978		
Excess of Revenue over Expenses	122,041	163,374	(68,158)	(96,936)	89,303	(68,308)		
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	693,094	535,483		

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 Aug 2024	2024 Forecast
Minimum 3 months (25%) of Annual Operating Expenses =	208,541	210,842	261,228	257,069	140,537	258,745
Maximum 6 months (50%) of Annual Operating Expenses =	417,082	421,685	522,457	514,139	281,075	517,489
Actual/Forecasted Level of Financial Reserves:	352,264	393,597	601,117	506,855	693,094	535,483
Actual/Forecasted Level of Financial Reserves %:	0	47%	48%	49%	123%	52%

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 3(c)
Financial Management – CAFII 2025 Operating Budget Critical Path.

Purpose of this Agenda Item—Update

To provide an update to the Board on CAFII's 2025 operating budget and critical path.

Background Information

CAFII Executive Director Keith Martin will update the Board on CAFII's 2025 operating budget and critical path.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.

Critical Path for Development and Approval of 2025 CAFII Operating Budget

Task	Responsible	Timing/Deadline
Meet with EOC Leadership (Karyn Kasperski, John Burns, Donald Hinnecke) to discuss overall philosophical approach to operating budget.	Keith Martin	August 19, 2024 (done)
Reach out to CAFII Committee Chairs and Vice-Chairs, on behalf of Executive Director, with request for input submissions on individual portfolio 2025 Operating Budget spending requests, along with related rationale, by September 19, 2024	Ricky Nason	September 13, 2024
Provide input submissions on individual portfolio 2024 Operating Budget spending requests, along with related rationale, to Controller R. Nason (with c.c. to D. Hinnecke, K. Martin, R. Jennings)	Committee Chairs and Vice-Chairs	September 20, 2024
Prepare Draft 1 of 2023 Operating Budget, in consultation with K. Martin, R. Jennings	R. Nason	September 27, 2024
Meet virtually to review and amend, as necessary, Draft 1 of 2024 Operating Budget	D. Hinnecke, K. Kasperski, J. Burns, K. Martin, R. Nason, R. Jennings	October 3, 2024
Prepare Draft 2 of 2024 Operating Budget, with oversight from K. Martin	R. Nason	October 9, 2024
Post Draft 2 of 2023 Operating Budget for October 29/24 EOC Meeting and incorporate it into consolidated package of meeting materials	T. Woodland, K. Martin, R. Jennings, R. Nason	October 22, 2024
Review and provide feedback on Draft 2 of 2023 Operating Budget, in October 29/24 EOC meeting	EOC Members	October 29, 2024
EOC volunteer leaders and CAFII team to agree on changes to Operating Budget based on feedback received from the EOC	D. Hinnecke, K. Kasperski, K. Martin, R. Nason, R. Jennings	November 5, 2024
Request EOC endorsement of Operating Budget at November EOC meeting	K. Martin	November 19, 2024
Review, discuss, and approve Draft 3 of 2024 Operating Budget (must be in open Board meeting so the approval decision can be minuted)	Board of Directors	December 3/24

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 4(a)

Strategic and Regulatory Matters – Debrief Discussion on Just-Completed Industry Issues Dialogue with AMF Executives, as well as earlier Breakfast with Valerie Gillis, Keith Martin, Hugo Lacroix, and Mario Beaudoin

Purpose of this Agenda Item—Discussion

To update and discuss with the Board the just-completed industry issues dialogue with AMF Executives, as well as an earlier Breakfast with Valerie Gillis, Keith Martin, Hugo Lacroix, and Mario Beaudoin.

Background Information

CAFII Board of Director Valerie Gillis will update the Board on the just-completed industry issues dialogue with AMF Executives and the earlier Breakfast with Valerie Gillis, Keith Martin, Hugo Lacroix, and Mario Beaudoin.

Recommendation / Direction Sought—Discussion

This is a discussion item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 4(b)

Strategic and Regulatory Matters – Motion to Approve EOC-Endorsed Rescindment of CAFII Reimbursement Policy

Purpose of this Agenda Item—Approval

To request the Board's approval of the EOC-endorsed rescindment of CAFII reimbursement policy.

Background Information

CAFII Executive Director Keith Martin, CAFII EOC Chair Karyn Kasperski, and CAFII Board of Directors Valerie Gillis will present the EOC-endorsed rescindment of the CAFII reimbursement policy to the Board and request its approval.

CAFII has an existing policy to allow members who host a reception following a Board meeting, which is rotated between CAFII's 15 members, to ask for a reimbursement of up to \$7500. As well, the policy allows individuals participating in CAFII's regulatory tours to seek reimbursement for their travel, hotel, and food expenses. In practice, over the past 8 years very few members have requested these reimbursements. In the interest of a policy that is more uniform for all members, and to simplify the development of the annual operating budget, approval is being sought to rescind this policy.

Recommendation / Direction Sought—Approval

This is an approval item.

Attachments Included with this Agenda Item

One (1) attachment.

Expense Reimbursement Policy

Document Owner:	Executive Operations Committee (EOC)
Practice Applies to:	CAFII Member Organizations, Directors, Volunteers and Staffs
Process Responsibility:	CAFII Executive Director
Final Accountability:	Executive Operations Committee (EOC)

This policy applies to CAFII Member Organizations hosting a quarterly Board Meeting as well as Directors, Volunteers and Staff conducting regulatory meetings on behalf of CAFII.

I. Board Hosting Expense Guideline

Effective as of fiscal year 2015,

CAFII will reimburse a CAFII member for the expenses related to hosting a CAFII Board meeting and CAFII Board reception up to a maximum of **\$7500**.

II. Expense Guideline for Government Representation by CAFII EOC or Board Members

Effective as of *December 2, 2014*

Travel, accommodation and meal expenses incurred by CAFII Board and EOC members representing CAFII while on:

- a) Government initiated meetings that have requested CAFII representation (e.g. Provincial Insurance Act rewrite committees, Provincial Superintendent initiated meetings), or
- b) Government meetings to influence specific regulatory or administrative changes as part of a strategy with budget approved by the CAFII EOC or the CAFII Chair prior to confirming attendance or incurring any expenses on behalf of CAFII

Will be reimbursed based on reasonable and customary costs reflecting the travel policy of the institution the representative is employed by.

Concurrence of persons and numbers attending the event shall be at the approval of the CAFII EOC or the CAFII Chair prior to confirming attendance or incurring any expenses on behalf of CAFII:

- Each CAFII representative invited to the event should have a business reason to attend. CAFII typically sends two members to each government meeting. Unless directed otherwise by the Board, only the expenses of two members will be covered.
- CAFII will not reimburse for entertainment of a questionable nature that may negatively impact CAFII's reputation.

Expenses incurred to travel to a CAFII Board meeting will not be reimbursed.

All expenses must be summarized on the CAFII Expense report and submitted with the associated receipts to the CAFII Secretary prior to reimbursement (or the CAFII Chair if the Secretary is not available).

Authorization

Only the Board of Directors has the authority to change or modify the policy on expense reimbursement as it may from time-to-time deem required.

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 4(c)
Strategic and Regulatory Matters – Review and Possible Approval of EOC-Endorsed CAFII 3-5 Year Strategic Plan

Purpose of this Agenda Item—Update/Approval

To update and request approval from the Board on the EOC-Endorsed CAFII 3-5 year strategic plan.

Background Information

CAFII Executive Director Keith Martin will update and request the Board's approval of the EOC-endorsed CAFII 3-5 year strategic plan. CAFII's EOC has been reviewing the Strategic Plan since the April, 2024 meeting, and dedicated the entire July EOC meeting to just a review of the Plan. At the September 19, 2024 EOC meeting the EOC endorsed the version of the Plan that is being presented at this meeting to the Board.

The Strategic Plan is very much aligned with the prior two Strategic Plans approved by the Board, but with some clarifications around the focus of CAFII and the addition of some areas for CAFII to monitor.

Recommendation / Direction Sought—Update/Approval

This is an update item with the opportunity for approval.

Attachments Included with this Agenda Item

One (1) attachment.

CAFII 3-5 Year Strategic Plan for Board Approval

October 2024

CAFII's Vision

Vision Statement—CAFII's Vision

CAFII's Vision is to ensure credit protection insurance remains simple, accessible, and affordable for Canadians.

CAFII's Mission Statement

CAFII represents, communicates about, and advocates for financial institutions in insurance, their insurer partners, and affiliated organizations by promoting their commitment to the fair treatment of customers and customer-centric products, policies, and practices. CAFII strives to foster an open, flexible marketplace that is efficient and effective and allows consumers an expanded choice in the purchase of insurance products and services. CAFII is committed to reducing the gap in uninsured and underinsured Canadians through research and education on the benefits of Credit Protection Insurance (CPI). CAFII supports a legislative and regulatory environment that is healthy for future growth.

Supporting this mission

- Foster relationships with regulators and policy makers across Canada with regular in-person visits
- Promote diversity, equity and inclusion with CAFII's membership and Board

Deepen relationships

- Proactively invest in relevant research to educate and influence key constituents through our communications strategy
- Cultivate strong relationships with Industry Associations with similar objectives
- Proactively invest in digital strategy including website and enhance media profile

Monitor and Assess Emerging Trends

- International regulatory trends in other countries that could impact the Canadian environment
- Technology developments impacting our industry – artificial intelligence, digitization
- Leverage regulatory and research expertise to educate internal and external audiences

Advocacy with Policy-Makers

CAFII's Focus is on Credit Protection Insurance

While CAFII's primary focus is on Credit Protection Insurance (CPI) and the distribution of insurance offered through financial institutions, CAFII will also advocate when mandated by its members in related areas such as Credit Card Embedded Benefits (CCEB) and Authorized Group Travel Products.



Advocacy with Policy-Makers

CAFII's Focus is on Advocacy about CPI Including Responding to Regulatory Consultations

CAFII focuses its mandate on advocacy with regulators and policy makers. This includes the important reactive efforts to respond to all relevant regulatory and policy-maker consultations through written and verbal submissions.



200-411 Richmond Street E, Toronto, ON M5A 3S5
 ☎ (416) 494-9224 傳真 (416) 967-6320
 info@cafii.com www.cafii.com

November 17, 2023

Huston Loke
 Chair, Canadian Council of Insurance Regulators
 C/O Financial Services Regulatory Authority of Ontario
 25 Sheppard Avenue West, Suite 100
 Toronto, Ontario
 M2N 6S6

CC
 Raseema Alam, Policy Manager, CCIR
 Peter Burston, Director, National Policy Coordination, CCIR
ccir-ccrra@fsrao.ca

Dear Mr. Loke,

The Canadian Association of Financial Institutions in Insurance (CAFII) would like to thank the Canadian Council of Insurance Regulators (CCIR) for the opportunity to respond to your proposed new definition of a complaint and the directly related proposed new approach to the reporting of complaints via CCIR's Annual Statement on Market Conduct (ASMC).

Our first comment is that, while possibly not immediately obvious from a regulator's perspective, these proposals actually constitute a significant change that has major implications for life and health insurers (and their financial institution distributors who support their insurer partners in providing data required for the annual ASMC filing) that result in the proposal representing a very major undertaking.

We believe that thorough, meaningful consultations and dialogue with industry stakeholders lead to better regulatory outcomes. Prior to the recent launch of this current CCIR consultation, there was no dialogue with industry Associations regarding either CCIR's intention to change the definition of a complaint or the changes being contemplated around ASMC's reporting requirements associated with complaints. Having a thorough industry consultation of at least 45 business days (nine weeks), including pre-consultation dialogue, would have been a more efficient and effective way to proceed. This would have provided CAFII, and other



The Canadian Association of
Financial Institutions in Insurance | L'association canadienne des
institutions financières en assurance

Making Insurance Simple and Accessible for Canadians
 Rendre l'assurance simple et accessible pour les Canadiens
 25

Advocacy with Policy-Makers

CAFII Proactively Advocates with Regulators In-Person and Virtually

CAFII proactively engages with regulators and policy-makers by soliciting opportunities to meet with and present to them. This includes regulatory tours with CAFII management and CAFII volunteer members to regularly meet policy-makers in their own jurisdictions. These tours will be supplemented by virtual meetings and visits by CAFII's Executive Director with regulators and policy-makers.



cafii acifa

The Canadian Association of
Financial Institutions in Insurance

L'association canadienne des
institutions financières en assurance

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

Advocacy with Policy-Makers

CAFII Looks for Speaking Opportunities and Will Continue with Webinars

CAFII looks for ways to influence stake-holders including speaking opportunities for the Executive Director, and meetings with key stakeholders and influencers. CAFII will continue to hold regular webinars, which have been well-received and well-attended by regulators and policy-makers, on issues of interest.



September 26, 2023

CAFII's Webinar and Virtual Fireside Chat with FSRA's Glen Padassery and Stuart Wilkinson

September 17, 2024

CAFII Executive Director participates in the Insurance Council of BC's 2024 AGM & Regulatory Forum as a panelist in a discussion of life insurance issues, in Richmond BC

<https://www.cafii.com/category/events/>

cafii acifa

The Canadian Association of
Financial Institutions in Insurance

L'association canadienne des
institutions financières en assurance

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

Consumer Education through Communication

CAFII will collaborate with friendly Associations

CAFII will collaborate on shared priorities with friendly Associations like the CLHIA, THIA, CBA, and IBC. CAFII's Executive Director will form relationships with key counterparts at these Associations and will seek to coordinate regulatory engagement so that where possible an industry approach can be taken.



