



CAFII Board of Directors Meeting
Wednesday, December 4, 2013
Location: BMO Insurance
First Canadian Place, 100 King St. W, 68th Floor
Toronto, ON M5X 1A1

2:10 – 4:30 pm

Conference call dial-in information: 416.764.8662 or 1.888.884.4534
participant pass code: 771017#, moderator pass code: 7661560

Discussion Agenda

Item	Presenter	Action
1. Call to Order and Welcome 1.1. CAFII Competition Guidelines 1.2. Approval of Consent Agenda and Discussion Agenda	M. Cummings	Review Approval
2. Financial Update: 2.1. Financial Statements as at October 31, 2013	M. Fabian	Approval
3. Policy Issues and Decision Items 3.1. Customer Value Proposition of Creditor's Group Insurance Comparative Project 3.2. Revised CAFII Communications Strategy 3.3. Proposed 2014 CAFII Operating Budget	S.Manson/E.Brown/B.Wycks B. Wycks M. Fabian	Update Approval Approval
4. Regulatory Visits 4.1. Regulatory Visit Plan 2013 & 2014	B. Wycks	Update
5. Committee Reports Addressing CAFII Priorities (2013 & 2014) 5.1. Distribution and Market Conduct Policy Committee 5.2. Licensing Efficiency Issues Committee 5.2.1. Representation for Restricted License Holders in Saskatchewan 5.3. Media and Advocacy Strategy Committee 5.4. Networking and Event Hosting Committee 5.4.1. December 4 Reception and Launch of New CAFII Logo and Visual Identity 5.4.2. Speakers for 2014 CAFII Events 5.4.3. Relocation of April 8, 2014 CAFII Board Meeting to Montreal	S. Manson M. Gill S. Gelgor / J. Lewsen P. Yeung / M. Sanchez-Chung	Update Update Update Update Update
6. Other Business 6.1. CAFII Compliance with Canada Non-for-Profit Corporations Act (CNCA) 6.2. Recognition of a Retiring Director	B. Wycks / J. Lewsen M. Cummings	Update

This agenda is directly linked to a Consent Agenda for the same meeting.

Next Board Meeting: Tuesday, April 8, 2013 hosted by Desjardins in Montreal, QC

COMPETITION LAW POLICY FOR CAFII'S BY-LAW NO. 2007 - 1

		Page
SECTION TWELVE	COMPETITION LAW POLICY	1
12.01	Competition Law Policy Statement	1
12.02	Guidelines for Competition Compliance	2
12.03	Consequences for Failure to Comply with Policy	1
12.04	Annual Review of Guidelines	1

ADD DEFINITION OF "COMPETITION ACT" TO SECTION 1.01:

"Competition Act" means the *Competition Act*, R.S.C. 1985, c. C-34, as amended;

ADD SECTION TO BODY OF BY-LAW:

SECTION TWELVE

COMPETITION LAW POLICY

12.01 Competition Law Policy Statement

It is the Corporation's policy that it, and all of its members, fully comply with the Competition Act in respect of any activity undertaken for or on behalf of the Corporation. Responsibility for such compliance rests with the board and with each member.

12.02 Guidelines for Competition Act Compliance

At each meeting of the members of the Corporation, each member shall be furnished with a document setting out the Corporation's guidelines for Competition Act compliance (the **"Guidelines"**). Each attending member shall acknowledge receipt of the Guidelines in writing and agree to adhere to the Guidelines in respect of any activity undertaken for or on behalf of the Corporation.

12.03 Consequences for Failure to Comply with Policy and Guidelines

Failure by a member to comply with this policy or the Guidelines is grounds for removal of that member from the register of the Corporation in accordance with section 9.06.

12.04 Annual Review of Guidelines

The Guidelines shall be reviewed annually by the Corporation in consultation with its legal counsel and shall be amended from time to time, as necessary or considered desirable by the board.

/MM

CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

GUIDELINES FOR *COMPETITION ACT* COMPLIANCE

Trade association meetings present a risk of interactions among competitors that in and of themselves may contravene, or may lead to a contravention of, Canada's competition laws. Depending on the circumstances, an inference may be drawn by the Competition Bureau of an improper agreement among competitors resulting from such interactions. In addition to rules of general application to all industries, there are also specific provisions in the *Competition Act* (the "**Act**") dealing with agreements or arrangements between federal financial institutions.¹

Consequently, the Canadian Association of Financial Institutions in Insurance ("**CAFII**"), and its members, should be cognizant of the importance of compliance with the Act and committed to such compliance. In fulfilling the mandate of CAFII, and working towards the achievement of its objectives, members of CAFII are expected to adhere to the guidelines that follow and CAFII's competition law policy to promote and respect the spirit and the letter of the law.

1. **Prohibited Activities**²

(a) **Anti-competitive Agreements or Understandings**

Neither CAFII nor any committee or activity of CAFII shall be used for the purpose of bringing about or attempting to bring about any agreement, written or oral, formal or informal, express or implied, among competitors regarding:

- (i) the amount or kind of prices, premiums, service charges, interest rates, or other terms or conditions of any products or services to be offered for sale by insurance companies;
- (ii) the amount or kinds of products or services to be offered to customers or classes of customers;
- (iii) the customers or classes of customers to whom any insurance company product or service may be sold or withheld; or
- (iv) the territories in which an insurance company product or service may be sold.

¹ For the purposes of the relevant provisions of the Act, "federal financial institution" means a bank or authorized foreign bank within the meaning of section 2 of the *Bank Act*, a company to which the *Trust and Loan Companies Act* applies or a company or society to which the *Insurance Companies Act* applies.

² The activities captured by these guidelines include any activities undertaken for or on behalf of CAFII, including but not limited to, CAFII meetings, formal or informal CAFII-sponsored events, and advocacy and lobbying initiatives.

(b) Sharing Information Posing Anti-competitive Risk

No CAFII activity, including any activity undertaken by a CAFII committee or group, shall involve discussion, exchange, collection or dissemination among competitors, for any purpose or in any fashion, information on those matters identified in subparagraphs (i) to (iv) in paragraph (a) above.

Where projects involve the collection of individual firm statistical data, such collection shall involve only aggregate data from past transactions and shall include effective steps to protect against disclosure of individual product-pricing or interest-payment information.

(c) Exchange of Cost Information – Anti-competitive Purposes

No CAFII activity shall include any discussion of costs or any exchange of cost information for the purpose or with the probable effect of:

- (i) increasing, maintaining, or stabilizing prices, premiums, service charges, interest rates, or other terms or conditions of insurance company products or services;
- (ii) reducing competition with respect to the range or quality of products or services offered by insurance companies; or
- (iii) promoting agreement among insurance companies with respect to their selection of products or services for purchase, their choice of suppliers, or the prices they will pay for such products or services, including commissions for the services of commissioned agents.

(d) Published Papers

Papers published by or on behalf of CAFII or presented in connection with CAFII programs should not discuss or refer to the amount or kind of prices, premiums, service charges, interest rates, or other financial terms or conditions of insurance products or services offered for sale by insurance companies. Additionally, reference to costs in such papers should not be accompanied by any suggestion, express or implied, that prices, premiums, interest rates, service charges or other terms or conditions of insurance company products or services should be raised, adjusted, or maintained in order to reflect such costs. To ensure compliance, authors of conference papers shall be informed of CAFII's Guidelines for Competition Act Compliance and CAFII's competition law policy and the need to comply with these rules in the preparation and presentation of their papers.

(e) No Attempt at Product Standardization

Neither CAFII nor any CAFII committee or group shall make any effort to bring about the standardization of any insurance product or service for the purpose or with the effect of preventing the development or sale of any product or service not conforming to a specified standard.

(f) **Independent Dealings with Suppliers**

No CAFII activity or communication shall include any agreement, or any discussion which might be construed as an agreement, to collectively refrain from purchasing any products or services from any supplier.

(g) **No Exclusion from CAFII Activities**

No person shall be arbitrarily or unreasonably excluded from participation in any CAFII committee or activity where such exclusion may impair such person's ability, or the ability of his or her employer, to compete effectively in the insurance industry or as a supplier to the insurance industry.

2. **Permissible Activities**

The Act expressly permits certain activities among competitors and, as a result, within trade associations. These permitted activities include:

- the exchange of statistics;
- the defining of service or product standards;
- the exchange of credit information;
- the definition of industry terminology;
- co-operation in research and development; and
- agreements on environmental protection measures.

However, the usefulness of these exemptions is **very limited**. These activities become illegal if the result is that competition is unduly decreased, or if entry into an industry or expansion of a business within that industry is unduly restricted. For example, although "the exchange of statistics" is permitted, that does not mean that any and all forms and kinds of statistics and numbers, such as price lists or market-share data, may be exchanged among trade association members. Likewise, the defining of service or product standards may become criminal conduct if there is an agreement that CAFII members will restrict the range of services or products they offer to certain specified customers, or they agree to standards in terms of quality, range or quantity of products or services they offer with the aim of eliminating low price competitors.

3. **Efforts to Influence Governmental Action**

In general, one has a right to meet and to make joint presentations with respect to governmental activities of common interest. However, this right should not be used jointly by competitors for an anti-competitive purpose such as, for example, the lobbying for a legislative or regulatory change having the objective of impeding entry of new competitors, increasing insurance premiums, or restricting insurance services to certain classes of customers or geographic regions. Caution should be exercised where a particular lobbying initiative pertains to subject-matter that has competitive overtones or may be perceived as a concerted effort to lessen or prevent competition. In such cases, legal advice should be sought before proceeding with the initiative.

CAFI

55 St Clair Ave West, Suite 255

Toronto, ON M4V 2Y7

Balance Sheet

As at October 31, 2013

ASSETS	Current 2013
Current Assets	
Bank Balance	\$290,385
Investments ^A	\$52,852
Accounts Receivable	\$0
Interest Receivable	\$211
Prepaid Expenses	\$3,070
Computer/Office Equipment	\$2,334
Accumulated Depreciation -Comp/Equip	(\$428)
Intangible Assets-Trademarks	\$0
Accumulated Amortization-Trademark	\$0
Total Current Assets	\$348,424
TOTAL ASSETS	\$348,424
LIABILITIES	
Current Liabilities	
Account Payable ^B	\$0
Deferred Revenue	\$66,750
Total Current liabilities	\$66,750
TOTAL LIABILITIES	\$66,750
UNRESTRICTED NET ASSETS	
Unrestricted Net Assets, beginning of year	\$179,424
Excess of revenue over expenses	\$102,250
Total Unrestricted Net Assets	\$281,674
Total Unrestricted Net Assets	\$281,674
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$348,424

Minimum Reserve = Greater of:

Reserve at 25% of Annual Operating Expense =	\$ 61,383
Reserve at 6 months of Operating Expense =	\$ 121,759

2013 Reserve (based on 6 month Reserve):

C A F I I
55 St Clair Ave West, Suite 255
Toronto, ON, M4V 2Y7
Balance Sheet Items
As at October 31, 2013

Item A

Investment Portfolio

Investment Type	Issue Date	Principal	Rate	Deemed Interest	Maturity Date
Cashable GIC #0087-8019718-12	May-07-13	\$52,852.40	1.00%	\$528.52	May-07-14
Total		\$52,852.40		\$528.52	

Item B

Accounts Payable

	Total

Total outstanding	0.00
	=====

CAFII

55 St Clair Ave West, Suite 255
Toronto, ON M4V 2Y7

Statement of Operations

As at October 31, 2013

REVENUE	Current Month	Current YTD	Budget 2013	% Used	YTD 2012 Balance	% Used YTD 2012
Membership Fees	\$33,375	\$333,750	\$410,100	81%	\$341,750	89%
Interest Revenue	\$0	\$474	\$750	63%	\$583	583%
TOTAL REVENUE	\$33,375	\$334,224	\$410,850	81%	\$342,333	87%
EXPENSE						
Association Operating Expenses						
Management Fees	\$17,883	\$182,072	209,150	87%	\$58,848	85%
Lawrie Savage Fees	\$0	\$0	-		\$146,792	87%
CAFII Legal Fees/Corporate Governance	\$0	\$0	10,500	0%	\$1,694	16%
Audit Fees	\$0	\$1,617	13,250	12%	\$347	4%
Insurance	\$439	\$2,769	5,368	52%	\$2,365	55%
Website (incl translation)	\$0	\$361	540	67%	\$2,707	501%
Telephone/Fax/Internet	\$309	\$2,630	750	351%	\$516	24%
Postage/Courier	\$1	\$186	500	37%	\$234	22%
Office Expenses	\$97	\$1,881	4,500	42%	\$726	27%
Bank Charges	\$0	\$70	-	0%	\$38	1%
Miscellaneous Expenses	\$0	\$0	-	0%	\$278	10%
Amortization Expense	\$0	\$0	-	0%	\$0	0%
Depreciation Computer/Office Equipm ¹	\$39	\$389	640	0%	\$0	0%
CCIR Research for Sup.model support	\$0	\$0			\$111	
Sub Total Association Operating Expenses	\$18,768	\$191,975	\$245,198	78%	\$214,657	
Distribution & Market Conduct Committee						
Provincial Regulatory Review	\$73	\$2,934	35,000	8%	\$10,723	20%
Research/Studies	\$0	\$4,996	42,000	12%	\$5,085	12%
Sub Total Distribution & Market Conduct Committee	\$73	\$7,930	\$77,000	10%	\$15,808	
Licensing Efficiency Issues Committee						
Regulatory Model (s)	\$0	\$244	12,000	2%	\$0	0%
Federal Financial Reform	\$0	\$0	-		\$0	0%
Sub Total Licensing Efficiency Issues Committee	\$0	\$244	\$12,000	2%	\$0	
Media & Advocacy Strategy Committee						
Tactical Communications Strategy	\$156	\$228	25,000	1%	\$1,911	8%
Association Branding	\$0	\$2,802	7,000	40%	\$0	0%
Sub Total Media & Advocacy Strategy Committee	\$156	\$3,030	\$32,000	9%	\$1,911	
Networking & Events Committee						
Board/EOC/AGM Expense ²	\$114	\$12,718	10,000	127%	\$12,585	60%
Networking Events	\$510	\$510	3,500	15%	\$0	0%
15th Anniversary Event	\$0	\$15,566	30,000	52%	\$0	0%
Sub Total Networking & Events Committee	\$624	\$28,794	\$43,500	66%	\$12,585	
Media Relations, CAFII Consultant						
Media Relations, CAFII Consultant	\$0	\$0	-		\$10,430	87%
Sub Total Media Relations, CAFII Consultant	\$0	\$0			\$10,430	
TOTAL EXPENSE	\$19,622	\$231,973	409,698	57%	\$255,391	54%
EXCESS OF REVENUE OVER EXPENSES	\$13,753	\$102,250	\$1,152		\$86,941.75	

Explanatory Notes:

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

(2) Board meetings and receptions, special Board or EOC lunch meetings, speaker expenses

CAFII

Toronto, ON M4V 2Y7

Membership Fees

As At October 31, 2013

	<u>Jan-13</u>		<u>Jul-13</u>	
	<u>Billed</u>	<u>Received</u>	<u>Billed</u>	<u>Received</u>
TD Insurance	\$23,500.00	8-Mar-13	\$23,500.00	23-Aug-13
Assurant Solutions	\$11,750.00	22-Feb-13	\$11,750.00	23-Aug-13
BMO Insurance	\$23,500.00	31-May-13	\$23,500.00	19-Jul-13
Canadian Premier Life Insurance Company	\$11,750.00	1-Mar-13	\$11,750.00	23-Aug-13
CIBC Insurance	\$23,500.00	8-Mar-13	\$23,500.00	30-Aug-13
National Bank Insurance Company	\$11,750.00	8-Mar-13	\$11,750.00	16-Sep-13
RBC Insurance	\$23,500.00	7-Mar-13	\$23,500.00	3-Sep-13
ScotiaLife Financial	\$23,500.00	12-Apr-13	\$23,500.00	23-Aug-13
Desjardins Financial Security Life Assurance Company	\$11,750.00	8-Mar-13	\$11,750.00	20-Sep-13
AMEX Bank of Canada	\$11,750.00	15-Mar-13	\$11,750.00	23-Sep-13
Avalon Actuarial	\$4,800.00	26-Apr-13		
CSI Brokers Inc.	\$4,800.00	28-Mar-13		
Dion, Durrell & Associates Inc.	\$4,800.00	15-Mar-13		
KPMG	\$4,800.00	12-Apr-13		
Laurentian Bank of Canada	\$4,800.00	15-Mar-13		
Oliver, Wyman Consulting Limited	\$4,800.00	Will not be renewing 2013 membership		
Optima Communications	\$4,800.00	12-Apr-13		
RGA Life Reinsurance Company of Canada	\$4,800.00	1-Mar-13		
Swiss Reinsurance Company Ltd	\$4,800.00	Will not be renewing 2013 membership		
Munich Re	\$4,800.00	8-Mar-13		
Aimia	\$4,800.00	15-Mar-13		
The Canada Life Assurance Company	\$4,800.00	1-Mar-13		
January Invoices	\$233,850		\$176,250	
July Invoices	\$176,250			
Total Membership Fees	\$410,100			

CAFII

2014 External Communications Strategy

Revised October 28, 2013



Executive Summary

Overall Communications Strategy

- Support achievement of CAFII's strategic objectives by communicating and effectively engaging with key external audiences
- Demonstrate the value of the insurance solutions and channels offered by CAFII members by creating greater awareness and understanding
- Gain control of the "communications agenda" and change perceptions among key audiences

2014 External Communications Objectives

- Build on CAFII's current proactive communications strategy with regulators, while broadening audience focus and resource allocation to include policy-makers
- Ensure all audiences are well-informed about both the benefits of Creditor Insurance and alternate distribution channels
- CAFII and its members are seen to be advocates for alternate distribution channels and easy access to insurance solutions
- Be better prepared and positioned to respond strategically and effectively to the media and consumers

	Regulators and Policy-Makers	Media	Public and Consumer Interest Groups
Current State	<ul style="list-style-type: none"> •CAFII has strong relationships, a good reputation and regular interaction with regulators. •Inconsistent relationships with policy-makers 	<ul style="list-style-type: none"> •Little or no interaction with media and varying views amongst members about 'how far should we go?' •Selectively reactive with media 	<ul style="list-style-type: none"> •Enhanced CAFII web site serves a passive communications vehicle for Key Messages about Creditor Insurance and alternate distribution
	Short to mid-term objectives Proactive Advocacy	Mid to long-term objectives Prepared And Selectively Proactive	Mid to long-term objectives Prepared And Selectively Proactive
Future Vision	<ul style="list-style-type: none"> •CAFII interacts even more frequently with regulators and regularly with policy-makers, through a variety of approaches. •They are fully aware of the needs of Canadians regarding Creditor Insurance and the role CAFII members play in providing ease of access to valuable products. 	<ul style="list-style-type: none"> •The benefits of Creditor Insurance are clearer. •Myths regarding Creditor Insurance are dispelled. •CAFII is seen to be a consumer advocate related to easy, convenient access to a straightforward product. •CAFII is regarded as a "go to" resource for credible information on Creditor Insurance 	<ul style="list-style-type: none"> •CAFII Members are proud to serve Canadians with products that meet their needs in terms of both protection and availability. •CAFII Members are seen as proponents of consumer access to simple, convenient insurance products; <u>and of Consumer Financial Literacy</u> •CAFII is regarded as a "go to" resource for credible information on Creditor Insurance

Contents

- Overall Strategy and 2014 External Communications Objectives
- Current Situation and SWOT Analysis
- External Communications Objectives and Future Vision
- Future State
- Measures of Success

APPENDICES

(Samples for illustration purposes – to be updated once Communications Strategy approved)