Canadian Life & Health
Insurance Association
Association canadienne des
compagnies d'assurances
de personnes



Consumer Education through Communication

Research is a Key to CAFII's Proactive Approach to Educating Regulators and Consumers

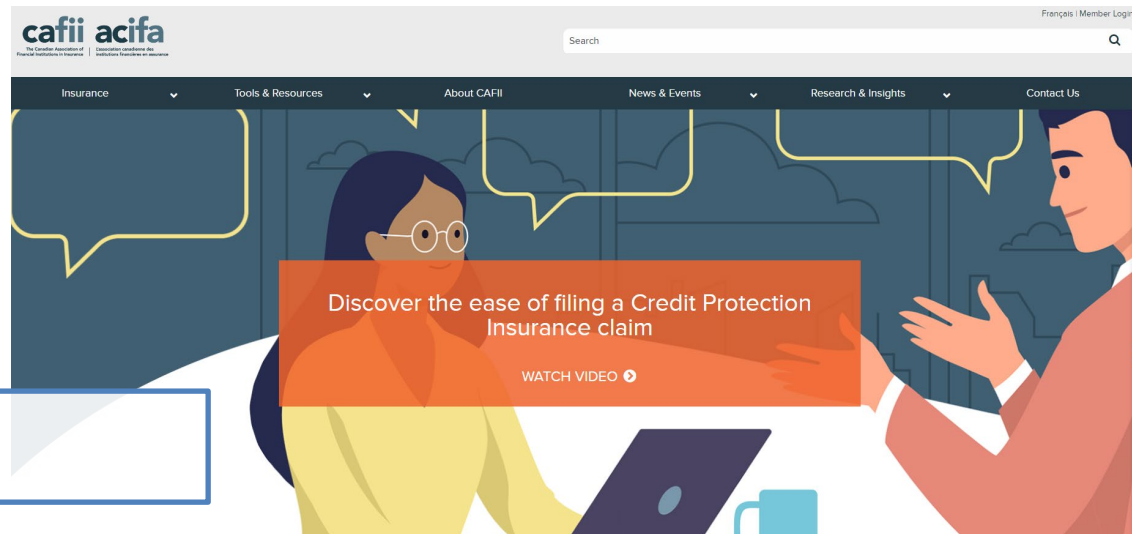
CAFII invests in annual research projects that allow it to understand consumer views of CPI, demonstrate thought leadership around insurance, and share major trends in the CPI marketplace. This research positions CAFII as a reliable source of information about CPI, provides materials for CAFII advocacy with policy-makers, and creates content for the CAFII website and media outreach efforts.



Consumer Education through Communication

CAFII Invests in Digital Assets

CAFII invests in a robust digital strategy that includes constantly adding relevant content to the public-facing website, including visually-pleasing videos, with an emphasis on improving results around Search Engine Optimization. The strategy will include social media content especially around adding material to CAFII's LinkedIn page.



Consumer Education through Communication

CAFII Shares Relevant Information with Media

CAFII continues to share relevant information including research findings with media, and will look at enhancing our media presence through a more assertive, but carefully managed, media effort.



*Critical Gap in Creditor Life Insurance
Coverage Among Canadian Homeowners:
CAFII Study*
April 1, 2024



*CAFII study shines light on "concerning trend"
among homeowners*
March 25, 2024

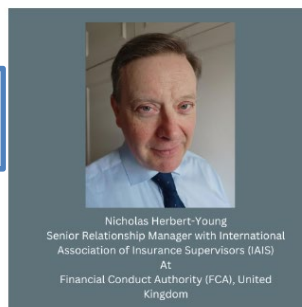


*Most Canadian homeowners do not carry
sufficient coverage*
March 20, 2024

Continued Focus on Emerging Issues

International and Regulatory Trends are Monitored

CAFII continues to monitor international issues and regulatory trends carefully with a focus on those that could influence the Canadian regulatory environment. Key tools to share this information are the Weekly Digest and the Regulatory Update, as well as research.



Nicholas Herbert-Young
Senior Relationship Manager with International
Association of Insurance Supervisors (IAIS)
At:
Financial Conduct Authority (FCA), United
Kingdom

April 27, 2023

*CAFII Webinar: International Regulatory Trends & The Work of The
International Association Of Insurance Supervisors (IAIS)*

CONFIDENTIAL TO CAFII MEMBERS AND ASSOCIATES; NOT FOR WIDER DISTRIBUTION

Regulatory Update – CAFII Executive Operations Committee, November 24, 2023

Prepared by Robyn Jennings, Research Analyst.

McKinsey & Company

On January 8, 2024, McKinsey & Company Published an Article On L&H Insurance Titled "Redefining the Future of Life Insurance and Annuities Distribution"

On January 8, 2024, McKinsey & Company, a worldwide strategy and management consulting firm, published an informative article on L&H Insurance titled *Redefining the Future of Life Insurance and Annuities Distribution*. Below is a brief overview of the article's main points. To read the article in full, see [McKinsey & Company's website](#).

The article began with a brief synopsis of the structural changes life and annuities insurers have had to contend with over the last decade and how these changes have negatively impacted the life insurance industry as a whole. Specifically, the article looked at "the decreased relevance of life insurance, the shift in value creation toward distributors, and the continued convergence toward comprehensive advice on topics including health, wealth, and protection." The article concludes with a few suggestions to insurers regarding some actionable approaches they can take to safeguard during this time of immense change.

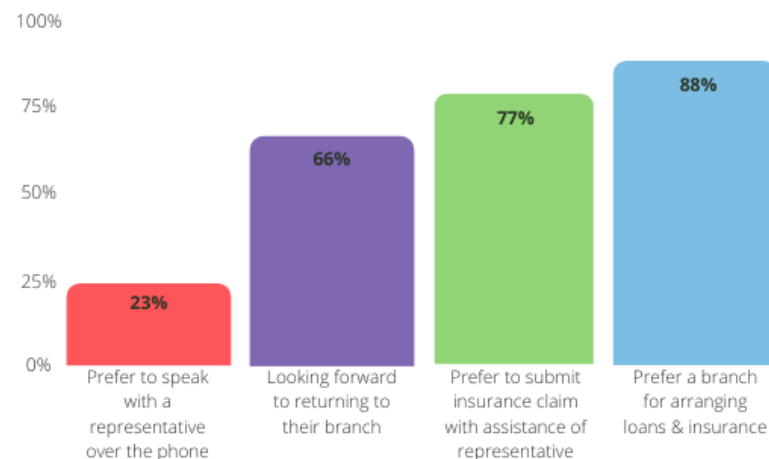
While the COVID-19 pandemic may have inspired many to look into "mortality protection," North America's economic troubles have reduced the demand for life insurance products. Though the article is particularly focused on US life insurance market, the information shared is relevant to Canadian insurers as well.

Continued Focus on Emerging Issues

Digitization Trends are Monitored

CAFII continues to monitor digitization and its impacts on the CPI marketplace, including shifts in consumer expectations around digitization and regulatory expectations around the impact of digitization on the regulatory environment. Key tools to share this information are the Weekly Digest and the Regulatory Update, as well as research.

PERSONAL CONTACT STILL VALUED

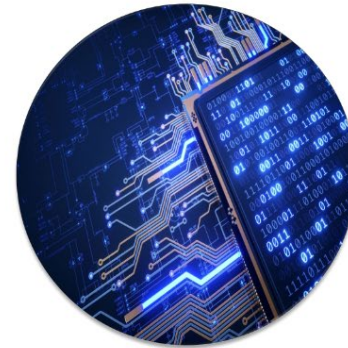


Source: Pollara Strategic Insights/CAFII 2021

Continued Focus on Emerging Issues

Technology Trends are Monitored

CAFII continues to monitor technology trends and how these are impacting the CPI marketplace and the regulatory environment, including generative artificial intelligence, machine learning, large language models, and other trends. Key tools to share this information are the Weekly Digest and the Regulatory Update, as well as research.



CONFIDENTIAL

Exploring Emerging Technology & Gen AI Trends in CPI

2024 Research Project | Proposal

**Deloitte.**

Appendix

How do we Measure Success? ...

Did we choose the Right Initiatives?

A successful execution requires measures



Measures of Success

- Retention of Members
- New Members, Associates
- Surveys of Members, Associates, Participants following Events
- Speaking opportunities
- Media presence
- Research results (number of studies, how often quoted)

If this Strategic Plan is Successful...What Might CAFII Look Like...in future?



Leading to the view that:

“CAFII is an Association that punches above its weight”

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 4(d)

Strategic and Regulatory Matters – Review and Possible Approval of EOC-Endorsed CAFII Media Plan

Purpose of this Agenda Item—Update/Approval

To update and request approval from the Board on the EOC-Endorsed CAFII media plan.

Background Information

CAFII Media Consultant Wendy Bairos and CAFII Executive Director Keith Martin will update and request the Board's approval of the EOC-endorsed CAFII media plan. The plan is aligned with the approach CAFII has been taking in recent years to have more exposure to media, but in a controlled and cautious way. However, the plan also proposes some new initiatives, including attempting to have materials published in mainstream media about CPI, such as the National Post.

Recommendation / Direction Sought—Update/Approval

This is an update item with the opportunity for approval.

Attachments Included with this Agenda Item

One (1) attachment.

CAFII - Media Plan

Prepared by CAFII Media Consultant Wendy Bairos
September 2024

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

Objective: CAFII aims to enhance public and regulators/policy makers understanding of the insurance products offered by its members, thereby reinforcing its role as a trusted resource. By addressing misinformation and educating the public and our regulators, we seek to build confidence in the insurance marketplace and support informed decision-making and flexible regulation that allows for innovation. Additionally, in meeting these objectives, CAFII looks to build brand awareness.

Approach: To expand our outreach while maintaining our cautious stance toward media engagement, we propose targeted strategies that will allow us to communicate effectively with consumers. These strategies will help CAFII position itself as a reliable source of information in the insurance industry, balancing the need for visibility with our risk-averse approach.

Submit contributed content and byline articles to consumer facing media

To enhance CAFII's visibility and establish it as a trusted source of expertise, we will submit high-quality contributed content and byline articles to relevant consumer-facing media outlets. This strategy not only builds brand awareness beyond our membership but also positions CAFII as a thought leader, and trusted resource, in the sector.

Examples of Approaches:

1. Focus on research insights: We will develop articles that highlight key research findings, such as those from LIMRA, to provide data-driven insights that resonate with consumers.
2. Leverage industry expertise: Articles will draw on CAFII's deep industry knowledge to offer expert perspectives on trends, challenges, and opportunities within the insurance marketplace.
3. Address consumer concerns: Content will focus on demystifying insurance products,

addressing common misconceptions, and providing practical advice for consumers.

We have developed our initial article focusing on LIMRA research findings. In priority order, we will be pitching this article to Financial Post, Toronto Star, and CBC.

Considerations

- While we aim to secure placement of the byline article, there is no guarantee that editors will accept it as is. We will pitch multiple editors to increase the chances of publication.
- Editors may suggest revisions, request a different emphasis, or ask for a re-write, but the core of the article will largely remain true to the original draft.
- If the article does not get picked up—whether due to timing or relevance to their audience—we recommend posting it as an insight piece on the CAFII website and promoting it through our social media channels.

Additional opportunities:

Increase Website Traffic and Strengthen the CAFII Brand: Boost visibility and engagement through more frequent blog publications.

Expand CAFII's Owned Content on Website and LinkedIn: Regularly publishing content on the CAFII website and promoting it on LinkedIn allows CAFII to maintain control over its messaging. Additionally, consistently updating content will enhance SEO performance, helping CAFII rank higher in search results for insurance-related topics.

Engage and Expand the Audience: Owned content on LinkedIn or the CAFII website often reaches an audience already familiar with CAFII. To further engage this audience, we should create shareable content that encourages them to reshare with their own networks. To attract new audiences, we need to increase the volume of content and explore amplification opportunities—this could include paid promotions or sharing content across additional channels.

Process:

1. Topic Identification and Alignment:

- Begin by identifying a broad list of potential topics that are relevant to CAFII's members and their interests.
- These topics will be confirmed in collaboration with the Media Advocacy group and EOC, to ensure alignment with what matters most to members, as well as with the seasonality calendar of key industry events, trends, and concerns.
- The aim is to align content topics with the strategic priorities of CAFII and the needs of its members.

2. Topic Approval:

- Work with CAFII Media Advocacy Group on final list and approval
- Present the prioritized list of topics to the EOC for review and endorsement.
- During this stage, the EOC may provide input on refining the topics to better align with member needs or to fit into the overall communications strategy.
- Once approved, this list will serve as the foundation for content creation efforts.

3. Content Development:

- From the approved list, select the top 3 topics that are most timely and relevant.
- Develop these topics into fully drafted byline articles, attributed to Keith Martin, intended for media outreach.
- Each article should be crafted with a focus on securing publication in key media outlets, emphasizing angles that would appeal to editors and their readership.
- Each article to be reviewed and approved by the Media Advocacy Group

4. Media Pitching:

- Pitch the byline articles to targeted media outlets.
- Track responses from editors, noting any feedback or requests for adjustments to the content.

5. Publication Strategy:

- If an article is accepted by a media outlet, collaborate with the editor to finalize and publish the piece.
- For articles not selected by editors, repurpose them by publishing them on the CAFII website as insight pieces. This ensures that the content is still utilized and contributes to CAFII's thought leadership and online presence.

6. Promotion and Amplification:

- Promote published articles, whether through media or the CAFII website, across all CAFII-owned channels, including LinkedIn and other social media platforms.
- Consider additional amplification strategies such as paid promotions, partnerships with influencers, or cross-promotion with other relevant organizations.

7. Ongoing Review and Adjustment:

- Regularly review the performance of published content, including metrics like engagement, reach, and SEO impact.
- Use insights from these reviews to refine future topic selection, content development, and promotional strategies, ensuring continuous alignment with CAFII's goals and member interests.

Draft list of topics

1. **"The Role of Credit Protection and Mortgage Insurance in Safeguarding Canadian Homeowners"**
Explore how credit protection, mortgage life, disability, and critical illness insurance collectively offer financial security during times of economic uncertainty or personal hardship, ensuring that homeowners can protect their families and homes.
2. **"Credit Protection and Personal Loan Insurance: Building Financial Resilience in Uncertain Times"**
Highlight the benefits of credit protection and personal loan insurance, particularly during job loss, disability, or untimely death, and how they help homeowners and borrowers stay financially stable.
3. **"Debunking Myths and Misconceptions About Credit Protection Insurance"**
Address common misconceptions surrounding credit protection insurance (CPI) while providing clear, factual information to help consumers make informed decisions about securing their financial future.
4. **"When Should You Consider Credit Protection Insurance? Key Life Stages and Financial Moments"**
Identify critical life stages—such as taking on a new mortgage, personal loan, or experiencing major life changes—where credit protection insurance becomes especially valuable.
5. **"Critical Illness, Disability, and Job Loss Insurance: Essential Safety Nets for Canadian Families"**
Discuss the importance of critical illness, disability, and job loss insurance in providing peace of mind and financial stability, covering medical bills, income loss, or temporary unemployment.
6. **"Choosing the Right Insurance: Mortgage Life Insurance vs. Traditional Life Insurance"**
Compare and contrast mortgage life insurance and traditional life insurance options to help homeowners decide which coverage best fits their family's needs and financial situation.
7. **"The Complete Guide to Filing Insurance Claims: Disability, Job Loss, and Critical Illness"**
Provide a step-by-step guide to successfully navigating the claims process for disability, job loss, and critical illness insurance, with tips on documentation and communication with insurers.
8. **"Why Life and Health Insurance Are Essential for Every Canadian Family"**
Explore the different types of life and health insurance, from term and whole life to supplementary health insurance, and explain how they can safeguard a family's financial future in times of need.
9. **"Maximizing Your Insurance Coverage: Tips for Home, Life, and Health Insurance"**
Offer strategies for homeowners and families to get the most out of their insurance policies, including understanding deductibles, choosing beneficiaries, and optimizing health insurance.
10. **"The Importance of Travel Medical Insurance: Protecting Canadians Abroad"**
Discuss why travel medical insurance is essential for Canadians traveling outside the country,

emphasizing the potential high costs of medical care abroad and how proper coverage can protect travelers from financial strain during emergencies.