A: 2014 Communications Tactics

B: Implementation Timelines For New Tactics – Regulators and Policy-Makers

C: Key Message Map : Benefits/Value of Creditor's Insurance

Objectives

Overall Communications Strategy

- Support achievement of CAFII's strategic objectives
- Communicate and effectively engage with key external audiences
- Demonstrate the value of the insurance solutions and channels offered by CAFII members:
 - Creditor insurance
 - Alternate distribution channels (non-broker driven)
- Create greater awareness and understanding
- Gain control of the “communications agenda” and change perceptions among key audiences

2014 External Communications Objectives

- Build on past strengths by enhancing CAFII's current proactive communications strategy with regulators, while broadening the audience focus and resource allocation to include policy-makers
- Ensure all audiences are well-informed about the benefits of Creditor Insurance and alternate distribution channels
- Enhance the perception of CAFII among key audiences so that:
 - CAFII begins to be regarded as the “go to” resource for credible information related to Creditor Insurance
 - CAFII and its members are seen to be advocates for alternate distribution channels, easy access to insurance solutions, and Consumer Financial Literacy
- Be better prepared and positioned to respond strategically and effectively to the media and consumers re mis-information about Creditor Insurance products and alternate distribution channels
- Assess opportunities and tactics to begin outreach to and to influence non-FI Creditor Insurance players whose practices could give rise to PPI-type regulations, around adopting industry best practices

Current Situation:

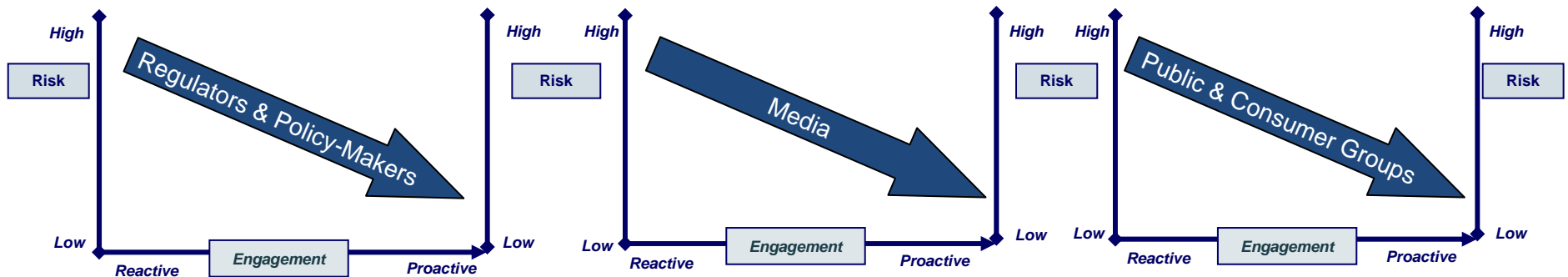
External Communications SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> • Respect from most regulators. • CAFII is a “go to” resource for regulators on issues related to Creditor Insurance and, in many cases, insurance distribution. 	<ul style="list-style-type: none"> • Limited profile with all audiences except Regulators. • CAFII is not a “go to” resource for the media, the public, consumer interest groups, or other industry players when issues arise related to Creditor Insurance. 	<ul style="list-style-type: none"> • Strengthening relationships with policy-makers on a consistent basis. • Developing relationships with some consumer interest groups and media. • Both actions would better protect CAFII members for the future. 	<ul style="list-style-type: none"> • Lack of more visible messaging may make CAFII a target for opponents.
<ul style="list-style-type: none"> • CAFII has completed occasional research that reinforces the benefits of Creditor Insurance. 	<ul style="list-style-type: none"> • CAFII currently does not have a clear consensus among members for a well-articulated strategy related to external communications to media and consumers, except for media contact contingencies. 	<ul style="list-style-type: none"> • Research will provide a valuable foundation for potential advocacy and/or rebuttal points when Bank Act consultations commence in 2015. • More frequent reinforcement of messaging to regulators and policy-makers utilizing a variety of approaches, including in-person meetings, website content and webinars. 	<ul style="list-style-type: none"> • CAFII does not control the communications agenda related to Creditor Insurance.
<ul style="list-style-type: none"> • CAFII has additional capacity to deal with adverse media developments. (i.e. Executive Director) 	<ul style="list-style-type: none"> • Existing research has a limited shelf life. 	<ul style="list-style-type: none"> • New website provides a rationale for introducing CAFII and our key messages to a broader audience. 	<ul style="list-style-type: none"> • Publicizing positive research results could provide opponents with new “intelligence.” Being more proactive may attract more negative attention.
<ul style="list-style-type: none"> • New web site initiative provides better communication potential. 	<ul style="list-style-type: none"> • Without a strong advocacy position, CAFII member employees may not be as confident in Creditor Insurance as they should be. 	<ul style="list-style-type: none"> • Enhanced advocacy may facilitate a better public awareness of Creditor Insurance and alternate distribution, and support member sales efforts. 	<ul style="list-style-type: none"> • Unexpected media or regulatory action.
<ul style="list-style-type: none"> • The external environment related to Creditor Insurance has been relatively quiet. 	<p>CAFII does not influence the practices of a segment of Creditor Insurance that regulators could target (egs. auto dealers, payday loan companies, non-FIs)</p>	<ul style="list-style-type: none"> • Potential to engage with consumer interest groups for monitoring and environmental scanning purposes. • Potential to engage with non-FI Creditor Insurance players to fend off broad brush PPI-type regulations. 	<ul style="list-style-type: none"> • Regulators might introduce broad brush new regulations for Creditor Insurance, to address concerns not being caused by CAFII members.

External Communications Audiences and Approaches: Current State and Future Vision

	Regulators and Policy-Makers	Media	Public and Consumer Interest Groups
Current State	CAFII has strong relationships, a good reputation and regular interaction with regulators. Inconsistent contact and relationships with policy-makers	Little or no interaction with Media and varying views amongst members about 'how far should we go?' Prepared to be selectively reactive with media	No specific current objective or strategy
	Selective use of CAFII research in: •Regulatory submissions •Meetings occasioned by regulatory consultations	Selective use of CAFII research in "defence scenarios" currently contemplated	New website contemplates content designed for the public
Future Vision	Short- to Mid-term Objectives •CAFII interacts even more frequently with regulators and policy-makers through a variety of approaches. •They are fully aware of the needs of Canadians regarding Creditor Insurance and the role CAFII members play in providing ease of access to valuable products.	Mid- to Long-term Objectives •The benefits of Creditor Insurance are clearer. •Myths regarding Creditor Insurance are dispelled. •CAFII is seen to be a consumer advocate for easy, convenient access to a straightforward product; <u>and for Consumer Financial Literacy</u>	Mid- to Long-term Objectives •CAFII Members are proud to serve Canadians with products that meet their needs in terms of both protection and availability. •CAFII Members are seen as proponents of consumer access to simple, convenient insurance products; <u>and of Consumer Financial Literacy.</u>
	•Targeted research is regularly conducted on strategic issues •Research is regularly leveraged. •Messages for other stakeholders are tested with regulators and policy-makers. •Assess opportunities and tactics to begin outreach and influence non-FI Creditor Insurance players whose practices could give rise to PPI-type regulations	•CAFII (and not others) is the "go to" place for credible information related to Creditor Insurance. •Detailed research findings are available to support messaging.	•Better information and facts are available regarding Creditor Insurance and alternate distribution.

Future State Engagement with Key Audiences: From Reactive to Proactive – How Far to Move?



Future Vision			
Target Audience & Approach	Regulators and Policy-Makers	Media	Public and Consumer Interest Groups
	Proactive Advocacy	<i><u>Prepared and Selectively Proactive</u></i>	<i><u>Prepared And Selectively Proactive</u></i>
Rationale	<ul style="list-style-type: none"> •Reduces risk and increases opportunities to influence. •Receptive to understanding the value that Creditor Insurance and alternate distribution channels provide to under-served consumers, despite strong broker advocacy •Absence of this advocacy and CAFII messaging could lend credibility to broker messaging amongst this audience 	<ul style="list-style-type: none"> •<u>CAFII has not previously engaged with media, and therefore has no earned credibility with this audience</u> •<u>If CAFII remains solely reactive and makes first media appearance in a defensive posture, that will be a long-lasting, negative impression</u> •<u>A reactive-only approach is the high risk strategy</u> •<u>Starting to engage proactively is the only way to build credibility with media and enter the marketplace in the right way</u> 	<ul style="list-style-type: none"> •<u>CAFII has not previously engaged with the public or consumer interest groups, and therefore has no earned credibility with this audience</u> •<u>If CAFII remains solely reactive and has a defensive posture in first exposure with public and consumer groups, that will be a long-lasting, negative impression</u> •<u>A reactive-only approach is the high risk strategy</u> •<u>Starting to engage proactively is the only way to build credibility with the public and consumer interest groups and enter the marketplace in the right way</u>
Future Vision	<ul style="list-style-type: none"> •CAFII is increasingly proactive in its strategic use of facts and research findings to advocate for Creditor Insurance and the related public policy benefits of providing ease of access to simple insurance products 	<ul style="list-style-type: none"> •<u>CAFII is well-prepared to respond to media inquiries and to be selectively proactive, using strategic Key Messages and scenario-based Stock Answers, based on facts and research. CAFII takes advantage of media exposure opportunities where it "controls the pen" and earns "go to" credibility through selective proactive engagement.</u> 	<ul style="list-style-type: none"> •<u>CAFII is well-prepared to respond to public and consumer interest group inquiries and to be selectively proactive, using strategic Key Messages and scenario-based Stock Answers, based on facts and research. Having earned credibility with this audience, CAFII proactively engages on a selective basis. The Association and its members are seen as advocates for Consumer Financial Literacy.</u>

11/28/2013

Draft for Discussion Purposes

Future State:

2014 External Communications Tactics

Regulators and Policy-Makers

Proactive Advocacy

- Expand Regulator contact to include policy-makers
- Enhanced Regulator and Policy-Maker Visit Plan
- Regulator events /webinars
- Proactive written contact
- Strategic submissions
- Enhanced web content
- 'Regulator Kit'
- Targeted research to support messaging
- Commitment to face-to-face meetings with targeted regulators and policy-makers plus ongoing written contact
- Assess opportunities to influence non-FI Creditor Insurance groups on industry best practices

Media

Prepared and Selectively Proactive

- Respond strategically and selectively to media and social media misinformation
- Apply approved Media Protocol
- Deploy targeted Key Messages, written from a Consumer Financial Literacy lens
- Develop Media section on website.
- Develop "About Creditor Insurance" Media Kit, for friendly media.
- Participate in "pen control" media opportunities
- Build and sustain CAFII credibility by using independent research for Media Release content on targeted insurance topics,

Public and Consumer Interest Groups

Prepared and Selectively Proactive

- Enhanced targeted web site:
- Key Messages
 - FAQs
 - Revamped "Contact Us"
 - Consumer testimonials
 - Search Engine Optimization to drive traffic to CAFII site
 - Leverage targeted research to support messaging
 - Monitoring/environmental scanning of consumer interest groups
 - CAFII engages proactively, on a selective basis, with the public and consumer interest groups, mainly in support of Consumer Financial Literacy

Q4 of 2014

For each audience, revisit and assess strategy, level of engagement, and tactics for 2015

Measures of Success

We will know we have been successful when.....