11. "Comprehensive Travel Insurance: What You Need to Know Before Your Next Trip"

Explore the different types of travel insurance (trip cancellation, interruption, and medical coverage) and provide guidance on selecting the right policy to cover unforeseen events, such as medical emergencies, flight cancellations, or lost baggage.

12. "Why Trip Cancellation and Interruption Insurance is a Must-Have for Today's Travelers"

Explore the importance of trip cancellation and interruption insurance, particularly in the current travel landscape, where unexpected events like illness, flight delays, or global disruptions can lead to significant financial loss. Highlight how this type of insurance provides peace of mind and financial protection, ensuring that travelers are covered for non-refundable expenses if their plans are derailed.

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 4(e)

Strategic and Regulatory Matters – Review and Possible Approval of EOC-Endorsed Article for National Post.

Purpose of this Agenda Item—Update/Approval

To update and request approval from the Board on the EOC-Endorsed article for National Post.

Background Information

CAFII Media Consultant Wendy Bairos and CAFII Executive Director Keith Martin will update and request the Board's approval of the EOC-endorsed article for publication in the National Post.

Recommendation / Direction Sought—Update/Approval

This is an update item with the opportunity for approval.

Attachments Included with this Agenda Item

One (1) attachment.

DRAFT Op-Ed

To be pitched to media

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 fall into these categories. This statistic represents millions of 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 when unexpected events 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 resulting in the loss of their home.

In contrast, if the same family had a credit protection insurance (CPI) policy attached to their \$300,000 mortgage and covering the primary income earner, the CPI would 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 avoid the devastating consequences of being underinsured.

The crucial 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 years of income—the minimum recommended 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 all homeowners with credit 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 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 developing 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 policies risk deterring people from securing the coverage they need, leaving them vulnerable. 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.

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 4(f)

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—Discussion

To update and discuss with the Board 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 will update and discuss with the Board the federal Department of Finance's proposed amendment to the criminal code to include insurance costs in the calculation of interest. CAFII has been communicating on this matter with the Department of Finance, has been closely coordinating its approach with the Canadian Bankers Association (CBA) and the Canadian Life and Health Insurance Association (CLHIA), and has made a detailed submission opposing the Department's proposed amendments that was sent on September 11, 2024.

Recommendation / Direction Sought—Discussion

This is a discussion item.

Attachments Included with this Agenda Item

One (1) attachment.

September 11, 2024

Mr. Mark Radley
Director, Consumer Affairs, Financial Sector Policy
Department of Finance
14th Floor, 90 Elgin Street
Ottawa, Ontario K1A 0G5

Copy to:
Ms. Anne Loosen, Economist, Department of Finance
Ms. Tanjana Islam, Analyst, Department of Finance
Mr. Connor Ward, Economist, Department of Finance

Dear Mr. Radley,

Re: Department of Finance Draft Amendments to the Criminal Code

The Canadian Association of Financial Institutions in Insurance (CAFII) would first like to thank you for the opportunity to provide feedback to proposed amendments to the Criminal Code, specifically with respect to provisions to include all insurance costs in the calculation of interest.

Amendments do not Align with Policy Intent

CAFII understands that the amendments to the Criminal Code intend to better regulate predatory lending and payday loans; however, the department's proposed approach has the unintentional potential to make insurance less accessible to Canadians. The proposed amendments take a broad approach to including all insurance premiums in the calculation of interest. As a result, the amendments risk capturing products like optional credit protection insurance (CPI) and optional balance protection insurance (BPI)¹ offered by Federally Regulated Financial Institutions (FRFIs). These insurance protections, as discussed in more detail later in this letter, offer critically important insurance protections to Canadians, a majority of which are underinsured or uninsured.

¹ Credit Protection Insurance and Balance Protection Insurance are included in the class of insurance named Creditor's Group Insurance within provincial insurance acts.

The proposed amendments could capture optional CPI and optional BPI because they are "related to" the lending product in the sense that if the insured borrower incurs a life or health related event and makes a claim under the policy, a claims payout will be applied against their lending obligation.

Although our comments focus on CPI and BPI, CAFII notes that the current definition of "insurance charge" in the amendments could be interpreted to include many forms of insurance beyond CPI and BPI, such as mortgage default insurance, property insurance, and auto insurance distributed by either the lender or other third parties to the borrower where a lender is named as loss payee.

CAFII does not believe that CPI or BPI offered by FRFIs, or the other aforementioned insurance products were the products or lenders that the Department of Finance intended to target in this effort. These FRFIs are already well-regulated, tied-selling is prohibited, and they have robust consumer protections in place. As drafted, the proposed amendments could have a number of unintended consequences on consumers, lenders, and insurers.

For group policies such as CPI, insurance policy pricing is also not based on interest calculations or credit risk but instead is based on actuarial modeling tied to such factors as longevity and morbidity risks. These proposed amendments could make accessing insurance more difficult for Canadians who may need it the most. For example, less healthy, older clients who require credit will face greater challenges getting insurance if these amendments are passed since their insurance premiums may be higher given their insurance health risks being covered, which could bring the cumulative "interest" into the criminal range.

The core issue here is that the definition appears to include any optional insurance product offered in conjunction with (but separate from) a credit instrument like a mortgage, loan, Home Equity Line of Credit (HELOC), or credit card from any insurance provider. There seems to be no consideration that optional insurance fills an important consumer need to provide life, health, or job loss protection that is unrelated to the extension of credit. In summary, the scope of this definition seems much broader than necessary to adequately address predatory lending and payday loans.

Further, if CPI/BPI insurance is no longer available to certain consumers, they will have lost access to the benefit of insurance payments that could have kept their credit obligation in good standing during difficult times, which could, in turn, negatively impact their credit rating and ultimately push them towards the predatory lending market. This would actually be contrary to the policy objective of protecting consumers from predatory lending.

Therefore, any adjustment to the definition of “credit charge” or “interest” needs to be narrowed to ensure that it does not capture more than intended to avoid any negative consequences for consumers.

It is also unclear whether the amendments are intended to capture personal products only or include business credit cards, loans, operating lines of credit, or mortgages as well.

CPI and BPI Premiums Should Not be Included in the Determination of Interest Rate Levels

CPI and BPI is a category of optional group insurance products that provides coverage if a consumer passes away, becomes critically ill or disabled, or in some instances, loses their job. Enrolling in creditor insurance does not impact the credit decision or the extension of credit or borrowing rate from the lender, and it is completely optional. The choice to enrol for CPI or BPI is based on whether the consumer believes it is appropriate based on their financial circumstances. It is often chosen by consumers for peace of mind and its ease of execution since no medical assessment is required. The premium charged can fluctuate on a monthly basis based on outstanding balance of the debt and the consumer's age along with other actuarially determined health risk factors. This product can be cancelled at any time by the consumer with a refund of pro-rated premiums.

At a policy level and as a matter of principle, CAFII is of the view that insurance premiums charged by FRFIs in association with loan instruments offered by them do not constitute interest either conceptually or practically, and that it is inaccurate to include those premiums in the calculation of interest rate. These products are not tied to the extension of credit, nor do they protect against credit risk, but rather they provide optional insurance risk protection against a borrower's life, health, and employment-related risks. These insurance coverages stand separate from the credit instrument and are transacted under separate contracts for customers who choose to purchase this protection.

The calculation of the cost of borrowing in the *Financial Consumer Protection Framework Regulations* aligns with this approach by excluding charges for optional insurance (and costs for other types of insurance) from the cost of borrowing calculation. On the other hand, including interest charges in the calculation of criminal rates of interest does not align with the cost of borrowing calculations currently disclosed to customers under federal law.

More specifically, the Financial Consumer Agency of Canada (FCAC) has specified which charges are and are not associated with the cost of borrowing:

Section 48 (2) Charges not included in the cost of borrowing:

The cost of borrowing for a loan does not include any of the following fees or charges:

- a) *Charges for insurance on the loan if*
 - i) *The insurance is optional*
 - ii) *The borrower is its beneficiary, and the amount insured reflects the value of an asset that is security for the loan*

Similarly, s.70 of the Quebec CPA also specifically excludes optional insurance when defining “credit charges”:

Section 70. ...Despite any provision to the contrary, the following do not constitute credit charge components: (a) the premium for insurance of persons if the merchant does not subject the entering into of the credit contract to subscribing to or participating in the insurance...

Optional CPI and BPI fill an important need of providing Canadian consumers with life, health, disability and job loss protection based on consumer personal circumstances. The amendments could limit access to insurance for consumers who might not be able to afford or qualify for more traditional individual insurance products. Some customers might not receive an offer of CPI or BPI from the lender based on where the interest rate calculation falls for their credit product following calculation with insurance included, to avoid the risk of breaching the criminal rate of interest provisions. This could result in unintended negative consequences for consumers, leading to increased complaints associated with unfair treatment and limited access

to insurance that they desire, and could result in underserved or unserved consumers not having access to these protections and coverages.

For example, one use case which may result in undue consumer harm would be a client in their mid-50s who is seeking an unsecured debt consolidation loan. These loans are often used to combine multiple repayment obligations, which helps improve cash flow and credit history for consumers. Clients seeking debt consolidation help may not have access to traditional insurance coverage. As a result of these proposed changes, these same clients may no longer be in a position to benefit from the protection offered by CPI. This could leave consumers unreasonably exposed should job loss, critical illness, or death occur.

The calculation of interest would be very difficult to administer on a month-to-month basis as a calculation would need to consider the fluctuation of insurance charges based on outstanding debt amount and changes in the customer's age to ensure that the interest charge does not exceed the criminal interest rate threshold. Furthermore, it is possible that a customer could obtain optional CPI and BPI through a channel other than a lender, and thus, the lender may not know about the existence or cost of the coverage, leading to the risk of inadvertent non-compliance. The possibility also exists that a one-month fluctuation would result in the threshold being met, and then unmet in a subsequent month. Is the FRFI required to reinstate the insurance in those months where the threshold is not met?

The lending institution's lack of visibility regarding insurance premiums requires emphasizing. Lending institutions do not determine the premiums, rates, or conditions for insurance offered in conjunction with a loan instrument. More specifically, lending institutions are not "charging" the premium; they are treating it as a bill payment. The money does not go to the lending institution; it goes to the insurance company.

In some situations, it is not possible to monitor charges from third-party insurers so they can be added to other charges. Lending institutions do not directly control what insurers will charge for optional insurance and sometimes have no visibility in terms of the premiums being charged to customers obtaining insurance against their loan. For example, if a mortgage is sold through a broker to be held by a bank who then arranges for the credit to be optionally insured by an insurance company not affiliated with that bank, it would not be able to monitor the 35% threshold as the lending institution would have no visibility on the existence of optional Insurance being in place and even less information about the specific rate.

For these reasons, the proposed amendments would only increase the costs of providing loans, which may, in turn, restrict access to credit.

We also note that insurers can amend premiums on notice to customers from time to time. In addition, if the legislation is broad enough to capture other insurance where the lender is named as a loss payee (like property insurance or auto insurance), then compliance with the legislation becomes even more challenging. Lenders would not know the premiums consumers pay for such insurance.

Lenders should not face the risk of criminal sanctions because of changes to the cost of insurance determined by the actions of the consumer or the insurer.

If interest does exceed the threshold as a result of premiums for CPI or BPI, it is unclear what the consequences would be. If the Department of Finance believes insurance should be cancelled, we note that CPI and BPI are normally set up as a group insurance policy with individual insurance certificates issued to customers. The lender or insurer normally cannot unilaterally cancel the coverage unless the group policy is terminated, which would impact all customers who have enrolled in the insurance product.

It is an important principle of insurance that, once obtained, the provider cannot cancel the coverage unless premiums have not been paid or some other termination event specified in the terms of the insurance has occurred. Forcing the cancellation of CPI or BPI would be harmful to consumers as they would lose the insurance coverage they believed they needed. If the expectation is that the insurance should stay in place, then would the Department of Finance expect lenders to reduce interest rates on the underlying credit product, all while the insurer providing CPI or BPI retains the full premium?

It should also be noted that financial reporting and taxation requirements have different definitions of interest than what is being proposed. With an expanded definition of interest, multiple calculations of interest would be required to demonstrate compliance with these amendments, which could potentially impact financial statements or tax return filings.

Life, Health, and Job Loss Products Provide Critical Protection for Underinsured and Uninsured Canadians

By incorporating the costs of CPI and BPI into the criminal insurance rates, the Department of Finance risks both deterring and preventing Canadians' optional purchase of insurance even though these products serve an important role in the marketplace. The credit instruments that CPI and BPI are associated with are not at all similar to payday loans and any implication that they should be viewed similarly is misleading and inaccurate.

CAFII believes that restricting access to these optional insurance products for these loan instruments will have an undesirable and harmful impact on Canadian consumers. We believe it could result in consumers who would otherwise benefit from these coverages not having the opportunity to obtain these protections, which could very well compound an existing underinsurance problem.

A March 2024 survey of Canadians commissioned by CAFII and conducted by independent research organization LIMRA found that Canadians are underinsured and uninsured against their lives and health.² The study found a concerning trend among Canadian homeowners: a significant 80% lack sufficient insurance coverage, being either uninsured or underinsured with CPI or traditional life insurance³. This shortfall in coverage leaves many families inadequately protected against unforeseen life events. Low-income homeowners are significantly more likely to be uninsured compared to those in higher income brackets. Of those who are insured, 75% of low-income homeowners are underinsured, meaning they lack sufficient coverage to protect their financial well-being.

Despite the alarming rate of underinsurance, only 55% of all homeowners with credit own some form of CPI. This discrepancy is even more pronounced among low-income homeowners, who have notably less CPI coverage compared to their high-income counterparts. This suggests a gap in understanding of and access to CPI, highlighting the need for increased awareness and education about this form of insurance and its benefits.

² The full study can be found on the CAFII website here: <https://www.cafii.com/cafii-limra-insurance-among-canadian-homeowners/>

³ Underinsured is defined as Canadians with insurance coverage of less than 7-10 times their income, which is the definition used by the Financial Consumer Agency of Canada (FCAC).

While 80% of Canadian homeowners are underinsured or uninsured, among low-income homeowners with credit, 24% have no life or health insurance and another 10% rely solely on CPI for their insurance needs. This is significantly more than other income groups and highlights the importance of this form of protection for financially vulnerable households.

Finally, a significant portion of Canadian homeowners, 38%, fall into the category of “at risk.” These are homeowners with credit, who are uninsured or underinsured, and have survivors such as partners or dependents. This group is particularly vulnerable to financial hardship in the event of unexpected life events. Taken together, these findings demonstrate the importance of not impeding access to these insurance protections, and not unfairly tarnishing the reputation of this industry or the access to these products by underinsured and uninsured Canadians.

These products offered by banks and credit unions provide critical protections in the marketplace and treat consumers fairly. The insurance is optional; full disclosure of premiums, exclusions, and limitations are made; and the industry has a strong record around claims payout. For example, separate research commissioned by CAFII and conducted by polling company Pollara Insights found that 95% of mortgage life insurance claims were paid out.

Life and Health Insurance Is Regulated by Provinces and Territories, and Bank Distributors are Regulated by the Bank Act and the FCAC

Credit protection insurance and balance protection insurance are a class of life, health, and job loss insurance products that are regulated across the country under the jurisdiction of provincial and territorial regulators and policy-makers. While we recognize the authority of the federal government with respect to the Criminal Code, the outcome of these amendments will have an impact on the perception and possible availability of products that are squarely within the jurisdiction of provinces and territories.

CAFII understands that the Department of Finance may be intending to address practices by parties not regulated by the Bank Act, federal regulation, and provincial and territorial regulators. If that is the case, we believe that the approach to take is to explicitly exempt those regulated parties and associated optional CPI and BPI products that do meet the Department’s regulatory expectations and to make clear in your definitions of key terms what the legislation is intending to achieve and what parties are subject to it. The definitions should make clear that your focus is on issues related to the extension of credit by non-regulated lenders.

For greater clarity, Charter I and Charter II banks are subject to all the applicable federal regulatory requirements, including the Bank Act and oversight by the FCAC, and all CAFII members offering CPI and BPI are subject to provincial regulations and oversight. Tied-selling is prohibited, and CAFII members are committed to fair disclosure, rigorous oversight of products offered, and the fair treatment of customers.

Consultation Period is Short

While in principle, we are very concerned if optional credit protection insurance and balance protection insurance are intended to be captured by the proposed amendments, in practice, we are also concerned about such a short consultation period for a change of this magnitude. CAFII has fifteen members that represent large, complex financial institutions and there are many other industry stakeholders who would be impacted by this change. We believe that better regulatory outcomes and protections occur when there is dialogue and detailed consultation with industry; the compressed timeline for this consultation has compromised the ability to achieve this important outcome. As a result, we feel that the amendments should not be moved forward until there has been an opportunity for a fulsome engagement between the Department of Finance and industry.

Final Comments and Recommendations

If the policy intent of the proposed amendments is to address concerns around optional insurance offered in conjunction with predatory lending and payday loans, we are concerned that many other legitimate loan instruments offered by FRFIs have associated optional insurance like CPI and BPI that are being inadvertently captured by these amendments, which could lead to negative consequences for consumers. CAFII respectfully suggests that criminal provisions are not the appropriate mechanism to address concerns that the government might have relating to the cost of insurance or sales practices by non-regulated lenders. This unfairly casts a shadow of criminality over what are legitimate forms of insurance that benefit consumers. It can also have the consequence of limiting access to insurance to consumers who may benefit from it, particularly those who may be underinsured. We strongly believe that insurance premiums should continue to be excluded from the calculation of interest, as was the approach prior to the introduction of these draft amendments and as is the current approach for calculating the cost of borrowing.

To the extent the Department of Finance is not open to removing insurance charges from the calculation of interest, the amendments should explicitly define the specific products offered that are targeted by this change as opposed to a broad, all-encompassing definition of insurance. The definition should make it clear that optional CPI and BPI insurance offered by regulated entities is not intended to be captured by the amendments and should consider an exemption for parties offering this optional insurance that are not the intended subjects of these amendments. As it stands, the broad definition could produce unintended consequences on consumers and is a disservice to many Canadian consumers who need these products and whose access to them should not be limited. At a practical level, it would be extremely difficult for industry to operationalize these proposed changes.

We encourage the Department of Finance, if it has not already done so, to engage in consultations with the provinces' and territories' insurance regulators on the amendments as insurance regulation falls under the jurisdiction of provinces and territories.

Thank you again for the opportunity to provide input and feedback on the Department of Finance's consultation on amendments to the Criminal Code. 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,

A handwritten signature in blue ink, appearing to read "Karyn Kasperski".

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

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

CAFII's 15 members include the insurance arms of Canada's major financial institutions--BMO Insurance, CIBC Insurance, Desjardins Insurance, National Bank Insurance, RBC Insurance, Scotia Insurance, and TD Insurance, along with major industry players Assurant Canada, The Canada Life Assurance Company, Canadian Tire Bank, Canadian Western Bank, Chubb Life Insurance Company of Canada, CUMIS Services Incorporated, Manulife (The Manufacturers Life Insurance Company), and Securian Canada.

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 4(g)

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

Purpose of this Agenda Item—Update

To update the Board on CAFII's research with Deloitte on Technology Trends and AI.

Background Information

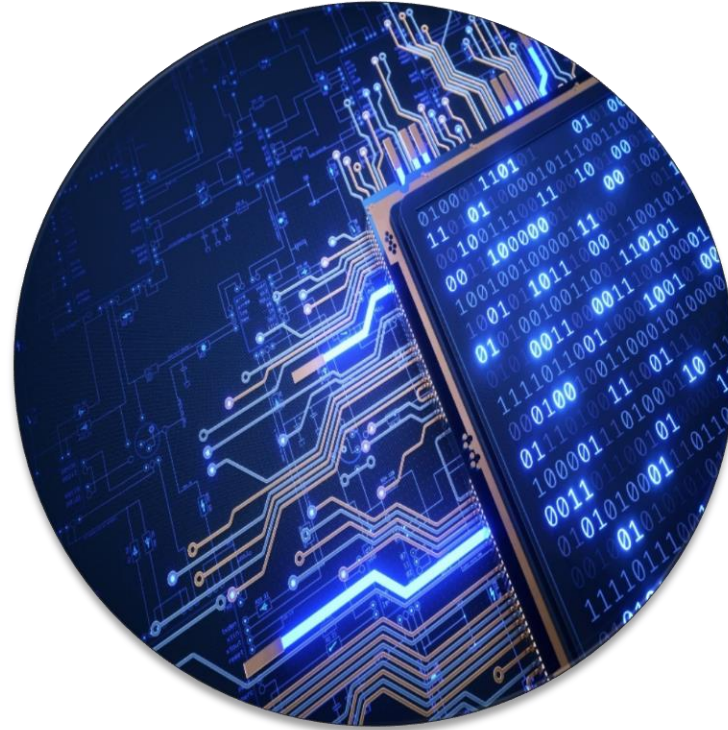
CAFII Executive Director Keith Martin will update the Board on CAFII's research with Deloitte on Technology Trends and AI. As part of the research gathering phase of the project, Deloitte is currently engaged in interviews with CAFII members. The Report is intended to be completed in the fall of 2024 with a public release, if that is the decision taken, early in 2025.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.



Exploring Emerging Technology & Gen AI Trends in CPI

2024 Research Project | Status Meeting

September 19th, 2024

Status Report

OVERALL STATUS:

ON TRACK

KEY ACTIVITIES COMPLETED

- ✓ Initiated interviews with identified CPI leads from CAFII members
- ✓ Initiated external research to gather perspectives on emerging technologies impact on CPI, and customer preferences

KEY ACTIVITIES IN-FLIGHT

1. Continue to complete interviews, consolidating insights and themes
2. Gathering names of stakeholders from 15 CAFII member organizations (4 outstanding)
3. Continue secondary research based on table of content shared during the official kick-off meeting
4. Continue to refine quantitative survey

UPCOMING ACTIVITIES

1. Circulate draft of quantitative survey to R&E Committee members for feedback
2. Engage Global Deloitte SMEs and Insurance Leaders
3. Finalize interviews and consolidate findings to be shared during the first week of October
4. Consolidate secondary research findings

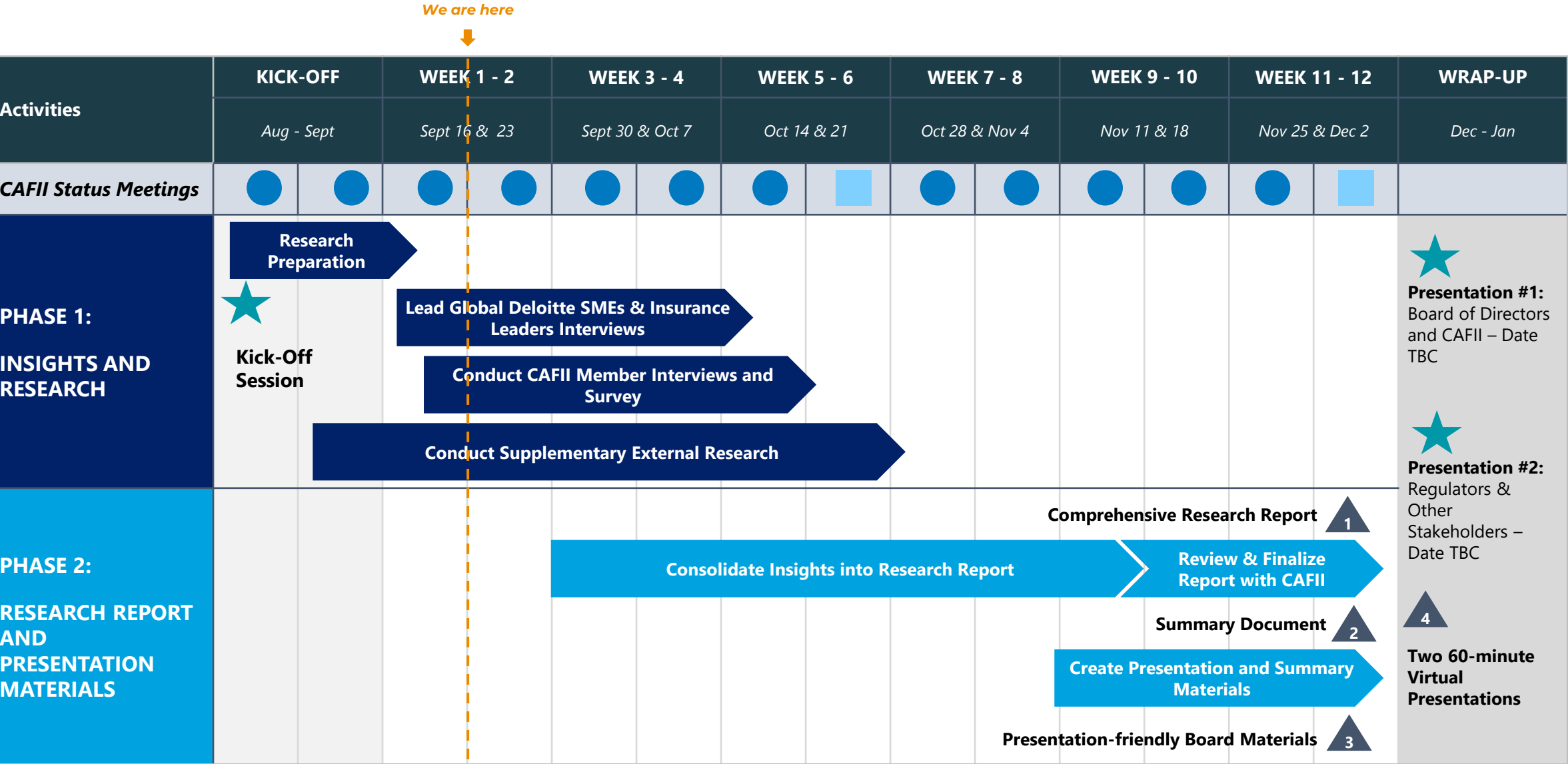
MILESTONES (M) / DELIVERABLES (D)

	Timing	Status
1 Kick-Off (M)	Prep	C
2 Stakeholder Interviews (M)	Week 1-5	OT
3 Conduct Quantitative Survey (M)	Week 3-5	OT
4 Conduct Supplementary External Research (M)	Week 3-5	OT
5 Touchpoint #1: Share preliminary findings (M)	Week 6	-
6 Preliminary Research Report (M)	Week 9	-
7 Touchpoint #2: Review & Refine with CAFII Research Committee	Week 11	-
8 Comprehensive Research Report (D)	Week 12	-
9 Summary Document (D)	Week 12	-
10 Presentation-friendly Board Materials (D)	Week 12	-
11 Virtual Presentations (D)	TBC	-

OUTSTANDING ITEMS / ISSUES / RISKS

#	Description	Owner	Current Status	Due Date	Status
	Identification of CAFII member individuals to interview	Keith	Potential to cause delays	Sept 23	OT

Project Timeline



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the “Deloitte organization”) serves four out of five Fortune Global 500® companies. Learn how Deloitte’s approximately 312,000 people make an impact that matters at www.deloitte.com

This communication contains general information only, and none of none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

© 2024. For information, contact Deloitte Touche Tohmatsu Limited.