Regulators and Policy-Makers

This Audience:

- Accepts and acts on policy recommendations and positions advocated by CAFII in a great majority of cases
- Recognizes CAFII as a credible, well-prepared “go to” resource on matters pertaining to Creditor Insurance and alternate distribution
- Regulators and Policy-Makers differentiate between CAFII members and other non-FI players that ‘dabble’ in certain forms of Creditor Insurance (egs. car dealers; payday loan companies; retailers)
- Becomes more fully aware of the benefits and value of Creditor Insurance to a broad, under-served segment of Canadian consumers
- Recognizes CAFII and its members as leading industry advocates and providers of convenient consumer access to simple, straightforward insurance products
- Has “first name basis” relationships with key CAFII representatives
- Knows that CAFII will meet with them regularly (minimum every 18 months) to maintain a face-to-face relationship, and will have ongoing written and phone contact
- Knows that interaction will be informative and worthwhile and include new industry insights, updates on important issues, and/or significant and reasonable “asks”
- Looks forward to receiving the results of CAFII’s independent research on insurance issues, and respects the credibility of the data
- Non-FI Creditor Insurance Players look to CAFII as the “go to” source re industry practices; some/all have become Associate members; and practices of concern to regulators are modified

Media

CAFII has:

- Made progress on changing media perceptions about Creditor Insurance through well-prepared handling of reactive media situations; acting and communicating to correct misinformation published about Creditor Insurance; and selective dissemination of well-developed Media Kit materials
- Delivered Key Messages and Stock Answers that resonate with media and are quoted in resulting media coverage
- Participated in “pen control” media communication opportunities and maximized the utility and impact of the resulting exposure
- Launched a program of Media Releases based on independent, third party consumer research on targeted insurance topics, and measured its effectiveness
- Monitored media coverage and social media posts; and responded when appropriate, thereby achieving initial progress on dispelling media myths about Creditor Insurance and alternate distribution channels
- Begun to be seen as a consumer advocate identified with the Association’s tagline: “Making Insurance Simple and Accessible for all Canadians” and as a proponent of Consumer Financial Literacy

The Public and Consumer Interest Groups

CAFII has:

- Leveraged enhanced information on the web site for responding to questions about Creditor Insurance and alternate distribution
- Web site stats that show consistent growth in traffic, especially to consumer testimonials
- When and if appropriate, engaged proactively with the public and/or consumer interest groups around Consumer Financial Literacy or other targeted insurance topics
- Become identified with the Association’s tagline: “Making Insurance Simple and Accessible for all Canadians” and as a proponent of Consumer Financial Literacy

APPENDICES

APPENDIX A: 2014 Communications Tactics

- Regulators and Policy-makers
- Media
- Public and Consumer Interest Groups

APPENDIX B: Implementation Timelines For New Tactics – Regulators and Policy-Makers

APPENDIX C: Key Message Map : Benefits/Value of Creditor's Insurance

Samples for illustration purposes – to be confirmed once plan approved

Appendix A: 2014 Communications Tactics

Regulators and Policy-Makers

- ✓ Continued strong proactive focus on this key audience, broadened to include Policy-Makers in addition to Regulators
- ✓ Majority of activity is provincially focused, with selective activity against federal authorities, i.e. Financial Consumer Agency of Canada (FCAC)
- ✓ Maximize use of face-to-face interaction opportunities, as the warmest and most effective channel to build relationships and deliver key messages
- ✓ Strategic use of all written contacts (submissions, regulatory newsletters, etc.) as an opportunity to reinforce communications objectives

Communication Tactics	Details
Proactive Face-to-Face Interaction	<p><i>Continued Activity, with enhanced focus:</i></p> <ul style="list-style-type: none"> • Invitations to CAFII Speaker and Networking events • Pre-consultation and consultation meetings with regulators • Enhanced Regulator Visit Plan, focused on dedicated, face-to-face meetings with each provincial regulator at least once every 18 months, in Toronto or their location - Leverage regional meetings where common interest exists - Periodic liaison meetings with provincial regulator executive teams, as needs/issues arise <p><i>New/Enhanced Activity:</i></p> <ul style="list-style-type: none"> • Identify key provincial and federal policy-makers and develop a Policy-Maker Visit Plan, with targeted key messages • Meet with relevant provincial policy-makers, in conjunction with regulator meetings • Attendance at industry conferences, symposia, and related events where regulators and policy-makers will be present • Assess options to engage and influence non-FI Creditor Insurance players around regulatory risk discussions and industry education, including targeting them as possible Associate Members of CAFII
Proactive Written Communications	<p><i>Continued Activity, with enhanced focus:</i></p> <ul style="list-style-type: none"> • Timely, high quality regulatory submissions emblazoned with new CAFII branding • Webinars for CCIR and the CISRO community (on annual basis at a minimum) • Regulatory Newsletter, distributed to regulators and policy-makers as an information resource • Regular phone contact by Executive Director to source newsworthy developments • Interaction with related Associations (i.e. CLHIA, CBA) to ensure Key Messages are aligned yet still tailored to reflect CAFII's perspective <p><i>New/Enhanced Activity:</i></p> <ul style="list-style-type: none"> • Sponsor more frequent independent consumer research on key CAFII issues to provide content for submissions and proactive Releases . (i.e.. inclusion of two or three targeted questions on quarterly omnibus survey, eg. Pollara's syndicated "InsurPoll") • Strategically share results with regulators and policy-makers in timely, focused manner through both written Releases and educational webinars • Regulator Kit of briefing documents focused on CAFII's key messages (both electronic and paper distribution) • Leverage enhanced, regularly updated web site content which provides CAFII-branded regulator and policy-maker-focused resources

Appendix A: 2014 Communications Tactics

Media

- ✓ Focus on gradual transition to a “Prepared and Selectively Proactive” strategy, to begin earning credibility and bona fides with this Key Audience
- ✓ Focus on developing air-tight Key Messages to fuel confidence in being selectively proactive; and on using third party research to buttress messages
- ✓ Reassess strategy as part of 2015 communications planning

Communication Tactics	Details
<u>Prepared and Selectively Proactive</u>	<p><u>New /Enhanced Activity:</u></p> <ul style="list-style-type: none"> • <u>Develop a broad inventory of Key Messages which can also be used with other Key Audiences and develop potential story scenarios with up-to-date scripted responses (share with CAFII members for their own use)</u> • <u>Develop a series of short, non-provocative articles on various aspects of the case for Creditor Insurance and Alternate Distribution, written as much as possible from a Consumer Financial Literacy lens. Use this content for “pen control” media communication opportunities, a Media Kit, the website, and other applications</u> • <u>Leverage independent consumer research on targeted insurance topics to provide content for a program of feature-style Media Releases; and dissemination of findings to other audiences</u> • <u>Identify “friendly” media representatives</u> • <u>Respond to media requests for information and interviews, in accordance with Board-approved Media Protocol</u> • <u>Monitor media coverage and social media posts (English and French) re Creditor’s Insurance and related CAFII-relevant issues</u> <ul style="list-style-type: none"> – <u>Strategically and selectively respond to published misinformation about Creditor’s Insurance products, using Key Messages and Stock Answers</u> • <u>Provide media training session for Executive Director and available Board members, based on approved Key Messages and Stock Answers</u> • <u>Create “About Creditor Insurance” Media Kit from web-based resources, for ready dissemination when need arises</u> <ul style="list-style-type: none"> – <u>some overlap with Regulator Kit content, so likely dual application of information pieces developed</u> – <u>Develop Media-focused section on CAFII web site</u> • <u>Revisit and assess this Communications Strategy in Q4 2014 to determine if CAFII wishes to continue a “Prepared and Selectively Proactive” approach or transition to more proactive media communications tactics beginning in 2015</u>

Appendix A: 2014 Communications Tactics

The Public and Consumer Interest Groups

- ✓ Focus on gradual transition to a “Prepared and Selectively Proactive” strategy, to begin earning credibility and bona fides with this Key Audience
- ✓ Focus on developing air-tight Key Messages to fuel confidence in being selectively proactive; and on using third party research to buttress messages
- ✓ Reassess strategy as part of 2015 communications planning