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 4(h)

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

Purpose of this Agenda Item—Update

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

Background Information

CAFII Executive Director Keith Martin will update the Board on CAFII's plans to visit FCAC and the Federal Department of Finance in Ottawa. CAFII last visited the FCAC in March 2020, just before the pandemic was declared. CAFII chose not to visit the FCAC while we were in discussions with the FCAC about its initiative to introduce a new complaints regime for insurers to avoid having the meeting focus on that issue, a project it has now withdrawn. However, the FCAC Commissioner has recently left, and an interim Commissioner is in place. At the September 19, 2024, EOC meeting, it was felt that it might be better to wait until a permanent Commissioner is appointed before visiting the FCAC, as after the appointment of a new Commissioner with a new approach would be an ideal time to meet and present our priorities and key messages to the FCAC.

With the unexpected amendments proposed by the Department of Finance around the inclusion of insurance in the calculation of interest, CAFII interactions with the Department revealed that information about CPI could be helpful by increasing the knowledge of the Department. If CAFII visits the FCAC in Ottawa, we will also propose to seek a meeting with the Department of Finance.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 4(i)

Strategic and Regulatory Matters – Update on Executive Director September 17-18 Meetings with Regulators in Alberta and BC

Purpose of this Agenda Item—Update

To update the Board on CAFII's Executive Director, Keith Martin, September 17-18 meetings with Regulators in Alberta and BC.

Background Information

CAFII Executive Director Keith Martin will update the Board on CAFII's Executive Director, Keith Martin, September 17-18 meetings with Regulators in Alberta and BC. CAFII was invited to participate in an industry panel in Richmond, BC on September 18, 2024, by the Insurance Council of BC. To maximize the productivity of the visit, CAFII Executive Director Keith Martin also visited two relatively new regulators in Alberta on September 17: Alberta Insurance Council CEO Amina Deiab, and Alberta Superintendent of Insurance and ADM Chris Merriman.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.

Meeting on September 17, 2024 in Edmonton, Alberta with the Alberta Insurance Council

CAFI's Executive Director, Keith Martin, met with the relatively new CEO of the Alberta Insurance Council Amina Deiab (appointed on April 22, 2024) on September 17, 2024, in her offices in central Edmonton. Ms. Deiab's biography can be found here: <https://www.abcouncil.ab.ca/about-us/>

Ms. Deiab brought with her a new hire, Laura Ly, Director of Communications, and Joseph Fernandez, Registrar, who CAFI has met several times. The meeting was highly interactive. Keith Martin shared information on how credit protection insurance works, the members of CAFI who offer it, the key regulatory issues we focus on, and the key priorities for CAFI. There was mention of the intense volume and pace of regulatory change, the complexity of the regulatory environment with over 30 regulators and policy-makers across the provinces and territories as well as federally, and the importance of the CCIR and CISRO. Harmonization and principles-based regulation were discussed, as was the recent research that CAFI has commissioned with LIMRA on Canadian homeowners being underinsured or uninsured, with the key findings summarized.

Ms. Deiab is relatively new to her role. She said she was still learning about insurance and found it invaluable to have this sort of conversation that gave her a good background on some of the key issues facing the industry. She was very interested in the work that CAFI has done around technology and AI, particularly how it may impact the insurance industry, and said she would appreciate being kept advised of what we learn. She was impressed with the investments in our website and our making it a financial literacy resource, and asked her new Director of Communications to review it as she is committed to making the website of the Alberta Insurance Council more consumer-oriented.

Ms. Deiab was very interested in the annual CLHIA Conference on Compliance and Consumer Complaints, which she did not know about. She said she would be interested in learning more and would enjoy participating in the Conference. Keith Martin said he would be pleased to convey that information to the CLHIA, which he has subsequently done.

Meeting on September 17, 2024 in Edmonton, Alberta with the Superintendent of Insurance

Keith Martin met with relatively new Superintendent of Insurance and Assistant Deputy Minister, Financial Sector Regulation and Policy, Government of Alberta, Chris Merriman (appointed on November 30, 2023) on September 17, 2024, in his offices in central Edmonton. Mr. Merriman's biography can be found here: <https://www.alberta.ca/system/files/tbf-superintendent-of-pensions-effective-2023-1130.pdf>

The one-hour conversation was very open and friendly, with Mr. Merriman spending a considerable amount of time sharing his regulatory perspective and speaking about his career background. He prides himself on not being "a bureaucrat" and having a strong private sector background, having worked at RBC and ATB Financial, before becoming a regulator with the Credit Union Deposit Guarantee Corporation (Alberta). He deplores the inefficiency that can be found in the public service and said he is committed to ensuring regulation and oversight achieve the objectives it was intended to. Useless or inefficient regulation should be removed, he said, and spoke about how he liked to "shake things up."

Keith Martin shared CAFII's priorities, including the importance of principles-based regulation with a focus on outcomes for market conduct regulatory initiatives. Harmonization and the importance of CCIR and CISRO was also raised. Mr. Merriman said he values dialogue with industry. He appreciated the visit by CAFII and expressed his desire to continue the conversation.

Participation in an Industry Panel with the Insurance Council of BC, September 18, 2024

Keith Martin participated in an industry panel organized in conjunction with the Annual General Meeting of the Insurance Council of BC on September 18, 2024, in Richmond, BC. The audience consisted of about 50 people, half of which were executives from the Insurance Council of BC, including CEO Janet Sinclair, and the other half members of the councils.

The one-hour panel session was moderated by Kandace Hopkins, Director, Practice, Quality & Assurance, and the industry participants were Keith Martin, CAFII Executive Director; Nina Kavalinas, National Compliance at Financial Horizons Group and a volunteer with CAILBA; Harris Jones, CEO, Advocis; and Luke O'Conner, AVP, Market Conduct Policy and Regulation, CLHIA.

The agenda focused on three questions (see below).

Agenda	Time
Moderator opening remarks and introduction of panelists (name, title, organization)	5min
1. What are the top two regulatory concerns or challenges being faced by your members? What would you like to see happen in these areas?	15min
2. We often hear from industry that more harmonization between provinces would be beneficial. What specific regulatory requirements would you like the Insurance Council of BC to focus on with respect to harmonization?	15min
3. What key message would you like to convey to the Council Members here today on behalf of your members?	15min
Audience Q&A	5-10min

Keith Martin mentioned the volume and pace of regulatory change which the other panelists agreed with. It was mentioned how, during the pandemic, fewer regulatory initiatives were made compared to now, post-pandemic; regulators and policy-makers are "catching up," resulting in a very high load of new initiatives. Keith Martin also mentioned how customers have heightened expectations when it comes to insurance. They seem to increasingly expect their interactions on insurance to be as seamless as they are with Amazon. The relentless pace of technology change, which is offering opportunities, is also creating risks and challenges for industry and regulatory authorities.

Keith Martin emphasized the importance of principles-based regulation, noting that for such an approach to succeed there must be excellent and ongoing communication between regulators and regulated entities. An example was given of the original BCFSa rule on incident reporting, which included a requirement for a unique BC form to be filled out. After industry feedback that this was not necessary, BCFSa changed the rule to a guideline and said existing forms that met their data expectations, such as the OSFI form used by banks for reporting incidents federally, could be used. This

was cited as an example of a successful consultation, which will produce the same desired outcomes for the regulator but in a much more efficient manner.

Keith Martin emphasized that despite some of the challenges raised today, Canadian regulators are among the best in the world and our regulatory system can provide important protections for consumers, which industry supports. Insurance is based on trust; therefore, fair treatment of customers is critical. For this reason, industry supports well-thought-out regulation that ensures that bad actors are dealt with. Finally, mention was made of other countries where the regulators are not in ongoing proactive communication with industry, and that the ability for industry to share insights and ask questions of regulators in Canada leads to better outcomes for regulators and for consumer protection.

All the panelists spoke about harmonization and the importance of a more streamlined regulatory system. There were also several references to the importance of CCIR and CISRO.

A few days after the session, Insurance Council of BC CEO Janet Sinclair wrote the following note to Keith Martin:

From: Janet Sinclair <jsinclair@insurancecouncilofbc.com>
Sent: September 20, 2024 3:22 PM
To: Keith Martin <Keith.Martin@cafii.com>
Cc: Brett Thibault <bthibault@insurancecouncilofbc.com>; Galen Aker <gaker@insurancecouncilofbc.com>
Subject: Thank you

Hi Keith,
 Thanks so much for making the time to participate in the panel. In the discussions I have had with Council Members and staff following the session, many talked about the value they received from such candid and open conversations and several indicated it will help frame the work they do on Council. Your comments regarding the level of consultation and considerations for the restricted licence regime were heard and appreciated. We look forward to continuing those conversations with you.

We recognize that preparing and scheduling to participate in these types of panels requires a tremendous amount of work by our panelists, particularly those that don't have a huge staff team. Your participation truly supports our efforts to foster and grow relationships with industry so that we can deliver regulation that is fit for purpose.

I look forward to future opportunities where we can collaborate and have further discussions. Please don't hesitate to reach out.

Thanks so much again.

Kind regards,
 Janet

Janet Sinclair (she/her) | Chief Executive Officer | **Insurance Council of British Columbia**
 1400-745 Thurlow Street, Vancouver, BC V6E 0C5
 Direct Tel: 604-695-2001

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 4(j)

Strategic and Regulatory Matters – Update on Hiring New Operations Manager

Purpose of this Agenda Item—Update

To update the Board on hiring a new Operations Manager.

Background Information

CAFII Executive Director Keith Martin will update the Board on hiring a new Operations Manager. Keith Martin has received approval to engage Managing Matters as an HR support in the hiring process, which is actively underway.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.

cafii acifa Canadian Association of Financial Institutions in Insurance (CAFII)



Operations Manager

Ontario, Canada · Reposted 4 weeks ago

\$75K/yr - \$95K/yr · Remote · Full-time

1-10 employees

Job poster joined LinkedIn in 2013

See how you compare to over 100 other applicants. [Retry Premium for CA\\$0](#)

No longer accepting applications

About the job

Do you enjoy working in a highly professional environment where you can play a pivotal role in bringing together industry executives on common issues, who are dedicated to delivering meaningful choice to their consumers? Have you been searching for an opportunity to grow your career in a high impact industry with a motivating leadership team, dedicated to fostering your professional progress and success?

CAFII is the exciting intersection of high level executives in the Finance and Insurance industries, with government officials and regulating bodies. CAFII's intimate team works in a fully remote environment between in-person events.

CAFII is a not-for-profit industry Association celebrating over 25 years as a key stakeholder in Canada's life and health insurance sector. We bring together tremendous competitors and find common ground.

CAFII delivers a united voice for financial institutions involved in selling insurance through a variety of distribution channels. CAFII believes that consumers are best served when they have meaningful choice in the purchase of insurance products and services. Our members offer credit protection, travel, life, health, and property and casualty insurance across Canada through client contact centres, agents and brokers, travel agents, direct mail, branches of financial institutions, and the internet. CAFII's members are Canada's leading banks, credit unions, and insurers.

CAFII is seeking an **Operations Manager** to provide support to the Executive Director and the Association generally around key operational and process matters.

Location and Nature of Position

As is the case for all CAFII team members, the Operations Manager will work almost exclusively from their home office. CAFII has always endorsed a remote work model. The Operations Manager position is a full-time, 37.5 hours per week role.

Key Responsibilities and Accountabilities:

Reporting to the Executive Director, the Operations Manager will have the following responsibilities and accountabilities:

Operations, Process, and Project Management

Organization and execution of Executive Operations Committee (EOC) meetings, EOC sub-committee meetings, Board of Directors meetings, and the Annual Meeting of Members (AGM), including the preparation of agendas and related materials for these meetings;
Organize and execute occasional electronic voting of the Board
Operations support in the development of CAFII's annual Operating Budget; managing monthly financial statement and forecast-to-fiscal-year-end updates to the EOC and Board; and managing the annual audited financial statements process and related relationship with external auditor;
Administration of the annual Member and Associate dues invoicing and collection process;
Oversight of CAFII's electronic accounts payable process, in conjunction with the Association's Controller/Accountant;
Onboarding new EOC, Board, and Committee members, including setting up one-hour meetings to brief new members on CAFII, and working with our partner Managing Matters to keep CAFII's orientation package up-to-date; and
Process enhancements, project management, and vendor relations.

Events

Plan, and execute post-Board meeting Reception Events;
Start to finish organization of the Annual Members and Associates Luncheon;
Full oversight and delivery of the EOC Annual Appreciation Dinner;
Project management and execution of annual tour schedule, travel and accommodations for CAFII team to connect with insurance regulators and policy-makers in person (typically one per year to either Western Canada (four provinces); or Atlantic Canada (four provinces));
Responsible for organizing and producing side bar meetings with regulators and policy-makers in conjunction with the annual CLHIA Consumer and Complaints Conference, usually held in May in a major Canadian city;
Develop and deliver the Annual Liaison Lunch and Industry Issues Dialogue with Autorité des marchés financiers staff executives in Quebec (Montreal or Quebec City), followed by an immediately ensuing CAFII Board meeting;
Coordinate in-person, virtual, or hybrid meetings with staff executives from the Financial Services Regulatory Authority of Ontario (FSRA), other provincial/territorial insurance regulators and policy-makers, the Canadian Council of Insurance Regulators (CCIR), the Canadian Insurance Services Regulatory Organisations (CISRO), the Financial Consumer Agency of Canada (FCAC), the Office of the Superintendent of Financial Institutions (OSFI), or from allied industry Associations, as requested by the Executive Director;
Assist in the planning/organization of six to eight CAFII webinars per year; and
Other Operations, Events, and Association Governance duties, as may be assigned by the Executive Director from time-to-time.
CAFII has a contract with a professional Association Management Company who the Operations Manager will work with and get assistance from around administration, accounting, and the planning of events.

Key Skills, Experience, and Attributes

The successful candidate will have 8-10 years' experience in the Associations sector, business, or government, with a focus on **operations, process, project management, and events**. This is an individual with superb project management skills and a solid track record of career accomplishments to date, who is a self-starter and able to organize multiple, often concurrent, events and processes. This individual is someone who enjoys having a wide span and variety of responsibilities, and is a quick study who will be able to grasp the vernacular and subtleties of life and health insurance. This is a person who enjoys a fast-paced, complex environment. Being fluently bilingual (English and French) will be a valuable asset.

Travel

This position will entail occasional travel within Canada, and the need to travel to downtown Toronto offices of CAFII member companies and other industry organizations a few times per month.

Operations Manager

The Canadian Association of Financial Institutions in Insurance [🔗](#)

Remote

\$75,000–\$95,000 a year - Permanent, Full-time

Location

📍 Remote

Benefits

Pulled from the full job description

Pulled from the full job description

- Company events
- Dental care
- Extended health care
- Paid time off
- Work from home

Full job description

About us

Do you enjoy working in a highly professional environment where you can play a pivotal role in bringing together industry executives on common issues, who are dedicated to delivering meaningful choice to their consumers? Have you been searching for an opportunity to grow your career in a high impact industry with a motivating leadership team, dedicated to fostering your professional progress and success?

CAFII is the exciting intersection of high level executives in the Finance and Insurance industries, with government officials and regulating bodies. CAFII's intimate team works in a fully remote environment between in-person events.

CAFII is a not-for-profit industry Association celebrating over 25 years as a key stakeholder in Canada's life and health insurance sector. We bring together tremendous competitors and find common ground.

CAFII delivers a united voice for financial institutions involved in selling insurance through a variety of distribution channels. CAFII believes that consumers are best served when they have meaningful choice in the purchase of insurance products and services. Our members offer credit protection, travel, life, health, and property and casualty insurance across Canada through client contact centres, agents and brokers, travel agents, direct mail, branches of financial institutions, and the internet. CAFII's members are Canada's leading banks, credit unions, and insurers.

CAFII is seeking an Operations Manager to provide support to the Executive Director and the Association generally around key operational and process matters.

Location and Nature of Position

As is the case for all CAFII team members, the Operations Manager will work almost exclusively from their home office. CAFII has always endorsed a remote work model. The Operations Manager position is a full-time, 37.5 hours per week role.

Key Responsibilities and Accountabilities:

- Reporting to the Executive Director, the Operations Manager will have the following responsibilities and accountabilities:
- Operations, Process, and Project Management
- Organization and execution of Executive Operations Committee (EOC) meetings, EOC sub-committee meetings, Board of Directors meetings, and the Annual Meeting of Members (AGM), including the preparation of agendas and related materials for these meetings;
- Organize and execute occasional electronic voting of the Board
- Operations support in the development of CAFII's annual Operating Budget; managing monthly financial statement and forecast-to-fiscal-year-end updates to the EOC and Board; and managing the annual audited financial statements process and related relationship with external auditor;
- Administration of the annual Member and Associate dues invoicing and collection process;
- Oversight of CAFII's electronic accounts payable process, in conjunction with the Association's Controller/Accountant;
- Onboarding new EOC, Board, and Committee members, including setting up one-hour meetings to brief new members on CAFII, and working with our partner Managing Matters to keep CAFII's orientation package up-to-date; and
- Process enhancements, project management, and vendor relations.

Events

- Plan, and execute post-Board meeting Reception Events;
- Start to finish organization of the Annual Members and Associates Luncheon;
- Full oversight and delivery of the EOC Annual Appreciation Dinner;
- Project management and execution of annual tour schedule, travel and accommodations for CAFII team to connect with insurance regulators and policy-makers in person (typically one per year to either Western Canada (four provinces); or Atlantic Canada (four provinces));
- Responsible for organizing and producing side bar meetings with regulators and policy-makers in conjunction with the annual CLHIA Consumer and Complaints Conference, usually held in May in a major Canadian city;
- Develop and deliver the Annual Liaison Lunch and Industry Issues Dialogue with Autorité des marchés financiers staff executives in Quebec (Montreal or Quebec City), followed by an immediately ensuing CAFII Board meeting;
- Coordinate in-person, virtual, or hybrid meetings with staff executives from the Financial Services Regulatory Authority of Ontario (FSRA), other provincial/territorial insurance regulators and policy-makers, the Canadian Council of Insurance Regulators (CCIR), the Canadian Insurance Services Regulatory Organisations (CISRO), the Financial Consumer Agency of Canada (FCAC), the Office of the Superintendent of Financial Institutions (OSFI), or from allied industry Associations, as requested by the Executive Director;
- Assist in the planning/organization of six to eight CAFII webinars per year; and
- Other Operations, Events, and Association Governance duties, as may be assigned by the Executive Director from time-to-time.
- CAFII has a contract with a professional Association Management Company who the Operations Manager will work with and get assistance from around administration, accounting, and the planning of events.

Key Skills, Experience, and Attributes

The successful candidate will have 8-10 years' experience in the Associations sector, business, or government, with a focus on operations, process, project management, and events. This is an individual with superb project management skills and a solid track record of career accomplishments to date, who is a self-starter and able to organize multiple, often concurrent, events and processes. This individual is someone who enjoys having a wide span and variety of responsibilities, and is a quick study who will be able to grasp the vernacular and subtleties of life and health insurance. This is a person who enjoys a fast-paced, complex environment. Being fluently bilingual (English and French) will be a valuable asset.

Travel

This position will entail occasional travel within Canada, and the need to travel to downtown Toronto offices of CAFII member companies and other industry organizations a few times per month.

Job Types: Full-time, Permanent

Pay: \$75,000.00-\$95,000.00 per year

Benefits:

- Company events
- Dental care
- Extended health care
- Paid time off
- Work from home

Schedule:

- Monday to Friday

Education:

- Bachelor's Degree (preferred)

Work Location: Remote

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 4(k)

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. The existing study does not track penetration rates for Home Equity Lines of Credit (HELOC) and RSM Canada is exploring adding that to the study. RSM Canada is engaged with CAFII participants on the study to determine the feasibility of expanding the study to include HELOCs.

Recommendation / Direction Sought—Update

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.

Briefing Note

CAFII BOD Meeting October 08, 2024—Agenda Item 5(a-m) 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. Summary of CHIA Compliance and Consumer Complaints Conference, May 22-24, 2024, in Vancouver, British Columbia
- b. CCIR Report and PowerPoint on the Fair Treatment of Customers
- c. Summary of July 23, 2024, Meeting Between Mario Beaudoin and Keith Martin
- d. New Initiative from Ontario Finance Around MGA Licensing
- e. July 30, 2024, Submission to the Insurance Council of British Columbia on its Restricted Insurance Agency Performance Requirements Framework
- f. Meeting with BCFSA on August 9, 2024, on Draft Extraprovincial Incident Reporting
- g. FCAC Decision to Pause its Initiative Around Guideline on Complaint–Handling Procedures for Trust and Loan Companies and Insurance Companies
- h. BCFSA Position on Life and Health Insurance Adjustors
- i. Finalizing the Spousal Coverage File with AMF, with a Three-Year Extension Provided for the Cancellation of Coverages
- j. Quebec Bill 68 – Monitoring by CAFII
- k. July 25, 2024, Virtual Meeting with Hugo Lacroix, AMF
- l. June 14, 2024, Submission to the AMF on Artificial Technology
- m. Update on Website Investments

Recommendation / Direction Sought—Read Only

No action required.

Attachments Included with this Agenda Item

Nine (9) attachments.

Link: [CAFII October 8/24 BOD Meeting Read-Only Items – Google Drive Document Repository](#)

This link includes documents for:

- Summary of CHIA Compliance and Consumer Complaints Conference, May 22-24, 2024, in Vancouver, British Columbia
- CCIR Report and PowerPoint on the Fair Treatment of Customers
- Summary of July 23, 2024, Meeting Between Mario Beaudoin and Keith Martin
- New Initiative from Ontario Finance Around MGA Licensing
- Meeting with BCFSa on August 9, 2024, on Draft Extraprovincial Incident Reporting
- FCAC Decision to Pause its Initiative Around Guideline on Complaint–Handling Procedures for Trust and Loan Companies and Insurance Companies
- Quebec Bill 68 – Monitoring by CAFII
- July 25, 2024, Virtual Meeting with Hugo Lacroix, AMF
- June 14, 2024, Submission to the AMF on Artificial Intelligence
- Update on Website Investments

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

CAFII 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.

CAFII 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

Section	Requirement	Comments
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,

Section	Requirement	Comments
		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.

From: Marina Makhnach <Marina.Makhnach@bcfsa.ca>
Sent: August 30, 2024 1:08 PM
To: Keith Martin <Keith.Martin@cafii.com>
Cc: Troy Woodland <info@cafii.com>; Robyn Jennings <Robyn.Jennings@cafii.com>
Subject: RE: ||EXT|| RE: CAFII - BCFSa Regulatory Statement "Adjusting and Settlement of Insurance Claims"

Dear Keith

Thank you for meeting with BCFSa on August 13th, 2024 to discuss our Regulatory Statement "Adjusting and Settlement of Insurance Claims". The statement sets out BCFSa's position on the regulation and licensing of businesses and individuals who perform insurance adjusting work involving B.C. insureds.

Based on the feedback received from our meetings with various stakeholder groups, we recognize the need to make additional changes to the Regulatory Statement in order to make the nomenclature clearer regarding who is considered to be an adjuster. Giving the timing of the B.C. government election and additional work required, we will be deferring the publication of the Regulatory Statement until after the new B.C. government is formed.

In the meantime, we welcome your written feedback about the Regulatory Statement. As previously communicated, we are not consulting on our position regarding the requirements set out in the Regulatory Statement. Those requirements are established by the existing legislation. What we are seeking is a feedback on how to improve the Regulatory Statement to make those requirements clearer. We also wish to hear your thoughts on a reasonably expedited transition period to understand how quickly the industry could adjust to comply with the licensing requirement. We ask you to submit your feedback by October 11, 2024 by sending it to: insurance@bcfsa.ca. We would be happy to have a follow up conversation with you at the end of October 2024 once we had the time to consider all of the feedback.

For your convenience, attached is a confidential draft of the Regulatory Statement that, with the exception of the addition of a footnote, is the same as the one previously shared with you. We ask you not to share the Regulatory Statement broadly with your members, however, feel free to share it on a confidential basis with a select group of members in order to inform your feedback.

We would like to thank CAFII for engaging with BCFSa on this matter.

Thanks and Kind Regards,

Marina

Marina Makhnach (she, her)
Director, Market Conduct Financial Institutions
BC Financial Services Authority
O (778) 609-2075 M (778) 869-2921
600-750 West Pender Street

Update Note on Initiative from BCFSa around Life Insurance / Health Insurance and Adjusters

August 13, 2024 Meeting

- BCFSa reached out to me / CAFII in mid-July, 2024 requesting a meeting in mid-August on a Regulatory Statement on the Adjusting and Settlement of Insurance Claims.
- My initial response was that adjusters were in the P&C space and not in the life insurance space, but BCFSa said that they felt their Regulatory Statement was relevant to CAFII members. A meeting was set up for August 13, 2024.
- The Regulatory Statement was released to me on an embargoed basis, meaning I could not share it with others; however, it is very high level and it was only at the virtual meeting on August 13 that the full intent of the BCFSa became clear.
- At the meeting on August 13, Harry James, Director, Regulation Advisory Service, did most of the talking for BCFSa. Sean Sisett, Director, Inspections & Case Management also spoke, while Marina Macknach, Director, Market Conduct Financial Institutions, and Kari Toovey, Manager, Policy Team were quiet. (Kari Toovey was previously with the BC Ministry of Finance where CAFII has had several meetings with her.)
- Based on new language in the BC Financial Institutions Act (FIA), BCFSa has interpreted the Act to require individuals who act as adjusters to be individually licensed.
- I explained that while in P&C actual decisions are made by adjusters, in life and health insurance individuals are confirming eligibility as part of the claims process. Harry James said that this was not the view of BCFSa, and that life and health insurers who make decisions about claims would be considered adjusters and would need an individual license.
- Mr. James also said that this was not a consultation but a clarification and that BCFSa was not asking for comments on its interpretation but rather wanted to discuss how to implement it, over what timeline, and to get industry feedback on who is captured as an adjustor as there could be grey areas.
- Specifically he said that the test of someone adjusting is whether they are making either of the following decisions: 1. Will the claim be paid? 2. How much of the claim will be paid?
- He also said that he understood that some individuals would be “checking off boxes” in a claims centre as part of a claim adjudication and that those individuals would not be viewed as adjusters.
- It was also stated that third parties that are administering claims, like a TPA, would also be captured by this definition and individuals making decisions about claims in those organizations would need to be individually licensed.
- There was discussion of the intent for the Insurance Council of BC to implement a new Restricted Insurance Agency regime and Mr. James said that this corporate license was for distributors operating in the sales channel, and that the claims settlement process would not be captured by the RIA regime.
- Mr. James said that this interpretation applied to life insurance, employee benefits, health insurance, and travel insurance.
- Sean Sisett said that this was an existing requirement and that the industry was currently in “pre-existing non-compliance.”
- I was asked to get member feedback and share input with BCFSa, however when I requested that be able to share the Regulatory Statement I was told that was not possible at this time.

Analysis and Next Steps

- I met with Luke O'Connor on August 14, 2024 prior to CLHIA's meeting with BCFSa to provide him with an update on the meeting I had held.
- Luke O'Connor said he would reinforce the importance of being able to share the Regulatory Statement.
- Luke O'Connor shared the following aspects of the BC FIA:

*Section 168 of the FIA now defines "insurance adjuster" to mean "a person who makes any adjustment **or settlement of a claim** under a contract of insurance other than a contract of marine insurance.*

Subsection 180 of the FIA states that no person shall act in the province as an insurance adjuster or as an employed insurance adjuster unless the person is licensed as such, unless exempted by regulation.

*Section 6 of the Insurance Licensing Exemptions Regulation provides exemptions from the requirement to obtain an adjuster's licence in certain circumstances. Section 180(1) does not apply to a person **who...(e) is a salaried employee of that insurer, who in either case is acting for that insurer.***

- Based on these clauses, it seems clear that a **salaried employee** is exempted under the legislation and cannot be expected to be individually licensed, regardless of what role they play in claims.
- Less clear is the situation for third-party administrators, and sometimes retired employees/contractors work for an insurer in claims and are not a salaried employee.
- The definition of insurance adjuster (Section 168 of the FIA) could be interpreted differently from how BCFSa is interpreting it, and it is not clear what customer protections are offered by requiring life and health claims staff to have an individual license.
- While I cannot release the Regulatory Statement at this time, it does state that "Breach of section 180(1) of the FIA may be subject to an administrative penalty or attract additional enforcement action under the FIA."
- I will be consulting with the EOC Chair and Vice Chair and the Market Conduct & Licensing Chair and Vice Chair about next steps by CAFII.