Communication Tactics	Details
<u>Prepared and Selectively Proactive</u>	<p>New/Enhanced Activity:</p> <ul style="list-style-type: none"> • Increase reliance on the recently enhanced website to communicate with this audience: <ul style="list-style-type: none"> – Ensure Key Messages and FAQs are added to the website and easily accessible to the public – Source member company testimonial videos or short stories citing the positive impact of Creditor Insurance. – Enhance “Contact Us” section to facilitate consumer questions about Creditor Insurance, or about CAFII and its members. Ensure responses to questions are provided on a timely basis – Invest in Search Engine Optimization (SEO) services to drive consumers with “Creditor Insurance” and related queries to the site • Leverage independent consumer research on key CAFII issues (developed primarily for use with Regulators /Policy-Makers and Media) to provide content for responding to Public and Consumer Interest Group information requests • Monitor the agendas and activities of key Consumer Interest Groups for environmental scanning purposes: <ul style="list-style-type: none"> – i.e.. Consumers Council of Canada; Consumer’s Association of Canada; Public Interest Advocacy Centre, etc. – identify opportunities to provide value-added information (eg. “Creditors Insurance: Are Consumers Being Well Served?” report prepared by Consumers Council of Canada for Office of Consumer Affairs, Industry Canada, March 2009) <p><u>• When and if appropriate, engage proactively with the public and/or consumer interest groups around Consumer Financial Literacy or other targeted insurance topics</u></p> <p><u>• Revisit and assess this Communications Strategy in Q4 2014 to determine if CAFII wishes to continue a “Prepared and Selectively Proactive” approach or transition to more proactive communications tactics beginning in 2015</u></p>

Appendix B: Implementation Timelines For New Tactics

Regulators and Policy-Makers

(Sample only. To be revised – along with Implementation Timelines for other Key Audiences – once Communications Strategy approved and Tactics finalized)

				2013		2014											
				Period	oct	nov	dec	jan	feb	mar	apr	may	jun	jul	aug	sep	oct
Objective	Comms. Objective	Audience	Activity														
Engage effectively with Key Audience	Position CAFII as the “go to” resource for credible information about Creditor Insurance	Regulators and Policy-Makers	Update Regulatory Visit Plan to achieve objective of meeting face-to-face with each relevant regulator and policy-maker at least once every 18 months	X	X												
		“	Include provision for expenses re augmented Regulatory Visit Plan in 2014 Operating Budget	X	X												
		“	Compile list of industry conferences, symposia, etc. that provide a meaningful opportunity for interaction with regulators and policy-makers	X	X												
		“	Include provision for expenses re attendance and liaison meetings at industry conferences, symposia etc. in 2014 Operating Budget	X	X												
		“	Compile list of events that provide meaningful opportunity for interaction with regulators and policy-makers	X	X												
		“	Include provision for expenses re CAFII participation in relevant events in 2014 Operating Budget	X	X												
“	“	“															
Demonstrate the value of Creditor Insurance	Communicate the consumer benefits of Creditor Insurance, and positively influence perceptions, awareness, and understanding	Regulators and Policy-Makers	Develop Regulator Kit														
“	“	“	Disseminate Regulator Kit	X	X	X											
“	“	“	Formulate plan and budget for increased use of independent consumer research	X	X	X											
		(Non-FI Creditor Insurance Groups)	(Identify and engage with non-FI Creditor Insurance Groups around regulatory risk discussions and industry education; and possible Associate membership in CAFII)	X	X	X											

Appendix C:

Key Message Map - Benefits/Value of Creditor's Insurance

(Sample only for illustration purposes - Key Message Map available for each Key Message)

Net Impression Takeaway:

Overall, Creditor's Insurance is a competitive and affordable product, and meets a distinct market need.

Key Message #1	Key Message #2	Key Message #3
Creditor mortgage Insurance is affordable and competitive with term life insurance, and more advantageous for some consumers	Creditor mortgage insurance's approach to pricing and payments benefits the consumer	Creditor insurance protects specific debt obligations, thereby allowing other personal and/or group coverage to take care of other financial obligations of the consumer's family
SUPPORTING PROOF POINTS		
<ul style="list-style-type: none"> ▪ Creditor offers level premium for duration of original debt, be it 5 or 35 years ▪ Creditor pricing model of initial age and initial balance, with coverage paid on declining balance, equalizes premium over mortgage term, making coverage more affordable and accessible for younger, lower net worth, lower income borrowers ▪ While individual term life provides a consistent coverage level, annual premium cost may be prohibitive for some home buyers, particularly in early years, so they don't buy coverage ▪ Creditor may be more expensive at certain ages, as it's based solely on age bands versus male/female and smoker/non-smoker for term insurance ▪ ie.: term 10/20 may be cheaper for young female non-smokers, but term premiums increase at set intervals (every 10 or 20 years), which can be very costly in long run ▪ Over the life of a mortgage, the cost of creditor insurance is very competitive with term 10/20. 	<ul style="list-style-type: none"> ▪ Creditor offers level premium for duration of original debt, be it 5 or 35 years ▪ In most cases, same premium is charged for the life of the mortgage, based on client's age and mortgage amount at time of application, even if mortgage is renewed (so long as mortgage amount doesn't change) ▪ This spreads out the total cost of insurance coverage over life of the mortgage, making it easier to "budget expenses" and afford the needed coverage ▪ Premiums are conveniently paid via the regular mortgage payment and remain constant during term of mortgage ▪ This approach also protects consumers from increased insurance costs as they move to older, higher premium age bands 	<ul style="list-style-type: none"> ▪ Creditor insurance complements other insurance coverage by providing a family with full protection in the event of death or disability ▪ Creditor insurance is a cost-effective way to protect a mortgage or loan debt and one's credit rating ▪ By directly covering a specific debt obligation, creditor insurance frees up other individual and group life and disability benefits to protect a family's quality of life by covering such expenses as medical, education, childcare, burial, capital gains taxes, etc. ▪ 50% of Canadian adults under age 50 will experience a disability lasting between three months and two years before age 65, during which debt and new expenses must be covered ▪ Combined with individual and group disability coverage (typically maximum 70% of income), creditor insurance provides complementary coverage and full protection in the event of death or disability. All should be considered as part of an overall financial plan ▪ 59% of Canadians who have creditor insurance also own individual life insurance; 38% of them also have group life (Ipsos-Reid Canadian Financial Monitor for year ending December 2005)

**Highlights of Changes Made To CAFII Communications Strategy
To Reflect Board Feedback**

On October 8, 2013, the CAFII Board approved the proposed 2014 communications strategy for the Regulators and Policy-Makers audience, but asked that refinements and adjustments be made to the strategies contemplated for the Media and the Public and Consumer Interest Groups audiences.

The Board's direction was considered and fleshed out by the Media & Advocacy Committee into a number of refinements to the "Media" and "Public and Consumer Interest Groups" audience sections; and these adjustments were reviewed with the Executive Operations Committee.

The following summarizes the high level changes made to the 2014 CAFII External Communications Strategy to reflect the Board's feedback:

- our approach to "Media" and the "Public and Consumer Interest Groups" will shift from "Reactive But Prepared" to "Prepared And Selectively Proactive";
- CAFII will embrace and become a proponent of Consumer Financial Literacy, which presents a win-win communications and advocacy opportunity with respect to all three key target audiences. Taking a supportive and engaged orientation towards Consumer Financial Literacy has been integrated throughout the Communications Strategy.

With respect to both the Media and the Public and Consumer Interest Groups, our focus will be on making a gradual transition to a "Prepared and Selectively Proactive" strategy, to begin earning credibility and *bona fides* with these key audiences; on developing air-tight Key Messages to fuel confidence in being selectively proactive; and on using third party research to buttress our messages.

Our rationale for taking a "Prepared and Selectively Proactive" stance is identical for both the Media and the Public and Consumer Interest Groups audiences:

-CAFII has not previously engaged with the media/public and consumer interest groups, and therefore has no earned credibility with this audience;

-If CAFII remains solely reactive and makes a first appearance in a defensive posture, that will create a long-lasting, negative impression

-A reactive-only approach is a high risk strategy

-Starting to engage proactively is the only way to build credibility with the media/public and consumer interest groups and enter the marketplace in the right way

With respect to Media,

- our Future Vision is *“CAFII is well-prepared to respond to media inquiries and to be selectively proactive, using strategic Key Messages and scenario-based Stock Answers, based on facts and research. CAFII takes advantage of media exposure opportunities where it ‘controls the pen’ and earns ‘go to’ credibility through selective proactive engagement.”*
- our Communications Tactics are set out on slide 12, key among them being
 - developing a series of short, folksy non-provocative articles on various aspects of the case for Creditor Insurance and Alternate Distribution, written as much as possible from a Consumer Financial Literacy lens. We will use this content for “pen control” media communication opportunities, a Media Kit, the website, and other applications; and*
- *investing regularly in independent consumer research on targeted insurance topics and leveraging it to provide content for a range of CAFII documents, including a program of feature-style Media Releases.*

With respect to the Public and Consumer Interest Groups,

- our Future Vision is *“CAFII is well-prepared to respond to public and consumer interest group inquiries and to be selectively proactive, using strategic Key Messages and scenario-based Stock Answers, based on facts and research. Having earned credibility with this audience, CAFII proactively engages on a selective basis. The Association and its members are seen as advocates for Consumer Financial Literacy.”*
- our Communications Tactics are as set out slide 13, key among them being
 - Leveraging independent consumer research on key CAFII issues (developed primarily for use with Regulators /Policy-Makers and Media) to provide content for responding to Public and Consumer Interest Group information requests*
 - Monitoring the agendas and activities of key Consumer Interest Groups for environmental scanning purposes:*
 - *i.e.. Consumers Council of Canada; Consumer’s Association of Canada; Public Interest Advocacy Centre, etc.*
 - *identify opportunities to provide value-added information (eg. “Creditors Insurance: Are Consumers Being Well Served?” report prepared by Consumers Council of Canada for Office of Consumer Affairs, Industry Canada, March 2009); and*
- *When and if appropriate, engaging proactively with the public and/or consumer interest groups around Consumer Financial Literacy or other targeted insurance topics.*