Hello CAFII member,

By way of follow up to my note to you yesterday on the AMF extending the deadline for cancellation of spousal coverages by three years, I want to clarify that this extension only applies to spousal coverages in the credit card portfolio.

The AMF has told CAFII that it is satisfied with the natural attrition rate for the cancellation of spousal coverage in the loan portfolio. I have written them to confirm that understanding, and they have written me back – there is no deadline for the cancellation of spousal coverages for loans.

Thank you,

--Keith

Keith Martin

Executive Director / Directeur general

Canadian Association of Financial Institutions in Insurance

L'association canadienne des institutions financières en assurance

keith.martin@cafii.com

T: 647.460.7725

CAFII MEETING WITH THE AMF JULY 25 2024

Summary of Meeting Held on July 25, 2024 between CAFII and the AMF's Hugo Lacroix, Superintendent, Securities Markets and Distribution

CAFII held a virtual one-hour meeting to meet **Hugo Lacroix, Superintendent, Securities Markets and Distribution**, on July 25, 2024. Also in attendance from the AMF were:

- Louise Gauthier, Senior Director, Distribution Policies (reports into Hugo Lacroix);
- Mario Beaudoin, Director, Alternative Distribution Practices (reports into Nathalie Sirois);
- Nathalie Sirois, Senior Director, Prudential Supervision (reports into Patrick Déry, Superintendent, Financial Institutions).

The meeting was moderated by CAFII Executive Director Keith Martin. Questions were also asked by CAFII volunteer leaders. Asking questions were:

- Val Gillis, CAFII Chair of the Board and SVP, Life, Health and Credit Protection, TD Insurance;
- Paul Cosgrove, CAFII Vice-Chair of the Board and President & CEO, Assurant Canada;
- Karyn Kasperski, CAFII Board Secretary and EOC Chair (RBC Insurance);
- John Burns, CAFII Vice-Board Secretary and Vice-EOC Chair (Securian Canada);
- Fay Coleman, Vice Chair, Market Conduct & Licensing Committee (TD insurance);
- Jennifer Russell, Chair, Quebec Committee (Assurant Canada);
- Jason Beauchamp, Vice Chair, Quebec Committee (Canada Life).

In attendance from CAFII were:

- Julie Gaudry, RBC Insurance;
- Peter Thompson, National Bank Insurance;
- Sarah Armstrong, CUMIS;
- Elizabeth Gandolfi, Canadian Western Bank;
- Martin Boyle, BMO Insurance;
- Pete Thorn, TD Insurance;
- Andrea Stuska, TD Insurance;
- Deirdre Kennedy, CUMIS;
- Ivan Murray, National Bank Insurance;
- Dallas Ewen, Canada Life;
- Fernando Heleno, RBC Insurance;
- Graeme Auchincloss, Canadian Western Bank;
- Nichad Goulamhousen, Securian Canada;
- Jennifer Goruk, CUMIS;
- Petrina Johnson, CIBC Insurance;
- Shahnoor Khimjee, TD Insurance;
- Sean Kradjian, Scotia Insurance;
- Robyn Jennings, CAFII;
- Shanay Smith, CAFII.

CAFII MEETING WITH THE AMF JULY 25 2024

Key Points Made at the Meeting:

- Hugo Lacroix emphasized that the new structure at the AMF would allow for more collaboration, with Louise Gauthier, Mario Beaudoin, and Nathalie Sirois able to coordinate their activities better;
- Louise Gauthier was focused on distribution and Nathalie Sirois was focused on supervision as well as insurance files;
- Mario Beaudoin will work closely with Nathalie Sirois on files relating to distribution without a representative;
- Overall, Mr. Lacroix said the AMF was keeping a close eye on emerging trends and the risks they could pose to the financial system, mentioning specifically crypto, climate change, ESG, and developments in international markets;
- Technology changes including AI is clearly a major risk and needs to be closely monitored;
- Louise Gauthier said there are no current plans for new initiatives around online sales;
- Nathalie Sirois informed attendees that there are two French-only documents on the AMF's website:
 - The Calendar of Initiatives, which explains the initiatives on the AMF's radar for the next several months, including guideline development and draft issuance;
 - An OSFI-type risk outlook including cyber risk and third party risk.
- Nathalie Sirois brought up the AMF's recent guideline on climate change risk, which is an area of growing interest for the regulator in terms of governance, risk management, FTC, and market conduct;
- Mario Beaudoin said that his team is looking at statistics from industry around claim denial levels as well as the premium returned to customers;
- There is also work being done on the sharing of information around the loss of coverage especially for critical illness coverage or disability coverage, for example due to age;
- Mr. Lacroix said that there is no shift in philosophy at the AMF around the approach to regulation;
- Mr. Lacroix believes that 80% of regulation can be principles-based but 20% might need to be prescriptive—industry sometimes needs rules and clarity, and it is less expensive to let industry know specifically the expectations of the regulator;
- In that respect, he said that he wants “the best of both worlds” and there is no “black or white solution”;
- But while nuance is required, he also said that the proper conduct of industry was paramount, including professionalism, oversight, a culture of fair treatment of customers, etc.;
- He said the AMF wanted to promote innovation but also mitigate risks;
- He said he was in favour of minimizing burdens but that innovation has to be in the interest of customers and industry had to demonstrate how its innovations were doing that;
- He encouraged industry to share with the AMF any examples of inefficient regulation;
- Mario Beaudoin noted that for distribution without a representative, where agents were not licensed, it was necessary to inform customers through disclosure, but that customers don't always understand the documents they are provided with and they may not fully understand the products they are obtaining, which is a concern; M. Beaudoin emphasized that one of the biggest challenges has been and remains proper disclosure to consumers regarding their policies

CAFII MEETING WITH THE AMF JULY 25 2024

- and products;
- Louise Gauthier said that there will be consultations around online web sales conducted with industry in the coming months;

CAFII MEETING WITH THE AMF JULY 25 2024

- On English translations of documents, where there is only a French version a request can be made for a translation;
- Mr. Lacroix said that he is a fan of harmonization in principle but that it needs to be done wisely, otherwise it can lead to costly mistakes, and that he is not a believer in a “cut and paste” approach to regulation;
- On AI, Mr. Lacroix said that there are great opportunities that it provides, and he mentioned for example the possibility of disclosing details about products in a more tailored way than the usual approach of just sharing paper that describes the product; he added that technology and AI can increase the tailoring of products to consumers and systems efficacy for distributors and consumers alike, thereby increasing client satisfaction;
- Mr. Lacroix said that he had confidence in industry and that the AMF wanted to follow and learn about new technologies through dialogue with industry.

CAFII Meeting with Hugo Lacroix, AMF Superintendent, Securities Markets and Distribution, for July 25, 10.30am – 11.30am.

- Keith Martin, CAFII Executive Director, thanks Hugo Lacroix for agreeing to this virtual meeting, and makes some introductory remarks.
- Keith Martin asks Mr. Lacroix to comment on the following items:
 - An explanation of the new organizational structure at the AMF and where files will be managed internally at the AMF?;
 - Mr. Lacroix's overall priorities and plans for 2024 and beyond;
 - How does Mr. Lacroix's department and Mr. Déry's department plan coordinate files that may overlap?
- Mr. Martin then individually introduces CAFII volunteer leaders who will ask the following questions:

Val Gillis, CAFII Chair of the Board and SVP, Life, Health and Credit Protection, TD Insurance:

Bonjour, Mr. Lacroix, and thank you for joining us today, we greatly appreciate it. And I look forward to meeting you in person at our luncheon and dialogue meeting on October 8, 2024 in Montreal.

You have been the AMF's leader in securities markets and derivatives regulation for many years. With the addition now of Distribution Oversight, what are your views on the market conduct focus using principles-based regulation supported by AMF guidelines for insurance distribution versus securities law-based compliance monitoring? How do you see your oversight approach differing across your various teams?

Paul Cosgrove, CAFII Vice-Chair of the Board and President & CEO, Assurant Canada

Let me echo Val's comments on how much we appreciate your joining us today, and I also look forward to meeting you in-person at our luncheon and dialogue meeting on October 8.

At a meeting with CAFII and Yves Ouellet and Éric Jacob in Montreal in December 2023, Mr. Ouellet and Mr. Jacob focused on the importance of open dialogue, engagement, and transparency with an overarching message around emphasizing collaboration. These are all messages we agree with, and I wanted to ask for your comments and thoughts on how best to ensure an open relationship between the AMF as the regulator and regulated industries.

Other questions will be asked by:

Karyn Kasperski, CAFII Board Secretary and EOC Chair (RBC Insurance)

Balancing regulatory requirements that protect consumers with an efficient regulatory regime that does not stifle innovation is another important priority for industry. Can you comment on any initiatives from the AMF around burden reduction, along with your views around consultation with industry?

John Burns, CAFII Vice-Board Secretary and Vice-EOC Chair (Securian Canada)

Do you envision any tweaks or modifications to Quebec's rules around distribution without a representative in the future? What do you see as some the most important issues around distribution that you and your team will have to tackle in the coming years?

Fay Coleman, Vice Chair, Market Conduct & Licensing Committee (TD insurance)

Many of CAFII's subject matter experts on issues like complaints may not be French speaking. We have noticed that more of the AMF's documents are published only in French. Is it possible with Bill 96 to continue to have key documents published by the AMF in English as well?

Jennifer Russell, Chair, Quebec Committee (Assurant Canada)

CAFII often advocates for harmonization across provincial regulators. What are your views on harmonization and do you see opportunities for greater harmonization in future?

Jason Beauchamp, Vice Chair, Quebec Committee (Canada Life)

The AMF has published a paper on best practices in artificial intelligence. What opportunities and risks do you see emerging technologies playing in insurance?

Additional Question

We are aware of the important role that the AMF plays in the International Association of Insurance Supervisors, including some IAIS initiatives around Diversity, Equity, and Inclusion. Can you tell us about some the work the IAIS is doing and the AMF's views of these?



REQUEST FOR PROPOSAL

**FOR FRONT-END WEBSITE, VIDEOS, AND BACK-END
WEBSITE SERVICES**

**THE CANADIAN ASSOCIATION OF FINANCIAL
INSTITUTIONS IN INSURANCE**

JUNE 2024

Canadian Association of Financial Institutions in Insurance Request for Proposal for Website and Video Services

Contents

EXECUTIVE SUMMARY 2

INTRODUCTION & BACKGROUND ON CAFII 2

 The Canadian Association of Financial Institutions in Insurance 2

 CAFII’s Governance Structure 3

TIMELINES 3

Overview of the Requirements 3

DETAILED REQUIREMENTS..... 4

 Background and Context..... 4

 Detailed Requirements—Front End Website Services 4

 Detailed Requirements—Video Services 5

 Detailed Requirements—Back-End Website 5

 Criteria for Evaluating the Winning Bid 7

PROPOSAL SUBMISSIONS—REQUIRED CONTENT 7

CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE (CAFII)

REQUEST FOR PROPOSAL FOR WEBSITE AND VIDEO SERVICES

EXECUTIVE SUMMARY

The Canadian Association of Financial Institutions in Insurance (CAFII) is currently seeking proposals for website support services. We are seeking bids from suppliers around services we require for our front-end (public facing) website, creation of videos that would be published on our front-end website, and a complete rebuild of our member-only, password-protected back-end website (intranet).

The deadline for submission of proposals is **5:00 PM, Wednesday, July 17**. Interviews with short-listed vendors are expected to occur between July 22 to July 30.

Clarification questions regarding this RFP should be directed to CAFII Operations Manager Shanay Smith at Shanay.Smith@cafii.com and keith.martin@cafii.com. All questions will be collected into one document with all the answers; the consolidated document with all the answers will be sent to all the organizations who indicate that they are participating in this RFP. The organization asking the question will be anonymous. The deadline for asking questions is **5:00 PM, Thursday, July 4, 2024** and we will attempt to send the consolidated answers by Wednesday, July 10, 2024. **Please do not contact CAFII management or volunteers directly about this RFP.**

INTRODUCTION & BACKGROUND ON CAFII

The Canadian Association of Financial Institutions in Insurance

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

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

CAFII's diverse membership enables our Association to take a broad view of the regulatory regime governing the insurance marketplace. We work with government and regulators (primarily provincial/territorial) to develop a legislative and regulatory framework for the insurance sector which helps ensure that Canadian consumers have access to insurance

products that suit their needs. Our aim is to ensure that appropriate standards are in place for the distribution and marketing of all insurance products and services.

CAFII's 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.

CAFII's Governance Structure

CAFII's management team consists of an Executive Director (Keith Martin), an Operations Manager (Shanay Smith), and a Research Analyst (Robyn Jennings). These are all paid staff members. The Association's governance structure consists of an Executive Operations Committee comprised of volunteer senior management representatives from member organizations; and a Board of Directors, comprised of C-suite executives from member organizations. The Committee that oversees the website and which will be engaged with the CAFII staff in reviewing the RFP is the Media Advocacy Committee.

TIMELINES

CAFII has identified the following timeline as a guide for its search process:

- June 27, 2024 – Distribution of RFP
- July 4, 2024—Deadline to ask Questions
- July 10, 2024—Response to Questions
- July 17, 2024 (5:00 PM) – Deadline for RFP Submissions
- July 22 to July 30, 2024 – Interviews with shortlisted vendor Companies
- Post July 30, 2024 – CAFII's Selection Decision Announced
- Post Selection Decision – Proposed Official Start Date for Successful Applicant(s)

Overview of the Requirements

CAFII has a front-end website www.cafii.com in which we have invested significant resources over the past seven years. We are looking to continue to focus on Search Engine Optimization (SEO), enhancing Google My Business, and receiving annual reporting of the performance of the website.

As part of its annual efforts to enhance the content of the website, CAFII has a supplier produce two 60-90 second videos each year. These need to be produced in English and French.

CAFII has a back-end members' only password-protected website (intranet) which is poorly designed and hard to navigate. We seek to completely rebuild this backend site.

DETAILED REQUIREMENTS

Background and Context

CAFII's front-end website is bilingual and all content, including videos, must be produced in English and French.