CAFII Regulator Visit Plan 2013-14

updated November 28, 2013

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
British Columbia	Insurance Council of BC: Gerry Matier, Exec. Dir.	X	<ul style="list-style-type: none"> Update on Council priorities Maintain and strengthen relationship 	S. Gelgor J. Lewsen R. Beckford T. VanMeggelen B. Wycks	Invite when in Toronto	Five CAFII reps had liaison lunch meeting with G. Matier in Toronto on May 15, 2013; covered range of topics in CAFII Briefing document
	Financial Institutions Commission(FICOM): Carolyn Rogers , CEO, FICOM & Superintendent of Insurance (CCIR chair); Doug McLean, Deputy Superintendent	X	<ul style="list-style-type: none"> update on FICOM priorities Maintain and strengthen relationship <p>(CAFII has decided not to submit a formal response to FICOM's summer 2013 Consultation on Use of Managing General Agents, as that is not CAFII members' distribution channel.)</p>		Surrey, BC When Carolyn is in Toronto; or CAFII Board member in Vancouver	<ul style="list-style-type: none"> Targeted networking with C. Rogers occurred during CAFII 15th Anniversary event on April 10, 2013; at CLHIA Compliance Conference in Vancouver in May 2013; and at CAFII/CCIR Industry Stakeholder Meeting on October 30, 2013. J. Lewsen and B. Wycks met with Harry James, of FICOM and Chair of CCIR's Agencies Regulation Committee, and Carol Shevlin of CCIR on September 26, 2013 around CCIR's TPA Review initiative. Presented opportunity to have brief side meeting with Harry around BC/FICOM regulatory issues

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
Alberta	Alberta Insurance Council : Joanne Abram, CEO; Tom Hampton, Chief Operating Officer; Ron Gilbertson, Chair (2012-15)	X	<ul style="list-style-type: none"> • Update on Council priorities • Council Representation • Licensing for 3rd party providers -Business number registration system • Maintain and strengthen relationship 	S. Gelgor M. Gill J. Lewsen R. Beckford T. VanMeggelen	When Joanne or Tom is in Toronto; or CAFII Board member in Edmonton	<p>Brendan Wycks met briefly with J. Abram over lunch at the CLHIA Consumer Complaints Officers Section Fall Seminar on November 21, 2013; insights captured in Executive Director's Report.</p> <p>M. Gill to try to arrange meeting with J. Abram in Edmonton on December 12 or 13, 2013 around AIC's interest in Representation for Restricted Licence Holders in Alberta.</p> <p>Five CAFII reps met with J. Abram and R. Gilbertson in Vancouver on May 7, 2013; discussion captured in Regulatory Visit Report.</p> <p>CAFII has arranged opportunity for two AIC staff execs. to give demo presentation of new "Canadian Insurance Participant Registry" (CIPR) to CAFII member audience on January 8, 2014 at TD Insurance, 120 Adelaide St. West, Toronto.</p>
	Ministry of Finance: Mark Prefontaine, Superintendent of Insurance Brad Geddes, Deputy Superintendent of Insurance Laurie Balfour, Acting Deputy Superintendent of Insurance		<ul style="list-style-type: none"> • Update on Superintendent's priorities • Maintain and strengthen relationship 		When Mark is in Toronto; or CAFII Board member in Edmonton	<p>Targeted networking with M. Prefontaine and B. Geddes occurred during CAFII 15th Anniversary event on April 10, 2013</p> <p>Effective June 27, 2013 Laurie Balfour became Deputy Superintendent of Insurance - Alberta. Brad Geddes has been seconded to the Government of Alberta's Flood Recovery Task Force as the Director of Stakeholder Engagement. This is for an indefinite period of time, likely for at least 6 months. Briefing networking with L. Balfour occurred during CAFII/CCIR Industry Stakeholder Meeting on October 30, 2013</p>

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	New President of Treasury Board and Minister of Finance Doug Horner					
Saskatchewan	Sask. Insurance Council: Ron Fullan, Chair	X	<ul style="list-style-type: none"> • Update on Council priorities • Council Representation • Maintain and strengthen relationship 		Invite when Ron is in Toronto	<p>B. Wycks had Get Acquainted discussions with April Stadnek, Director of Compliance, Saskatchewan Insurance Councils, around CLHIA CCOS Fall Seminar and FSCO Life & Health Sector Symposium, November 21-22, 2013; insights captured in Executive Director's Report.</p> <p>Targeted networking with R. Fullan occurred during CAFII 15th Anniversary Event on April 10, 2013, and during CLHIA Compliance Conference in May 2013.</p> <p>CAFII reps met with R. Fullan on July 29, 2013 to discuss main themes in CAFII's Proposal For Restricted Licensee Representation in Sask. Proposal submitted to R. Fullan on October 10, 2013</p>
	Financial and Consumer Affairs Authority, David Wild, Chairperson and Superintendent of Insurance; Ian McIntosh, Deputy Superintendent of Insurance		<ul style="list-style-type: none"> • Courtesy visit, Introduction of CAFII • Insurance Act Review, ISI; Council Representation • Maintain and strengthen relationship 		When David or Ian is in Toronto; or CAFII Board member in Regina	

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	Consultant (ex Superintendent) Jim Hall		<ul style="list-style-type: none"> • Update on Insurance Act review • Maintain and strengthen relationship 		When Jim is in Toronto; or CAFII Board member in Regina	
Manitoba	Ministry of Finance: Jim Scalena, Superintendent	X	-Update of Insurance Act review and ISI regime -Maintain and strengthen relationship		Winnipeg	Targeted networking with J. Scalena, Superintendent, occurred during CAFII 15 th Anniversary Event on April 10, 2013; Manitoba's release of Draft ISI Regulation in early June 2013. CAFII responded with detailed submission. S. Moore, Deputy Superintendent, called B. Wycks on October 2, 2013 with detailed update on progress and timelines re Draft ISI Regulation. On October 8/13, Board supported a recommendation that CAFII seek a meeting with Minister of Finance re imperative of harmonization of Manitoba ISI Regime with other provinces. In early November, B. Wycks had a follow-up telephone conversation with S. Moore, which confirmed that a CAFII meeting with the Minister would be prudent and necessary.
	Manitoba Insurance Council: Erin Pearson, Exec Director;	X	<ul style="list-style-type: none"> • Update on Council priorities • Restricted Certificate holder representation on Council • Maintain and strengthen relationship 		When Erin is in Toronto; or CAFII Board or EOC member or Executive Director is in Winnipeg	

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	Ministry of Finance Minister Stan Struthers		Letter of introduction sent; include on a visit of CAFII Chair or other reps to Manitoba. Letter requesting meeting with Minister re Draft ISI Regime Regulation and other CAFII issues to be sent in December 2013			
Ontario	FSCO: Phil Howell, CEO & Superintendent	X	<ul style="list-style-type: none"> • Update on FSCO priorities • Maintain and strengthen relationship 		Toronto	Targeted networking during CAFII 15 th Anniversary event on April 10, 2013. B. Wycks had Get Acquainted lunch meeting with P. Howell, at his request, on July 5, 2013. Insights gained captured in Regulatory Visit Report

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	FSCO: Grant Swanson, Executive Director, Licensing & Market Conduct Division		Consultation Proposal on “Modernizing Disciplinary Hearings for Insurance Agents and Adjusters”			On February 14, 2013, B. Wycks and Rosemary Troiani, RBC Insurance, met with G. Swanson, Isobel Scovino and Jim Fox around FSCO’s plans for Modernizing Disciplinary Procedures For Life Insurance Agents and Independent Adjusters
	FSCO: Anatol Monid, Director, Market Regulation Branch		Industry consultation on “Life Insurance & Mortgage Broker Product Suitability Review”			Adrienne Warner of A. Monid’s team is “point person” for FSCO’s “Life Insurance & Mortgage Broker Product Suitability Review,” scope of which was narrowed to cover just term life, whole life, and universal life sales. CAFII reps participated in focus group discussion with A. Monid, A. Warner, and other FSCO reps on this matter on July 18, 2013. Follow-up discussion on draft survey of insurance agents occurred on September 6, 2013. FSCO issued two follow-up requests of CAFII member on Sept. 30/13 re removing Call Centre agents from universe for random sample for online survey; and recommending “paragon of best practices” agents for focused meetings.
	FSCO: Annual Symposium for Life and Health Insurance Sector			-individual FI member reps. -CAFII Executive Director	Toronto November	FSCO’s 6 th Annual Symposium for the Life and Health Insurance Sector took place on November 22, 2013. Networking by B. Wycks and several CAFII volunteer leaders in attendance occurred with G. Swanson, A. Monid, A. Warner, L. Miclescu, and other FSCO senior staff.

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
Quebec	New AMF CEO effective July 2, 2013: Louis Morisset		<ul style="list-style-type: none"> Update on AMF priorities Maintain and strengthen relationship 		When Louis is in Toronto; or CAFII Board member in Quebec City	<p>R. Hebert, M. Gill, R. Beckford, I. Choquette, and B. Wycks met with Mario Albert, CEO; Eric Stevenson; Julien Reid; and Louise Gauthier in Quebec City on June 7, 2013 for a productive and informative liaison meeting</p> <p>L. Morisset has accepted CAFII invitation to speak to CAFII Board or at related Reception event on April 8, 2014, provided that event is held in Montreal.</p>
	<p>AMF: Superintendent, Client Services and Distribution Oversight: Eric Stevenson</p> <p>AMF: Superintendent of Solvency, Patrick Dery</p>	X				Targeted networking with E. Stevenson and P. Dery occurred during CAFII 15 th Anniversary event on April 10, 2013
	AMF: Stephane Langlois, Senior Director, Distribution Practices				Fall	B. Wycks had networking discussions with S. Langlois at CLHIA CCOS seminar and FSCO symposium on November 21-22, 2013. No further update at this time on release date for next iteration of two-page Distribution Guide

New Brunswick	Angela Mazerolle-Stephens, Superintendent of Insurance		<ul style="list-style-type: none"> • Update on Superintendent's priorities • Discuss/educate on creditor's group insurance (CGI) and Avalon Study; • Licensing issues, electronic licensing; Insurance Act Review Status; including consultation on "Opportunities for Reforming the Licensing Framework for Other-than-Life Agents and Brokers" announced in late August 2013 • Maintain and strengthen relationship • David Weir is Chair of Atlantic Taskforce on ISI (dormant) 		TBD Fredericton	Targeted networking with A. Mazerolle-Stephens and David Weir, Deputy Superintendent of Insurance, occurred during CAFII 15 th Anniversary Event on April 10, 2013
	David Weir, Deputy Superintendent of Insurance					
	Consumer Advocate For Insurance, Ronald Godin		<ul style="list-style-type: none"> • Update on Consumer Advocate's priorities • Discuss /educate on creditor's group insurance (CGI) and Avalon • Build relationship 		When Ronald Godin is in Toronto; or CAFII Board member in Fredericton	
Nova Scotia	Superintendent Doug Murphy		<ul style="list-style-type: none"> • Update on Superintendent's priorities • Discuss/educate on creditor's group insurance (CGI) and Avalon Study; • Atlantic Taskforce on ISI • Build relationship 		TBD Halifax	Targeted networking with D. Murphy occurred during CAFII 15 th Anniversary event on April 10, 2013; and brief networking with him occurred following CAFII/CCIR Industry Stakeholder Meeting on October 30, 2013
PEI	Superintendent Robert Bradley		<p>Courtesy- Low priority for 2013 (only if CAFII Board member in Charlottetown)</p> <ul style="list-style-type: none"> • Update on Superintendent's priorities • Build relationship 		Charlottetown	Targeted networking with R. Bradley occurred during CAFII 15 th Anniversary event on April 10, 2013

Newfoundland	Superintendent Douglas Connolly (retirement expected in early 2014) Craig Whalen, Deputy Superintendent		<ul style="list-style-type: none"> • Update on Superintendent's priorities • Discuss/educate on creditor's group insurance (CGI) and Avalon • Build relationship 		St John's	<p>Targeted networking with D. Connolly occurred during CAFII 15th Anniversary event on April 10, 2013.</p> <p>Brief networking with C. Whalen occurred immediately following CAFII/CCIR Industry Stakeholder meeting on October 30, 2013</p>
Atlantic Canada	Joint Forum of Insurance Regulators		<ul style="list-style-type: none"> • Update on Superintendents' priorities • Discuss/educate on creditor's group insurance (CGI) and Avalon • Build relationships 		Joint meeting to be held in Moncton, Halifax, or Charlottetown	<p>-M. Gill contacted David Weir, Deputy Superintendent of Insurance, New Brunswick, re prospect of CAFII having a Joint Meeting with all four Atlantic Canada insurance regulators in Fall 2013</p> <p>- CAFII made proposal for joint meeting with all Atlantic Canada insurance regulators in Fall 2013 or Spring 2014; this meeting to occur in Spring 2014 as Nova Scotia and New Brunswick have indicated strong preference for that timing</p> <p>-Such a joint visit to Atlantic Canada regulators was strongly encouraged by Phil Howell of FSCO</p>
CCIR	Carol Shevlin, Policy Manager	X	<ul style="list-style-type: none"> • Annual lunch. Discuss priorities • Maintain and strengthen relationship 		Toronto	<p>-B. Wycks had a Get Acquainted Lunch with C. Shevlin in January 2013; and is in regular contact with her</p> <p>-J. Lewsen and B. Wycks had meeting with Carol Shevlin and Harry James, ARC Chair, on September 26, 2013 around CCIR's TPA Review initiative</p>
	CCIR Executive		Meet when pressing issues or opportunistic meeting occasions arise.		October 30, 2013 in Toronto	CAFII Board members, EOC members, and B. Wycks had "industry stakeholder meeting" with CCIR Executive on October 30, 2013. Discussion captured in Regulatory Update.

CISRO	Ron Fullan Chair		<ul style="list-style-type: none"> • Update on CISRO priorities • Maintain and strengthen relationship • LLQP Modernization 		-invite when in Toronto	<p>B. Wycks contacted R. Fullan to inquire if his travel plans and itinerary would allow for meeting around his trip to Toronto for CISRO LLQP Stakeholder Info Session on October 30, 2013. Itinerary did not allow for such a meeting on this trip.</p> <p>CISRO's plan to hold one-on-one meetings with stakeholder groups around LLQP modernization in Toronto on February 10, 2014 presents opportunity to arrange separate liaison meetings with several provincial regulators on LLQP committee.</p>
Federal	Federal Finance Dept.		Educational – marketing of CGI			
	OSFI: Julie Dickson, Superintendent					
	OBSI: Doug Melville Ombudsman		Educational – marketing of CGI			
	Financial Consumer Agency of Canada (FCAC)		Financial Literacy re insurance			<p>Ursula Menkes retired from FCAC Commissioner role at end of May 2013; Finance Minister Flaherty announced appointment of Lucie Tedesco as new Commissioner on September 4, 2013.</p> <p>A congratulatory letter from CAFII re appointment to be sent to Ms. Tedesco. Follow-up Get Acquainted meeting is in order.</p> <p>M. Gill has received reply from FCAC contact that they would like to meet soon. Meeting now confirmed for January 9, 2014; M. Gill and B. Wycks will meet with FCAC officials at their Ottawa office from 2:30 to 3:30 p.m.</p>

CAFII Priorities by Committee – November 28, 2013

Executive Operations Committee

Membership: As per CAFII Bylaw 6.01. Sub-committees may strike taskforces drawing on expertise of other individuals associated with member companies.

Mandate	Activities	Issues of Interest
Recommend budget and priorities to Board	Draft and review Financial Reports	
Keep environment open to key products	Be aware of current and emerging issues (Regulatory Update).	
	Develop responses to regulatory initiatives. Forward to board for approval as necessary. Oversight of Distribution and Market Conduct Policy Committee (DMC)	Regulation of ISI
		International regulation of creditor products
		Market Conduct Regulation
		Electronic Commerce
		Provincial Insurance Act Reviews
		Quebec Distribution Guide
Keep environment flexible /efficient	Identify barriers to efficient operations. Oversight of Licensing Efficiency Issues Committee (LEIC)	Licensing Irritants
		Provincial Insurance Councils and CISRO issues, including LLQP
		Electronic licensing
		Multi-jurisdictional licensing/mutual recognition
Develop communication plans and tools	Oversight of Media and Advocacy Strategy Committee(MAC)	Communications strategy, CAFII Branding Advocacy Strategy Website
Build relationships with key stakeholders	Connect with regulators. Manage and conduct regulator visits. (Manage Regulator Visit Plan) Approve attendees at regulator meetings, review meeting notes and manage follow-up actions	
	Oversight of Networking and Events committee	
Other items	Continuance under new Canada Not for Profit Corporations Act (CNCA)	Articles of Continuance to be filed by October 17, 2014
	Changes to CAFII Management structure – development of Executive Director role	Executive Director hired effective December 2012; oversight of establishment of ED's role, its evolution and effectiveness

Distribution and Market Conduct Policy Committee

Membership: The committee will have 4 permanent members including 2 co-chairs all of whom are members of the EOC.

Co-Chairs: 1) Sue Manson CIBC 2) ? **Other members:** 3) Emily Brown BMO 4) Brian Wise, Assurant

5) Andre Duval, DSF 6) Rose Beckford Scotialife Financial **Mandate:** Oversee development of CAFII policy positions as directed by EOC. Oversee taskforces as required.

Activities: Draft CAFII submissions, Manage and interpret industry research projects as approved by EOC

Item	Description	Activities Completed/Industry Developments	Status/Next Steps
Regulation of ISI	Quebec <ul style="list-style-type: none"> DWR (review of Insurance Act) 	<ul style="list-style-type: none"> CAFII members met with Eric Stevenson November 15, 2012 and with AMF staff executives on June 7, 2013 Insurance Act Overhaul/Re-write formally announced by Quebec Government on April 30, 2013 	<ul style="list-style-type: none"> Active
	Quebec <ul style="list-style-type: none"> Review of Distribution Guide 	<ul style="list-style-type: none"> CAFII input provided on Guide (e.g. signature, remuneration) through letter sent to AMF June 2012, meeting with Eric Stevenson on November 15, 2012 and follow-up letter sent to AMF Dec 2012 	<ul style="list-style-type: none"> Active EOC involvement and oversight Met with AMF in Quebec City on June 7, 2013 DMC proposes information session
International Regulation of Creditor Insurance	PPI IAIS Core Principles	<ul style="list-style-type: none"> B. Wycks reported on US and UK developments 	<ul style="list-style-type: none"> Active/Monitor ongoing
		<ul style="list-style-type: none"> CAFII Project 	<ul style="list-style-type: none"> Board approval received on June 11, 2013 to secure draft communication of project outcomes Post-Implementation Review
		<ul style="list-style-type: none"> Subcommittee working on matrix of impact of Insurance Core Principles (ICPs) and international regulations 	<ul style="list-style-type: none"> EOC Input obtained Active
Industry Complaint Statistics		<ul style="list-style-type: none"> Subcommittee working on compilation of Industry Complaint Statistics 	<ul style="list-style-type: none"> EOC Input obtained DMC Subctte. met on June 4 and 25, 2013
Consultations	FSCO life insurance product suitability review	<ul style="list-style-type: none"> FSCO has held consultation meetings with CAFII on this initiative in July and September 2013 	<ul style="list-style-type: none"> Having provided significant input through two meetings, CAFII will be consulted on final draft of survey of life agents, and on final report from Suitability Review
	E-commerce	<ul style="list-style-type: none"> CCIR and AMF – upcoming consultations 	<ul style="list-style-type: none"> Active with Release of CCIR E-Commerce Position Paper on May 23, 2013 CAFII submitted detailed response to CCIR E-Commerce Position Paper in July 2013 CCIR Final E-Commerce Position Paper released November 15, 2013; CAFII analysis indicates that final

CAFII Priorities by Committee – November 28, 2013

Item	Description	Activities Completed/Industry Developments	Status/Next Steps
	Provincial Insurance Acts		CCIR recommendations in harmony with CAFII positions, as stated in submission
		<ul style="list-style-type: none"> Manitoba 	<ul style="list-style-type: none"> Draft ISI Regulations released on June 3, 2013; Licensing Committee to deal with this matter. CAFII submitted detailed response to Draft ISI Regulation in July 2013 Scott Moore, Deputy Superintendent, called B. Wycks on October 2, 2013 to provide detailed update on progress with and timelines for ISI Regulation B. Wycks had further conversation with S. Moore in early November 2013 CAFII to request meeting with Manitoba Minister of Finance to stress imperative of harmonization of provincial ISI regimes
		<ul style="list-style-type: none"> Saskatchewan 	<ul style="list-style-type: none"> Watch
		<ul style="list-style-type: none"> Ontario 	<ul style="list-style-type: none"> Watch
Comparison of creditor insurance on mortgages with term life and individual disability insurance project	Survey members companies, update analysis and research	<ul style="list-style-type: none"> Comparison of creditor insurance on mortgages with term life and individual disability insurance: pricing, approval rates, claim approval rates, etc. 	<ul style="list-style-type: none"> Active Last conducted in late 2009/early 2010 on 2008 data DMC secured Board approval for refresh of this study, using 2013 data; to be conducted in late 2013 and first quarter of 2014. Avalon proposal and draft survey brought to EOC at September 24, 2013 meeting. Due to concerns, committee advised to negotiate with Avalon for better terms and also to “shop” the Study DMC to provide update at Board meeting on December 4, 2013

AMF Distribution Guide Task Force

(Task Force of Distribution and Market Conduct Policy Committee)

Members: Emily Brown, Brian Wise, Rose Beckford, Moira Gill, Sue Manson

Purpose: Recommend changes to the AMF Distribution Guide based on the Mutual Fund Guide, customized for exclusion disclosure

Licensing Efficiency Issues Committee

Membership – 1 Chair who is a member of EOC and 3 members from representative companies.