We use Wordpress for the front end and are satisfied with this technology. We are satisfied with the user experience, design, and navigation of the front-end and are not looking for any major changes to those experiences.

We use two suppliers for domain name and hosting, GoDaddy and CG Technologies.

CAFII's back-end website is English only, and powered by Drupal. We wish to no longer use Drupal and are inclined to use Wordpress for the backend, but are open to suggestions.

This RFP will be broken into three components: front-end website services, video production services, and back-end website services. We are asking each vendor to bid on one component, a combination of components, or all components, but each vendor must provide a separate quote for each component.

Detailed Requirements—Front End Website Services

CAFII's core requirement on the front-end website is search engine optimization. We seek to have Google and Bing searches for key phrases related to the business of our members, which is credit protection insurance, be as high as possible.

Examples of key terms for CAFII members include:

- Credit protection insurance
- Mortgage life insurance
- Mortgage Disability insurance
- Mortgage Critical illness insurance
- Mortgage Job Loss Insurance
- HELOC life insurance
- HELOC disability insurance
- HELOC critical illness insurance
- HELOC Job Loss Insurance
- Credit card balance protection insurance
- Balance protection insurance

We also seek to continue to enhance our content in Google Business Profile.

We require annual reporting, including:

- Key website metrics including traffic, broken down by province / region;
- Time spend on site and on different parts of the site;
- How users access the site and navigate within it;
- Any other relevant metrics that can provide insights into the performance of the front-end website.

Detailed Requirements—Video Services

CAFII seeks to publish two 60-90 second videos on its front-end website each year. For 2024, we believe that the graphic interface we have used in the past is adequate, but are open to suggestions. All videos must be produced in English and French. CAFII will select the topic and produce the script in English and French, but are open to creative suggestions from the vendor. The vendor is responsible for producing the video including graphics and voice-over. Examples of our expectations can be found from videos currently on the website.

As for process, we request the vendor to provide us with a high-level strategy around how the video will look; then to share mock-ups that we can modify; and only then move to production. We would ask for the vendor to indicate how many edits/changes we can submit of the mock-ups. We recognize that the vendor will have expertise in the production of the videos and the above expectations are just directional, and we will be keen to hear from the vendor what it feels are best practices to ensure the production of the best product that is most aligned with the needs of CAFII. The videos are intended to provide financial literacy information to consumers, and CAFII members who are heavily regulated also seek to demonstrate our commitment to the Fair Treatment of Customers to government regulators and policy-makers.

Detailed Requirements—Back-End Website

CAFII seeks to retire Drupal as its back-end Content Management System (CMS) and instead use Wordpress, but we are open to suggestions.

The back-end is used by members to access critical documents. We seek a complete rebuild of the back-end that is user-friendly, intuitive, and easy-to-navigate. **Therefore, a key criteria for selecting the winning bid for the back-end rebuild is superb design.**

There is existing content related to “EOC meetings” and “Board meetings” that relates to monthly EOC meeting materials and quarterly Board meeting materials that is already on the existing back-end, and all this data would need to be migrated to the new site. There is also content related to the “Weekly Digest” and “Regulatory Updates” that is already on the back-end that would also need to be migrated. These are materials that would need to be continuously updated by CAFII’s administrator as new meetings with new meeting materials occur. Members need to be able to access these materials, review them, save them, and print them. We seek to avoid hard-coded solutions and want the design to allow for additional tabs to be added over time, and for materials to be posted by CAFII’s administrator or staff. We are seeking a flexible solution that allows us to enhance the website over time, and that is easy to post on.

This would some new tabs that we would like on the site and which we would need to over time populate on the back-end with materials. These include:

- Regulatory submissions;
- Non-strategic updates;
- Consent items, EOC and Board;

We would like filters and searchable features for the back-end. For example, for the Regulatory Submissions, we would like to be able to filter based on month/year, and to search for content based on criteria like:

- Regulator;
- Province;
- Topic (privacy, technology, fair treatment of customers, incident reporting, etc.)

However, this is just an example of the filters/searchable fields for one tab. We would like flexibility about these filters and would seek to be able to add additional filters over time if possible.

The filtering/searching feature should be applicable to the entire CAFII backend and all the documents/resources we post, not just regulatory submissions. Someone should be able to search "DEI Survey", for example, and be able to see every agenda and piece of supporting documentation related to this search.

We also have 6 Committees and Working Groups that we would like to be able to store materials for in a new tab. The new tab could be "Committees and Working Groups" with sub-tabs for the six Committees and Working Groups, with the flexibility to add additional Committees or Working Groups easily.

To summarize, the essential tabs for the back-end are:

- EOC Meeting Material, organized by meeting date;
- Board Meeting Material, organized by meeting date;
- Committee and Working Groups;
- Regulatory updates, organized by date;
- Weekly Digests, organized by date;
- Regulatory Submissions;
- Non-strategic updates;
- Consent items for the EOC and Board, arranged by meeting date.

We need to have a secure backend with work emails that would be loaded into the system and allow users to gain access with a password. We would ask for an auto-reset for the password so that users who have forgotten it can easily reset it. We would explore, depending on cost, asking for 2-factor authentication where the user is asked to choose an email or text message

option for receiving a code that is entered on site to allow them entry to the site after successfully entering their password.

Criteria for Evaluating the Winning Bid

We will evaluate the winning bid based on the following criteria:

- Demonstrating capability of fulfilling on requirements
- Thorough, complete, clear answers
- Price competitiveness

PROPOSAL SUBMISSIONS—REQUIRED CONTENT

1. Review all the requirements of the position as outlined above and give a detailed response as to how your organization is able to meet or exceed these requirements, including pricing for each of the services required and any and all additional costs you would charge for.
2. What penalty structure and termination process do you propose if you are unable to meet our requirements?
3. Provide information on the professional depth, critical mass, and bench strength of your organization. What we are looking for here is evidence that you can maintain professional level of services when key personnel are not available (due to sickness, vacation etc.)
4. Competencies and Areas of Expertise--description of key areas of expertise; include examples and measurable indicators of success.
5. References
 - please provide a directory (including contact information) of your current clients, which CAFII's review Committee can contact.

Proposals must be submitted by **5:00 PM, Wednesday, July 17, 2024.**

Please submit **one electronic copy** of your proposal to:

Shanay Smith, Operations Manager, CAFII
shanay.smith@cafii.com

Keith Martin, Executive Director, CAFII
Keith.martin@cafii.com



September 12, 2024

MEMBERS WORDPRESS WEBSITE DESIGN & BUILD – \$ 34,500.00 + HST (460 hours @ \$75.00/hour)

- Fusion Studios will design a custom, modern, visually appealing, and consistent branding concept and layout for the member's website.
- The website will be built with a responsive design for optimal viewing on desktops, tablets, and mobiles.
- We will script the members' website header, footer, and menu structure.
- We will build all the pages with text and pdf links. PDFs will be uploaded through the media library.
- Members will be able to view, save, and print the PDFs.
- We will build search functionality for members to easily search materials via categories and tags.
- We will set up the current users based on the list to be provided by CAFII (based on approximately 100 users). Users will need to reset their password upon their first visit.
- There will be a function for users to reset their password should they have forgotten their password.
- New users will not be able to access the website until approved by CAFII.
- The WordPress website will be built with the HTML5 Blank Theme for optimal customization and speed.
- The user interface will be built with the Gutenberg full-site editing page builder to ensure future longevity and stability. Various custom plugins will augment the page builder.
- We will provide quick and intuitive navigation throughout the entire site by using the most up-to-date visual cues, menus, and usability, thus ensuring the best possible user experience.

TECHNOLOGY

The project will be developed with the following technologies:

- Wordpress
- mySQL Database



fusion studios inc.

NOTES:

- The price quoted has been determined on the information provided thus far.
- This quote is based on receiving text and any images in digital format or being able to copy from the current members' website.
- We would develop this website either on our development server or perhaps there is a development server available with your current host for us to develop the website. Either option would give you a URL to view the progress of the website at any time.
- Payment terms: 40% to begin, 40% interim payment, 20% upon going live.
- We accept payment by credit card, cheque, or e-transfer.
- Quote valid for 60 days.



fusion studios inc.

September 12, 2024

SEO – English & French – 16 hours @ \$75.00/hour (\$1200.00 + HST) billed monthly

- Research keywords and other companies in this keyword space then set up the management and reporting in my SEMrush software for SEO.
- At the end of each month, I will run and send a report with details on the Google organic positioning for keywords being optimized and tracked. (with a comparison from the last month).
- I will also optimize for long-tail keywords, too. Long-tail keywords are more specific search queries that have lower search volumes but more refined intent.
- Review current optimization and do further optimization on the website pages.
- Update your Google Business Profile (GBP) to ensure it is fully optimized for local SEO.
- Each week I will create a post in your GBP with an image, text and link to an item on the website.
- Each time there is a new research article or insights article, I will create a GBP post.
- Update your Bing Places to ensure it is fully optimized for local SEO.
- Review and do fixes within the Google Search Console for optimal optimization for Google.



Key West Video Inc.
5050 Dufferin Street, Unit 227
Toronto ON M3H 5T5
+14166750751
info@keywestvideo.com
<https://www.keywestvideo.com>
GST/HST Registration No.: 846234417
Business Number 846234417

ADDRESS

Keith Martin
The Canadian Association of
Financial Institutions in
Insurance

Estimate 21189

DATE 25/07/2024

PROJECT

Animations

HUBSPOT ID

20979743074

ACTIVITY	ACTIVITY	QTY	RATE	AMOUNT
Project Scope	Details of Project Scope Discussed between Key West Video and Client: Type of Video: Animations Client Contact: Keith Martin 6474607725 Keith.Martin@cafii.com Length of Final Video: 4x 1-1.10 minutes (2x English, 2x French) Delivery Date of Video: TBD - End of 2024 Additional Details: Example form website: https://www.cafii.com/ Client will provide the scripts and French translations (script and on screen text).	0	0.00	0.00
STAGE 1 - PRE-PRODUCTION	This stage consists of all pre-production elements listed below for this project:	0	0.00	0.00

A non-refundable 50% Deposit Payment is required to be paid by Credit Card before project commencement. The Remaining Balance will be charged to the Credit Card on file once the project is completed.

ACTIVITY	ACTIVITY	QTY	RATE	AMOUNT
Producer - Pre-Production	<p>What is it: A dedicated producer to carry out all the elements in this stage of production. Tasks include project management - scheduling - admin - production meetings with clients and/or crew. The Pre-Production Producer provides guidance on your project and all the needs that you may have.</p> <p>Why get it: A Producer is essential in the pre-production stage. They ensure all the planning comes together for your production by working with the client and crew to ensure your video is on message before any footage is shot. Many clients have a vision in mind for their video production to look but not how to get it there. A Pre-Production Producer helps prepare you for your project needs and provides the best way to make your vision come to life.</p>	1	650.00	650.00
Storyboard Artist	<p>What is it: A visual representation of the script to help guide the production. The storyboard sets the visuals for the animation that shows how the video will play out from beginning to end. This allows you to edit your story before any footage is shot or any animation is created.</p> <p>Why get it: The storyboard allows for the production to be more efficient as it saves time for the production and post-production crew working on the project and ensures everyone is on the same page throughout the production of the video.</p> <p>Includes Client Reviews</p>	2	475.00	950.00
STAGE 2 - PRODUCTION	This stage consists of all on set production elements for this project:	0	0.00	0.00
Voiceover Talent	<p>What is it: A Professional voice actor hired for the recording of voice narration. The voice actor records from their professional home studio.</p> <p>Why get it: A Professional voice talent is a must. Recording the narration yourself or with someone from your team lessens the impact of your message. A professional voice talent has the training and experience to make your message heard.</p>	4	650.00	2,600.00
STAGE 3 - POST-PRODUCTION	This stage consists of all post-production elements for this project:	0	0.00	0.00

A non-refundable 50% Deposit Payment is required to be paid by Credit Card before project commencement. The Remaining Balance will be charged to the Credit Card on file once the project is completed.

ACTIVITY	ACTIVITY	QTY	RATE	AMOUNT
Animation - 2D	<p>What is it: Our professional animator takes the visual storyboard from still images and descriptions to full motion animation.</p> <p>Why get it: The animator is the one who has the skills and expertise to bring your animation to life.</p> <p>Did You Know? Key West Video's Animation team works at our studio in Toronto. We do not outsource your project. It's 100% Canadian Made!</p> <p>Hourly Rate</p>	120	150.00	18,000.00
Stock Music	<p>What is it: Choose the perfect piece of stock music from our music library. Includes usage fees.</p> <p>Why get it: Your video production's tone is set by the music your audience hears. It is an essential piece to any video production.</p>	4	65.00	260.00
STAGE 4 - DELIVERIES	This stage consists of all delivery elements for this project:	0	0.00	0.00
Digital Video File	<p>What is it: Digital video file supplied to the client of final video in hi-res Mp4 format or other file type based on client's needs.</p> <p>Why get it: This is the final file delivery of your edited video production. Use this video file on your website or social media.</p>	4	65.00	260.00
Hard Drive Archive - Backup	<p>What is it: Archiving of footage materials and project files onto hard drives including finals. A hard drive is stored at our facility for future client production needs. (minimum of 5 years.)</p> <p>Why get it: If you lose your video or want to re-edit the project down the road this enables the editor to work on any editing or graphics/animation needed to update your video. (additional costs may apply after original project completion.)</p> <p>Example: You finish your project and then two years later you want to re-edit the video so that everything from the voice narration to the text on screen is in French. The editor will need to edit the various layers and tracks involved so that your new French version is perfect.</p>	1	150.00	150.00
DISCOUNT	A discount for this project because Key West Video builds working relationships with our clients and wants to do the same with you!	1	- 871.00	-871.00

SUBTOTAL

21,999.00

Key West Video will gladly price match or offer a better

A non-refundable 50% Deposit Payment is required to be paid by Credit Card before project commencement. The Remaining Balance will be charged to the Credit Card on file once the project is completed.

quote with any other reputable video production vendor, as long as we are sent their quote for review to ensure the project scope is the same. HST (ON) @ 13% 2,859.87

TOTAL	CAD 24,858.87
-------	---------------

Accepted By

Accepted Date

A non-refundable 50% Deposit Payment is required to be paid by Credit Card before project commencement. The Remaining Balance will be charged to the Credit Card on file once the project is completed.