Chair: Moira Gill, TD 2) Sara Gelgor , ScotiaLife Financial 3) Brian Wise, Assurant 4)Greg Grant, CIBC

Mandate: Identify and manage licensing efficiency issues for restricted and individual licensing processes.

Priorities	Issues	Currently active issues	Status
Licensing operation issues Streamlining and harmonizing licensing requirements (training, CE, other)	Request for restricted certificates for third parties in Alberta	v	CAFII letter to the Council (2011). Council responded that they did not support the request. Committee decision to address the issue with the Council again in year ? . J. Abram indicated to B. Wycks on November 21/13 that AIC is interested in creating a forum for Representation for Restricted Licence Holders in Alberta. Window of opportunity for this in Q1 2014, in conjunction with plans to fold near-dormant Adjusters Council into General Council. May be a tandem opportunity to push for restricted certificates for third parties.
	CISRO project to redesign LLQP – project completion target Sept 2014		CAFII attended CISRO's quarterly LLQP Stakeholder Information Sessions on January 17/13, April 9/13, and October 30/13. Next session to be held on or about February 10/13.
	Licensing process -streamlining and harmonization		Identification of issues ongoing
ISI regime implementation	Manitoba – issues to be resolved with implementing regulations		Included in Insurance Act Spring 2012 Letter sent in August 2012 -CAFII response to draft ISI Regulations sent in early July 2013. On October 8/13, Board supported recommendation that CAFII seek a meeting with the Minister re imperative of harmonization of Manitoba's ISI Regime with other provinces
Provincial Insurance Councils and CISRO issues	Opportunities to have restricted licensees represented or otherwise participate on Council discussed with Saskatchewan and Alberta. Committee identified a need for an analysis of options for BC, Alberta & Saskatchewan. Council representation needed		Legal assistance engaged and analysis of options underway. Meeting with AIC Jan 2012. Meetings with Sask. held Meeting with Manitoba held CAFII Concept Proposal For A Saskatchewan Insurance Councils' Restricted Insurance Agents Advisory Committee finalized in early October for EOC Review. Submitted to R. Fullan on October 10/13. In a meeting with B. Wycks on November 21/13, J. Abram, CEO,

CAFII Priorities by Committee – November 28, 2013

			indicated that AIC would be open to a CAFII proposal re representation for restricted licence holders. Q1 of 2014 could be opportune to begin discussions re establishing a “Restricted Licence Holder Council.”
Electronic licensing	Promote use of electronic licensing systems by provincial regulators; possible use of “business numbers” to link		Letter of support sent to CISRO May 2012
Multi-jurisdictional licensing/ mutual recognition	Trade Agreements - promote mutual recognition (Ontario – Quebec, New West Partnership)		Attended trade agreement update meeting May 2012

Media and Advocacy Strategy Committee

Membership: The committee will have 4 permanent members including 2 co-chairs, all of whom are members of EOC. EOC chair is co-chair.

Co-Chairs: 1) Sara Gelgor 2) John Lewsen

Members: 3) Paul Yeung, 4) Moira Gill 5) Greg Grant 6) Charles Blaquiere

Resources: Leya Duigu, Brendan Wycks

Mandate: Identify key stakeholders and develop, recommend and implement communication and advocacy strategy. Oversee CAFII branding. Oversight of Media Response taskforce.

Areas of Interest: Underserved Market: Creditor Insurance (value proposition, disclosure); Counter broker lobby messages

Initiatives	Status/Explanation	Resp	Next steps
<ul style="list-style-type: none"> Develop a Communications Strategy 	<ul style="list-style-type: none"> Update Communications Strategy: CAFII-branded “Regulatory Value Added Strategy” for website and regulator communication. Most materials exist but materials should be reviewed and recommendations made as to how to package and brand materials. Include concept of sending targeted messages to regulators when an issue is in the media. bring strategy up to date, should be a refresher at every board meeting 	ED	<ul style="list-style-type: none"> Draft External Communications Strategy prepared by B. Wycks and reviewed with MAC on September 19, 2013. Highlights presentation shared with EOC on September 24, 2013. Executive Summary of Strategy document – reflecting MAC and EOC feedback -- prepared for Board review and approval on October 8, 2013. Based on Board feedback, Communications Strategy refined by MAC, for EOC Review on October 29 and November 26/13. Revised “Media” and “Public and Consumer Interest Groups” strategies to be presented to Board on December 4/13
<u>Website</u> <ul style="list-style-type: none"> collect testimonials, post on site Refresh CAFII mission statement expand tabs to include other products & regulators/industry 	<ul style="list-style-type: none"> Testimonial (written or video)- 1 per member , have 7 or 8 available and determine how to rotate through (value –add to members) review mission statement to ensure it is in line with branding, incorporate alternate distribution (underserved market) Travel insurance product – ED to reach out to travel association and CLHIA; look at it from distribution perspective 	<p>J Lewsen</p> <p>ED</p> <p>ED</p>	<ul style="list-style-type: none"> Email reminder sent w/o Oct 22, 2012; One written and two video testimonials received to date. B. Wycks to follow-up with direct request to each Voting Member, via EOC members Removed from MAC Priorities, as Mission Statement is solely within Board purview and typically is reviewed as part of Strategic Plan renewal. J. Hines and B. Wycks to discuss with Chair M. Cummings Underserved market material drafted, to be approved for website. In process with ED B. Wycks B. Wycks met with CLHIA Execs. on April 1, June 3, and October 7/13; had get acquainted discussion with John Thain, volunteer President of Travel Health Insurance Association, who works for Assurant Solutions, at CAFII 15th Anniversary event.

CAFII Priorities by Committee – November 28, 2013

Initiatives	Status/Explanation	Resp	Next steps
<ul style="list-style-type: none"> What's New? 	<ul style="list-style-type: none"> In place, ongoing update of news 	ED	<ul style="list-style-type: none"> Ongoing
CAFII Branding <ul style="list-style-type: none"> develop marketing tagline CAFII newsletter for regulators CAFII "look" Acquire soft marketing tools (pads, pens etc), 	<ul style="list-style-type: none"> several taglines to be sent to Board, identify differentiating factor, eg advocating for insurance access , choice, all Canadians include tagline on all submissions, website, swag, and letters to regulators Insurance regulatory news to be collected and shared with regulators as a value added service Develop a font and layout unique to CAFII to be used in letters, submissions and newsletter; assess if new logo needed Coasters suggested– include tagline and web address on next re-order 	<p>J Lewsen</p> <p>ED</p> <p>ED</p> <p>ED</p>	<p>Completed</p> <ul style="list-style-type: none"> In process; to be completed in conjunction with Re-Branding and Visual Identity Modernization initiative Completed and ongoing Completed Completed
<ul style="list-style-type: none"> Media Protocol Develop and manage protocol for handling media requests media training for ED 	<ul style="list-style-type: none"> Protocol revised with arrival of ED 	ED	<ul style="list-style-type: none"> Completed; revised Media Protocol approved by MAC on January 17/13 Schedule media training for Q1 2014. Expand to include Board members who are interested and available on the day booked for media training.
<ul style="list-style-type: none"> Monitor Media 		ED	Ongoing
<ul style="list-style-type: none"> Develop List of Friendly media 			Paul & Moira have completed list
<ul style="list-style-type: none"> Notify communications departments of member firms 	<ul style="list-style-type: none"> To be done when messaging is reviewed 		
<ul style="list-style-type: none"> News Release 	<ul style="list-style-type: none"> Send out notification re new ED 		<ul style="list-style-type: none"> Completed. Notice sent to all CAFII members. Included in first issue of Regulators' newsletter and added to web site.
Develop 2-3 likely scenarios		ED	<ul style="list-style-type: none"> B. Wycks reviewing material drafted by G. Grant.
Key Message Development <ul style="list-style-type: none"> identify issues and develop key messages 	<ul style="list-style-type: none"> Key message document: develop and review stock messages to be used in communication opportunities 	ED	<ul style="list-style-type: none"> Key Messages being reviewed and refined by B. Wycks as part of External Communications Strategy development

CAFII Priorities by Committee – November 28, 2013

Initiatives	Status/Explanation	Resp	Next steps
<ul style="list-style-type: none"> Regulator Kit develop booklet /brochure Key Facts sheet 	<p>For new regulators. Compile package of information for regulators which can include:</p> <ul style="list-style-type: none"> booklet past submissions, testimonials and key fact sheet. Booklet - take images from website, testimonials, designed to highlight major issues. Small 10 page booklet that can be given out with business cards. develop a “Key Facts” sheet to be part of regulator package 	<p>ED</p> <p>ED</p> <p>ED</p>	<ul style="list-style-type: none"> Some content developed by RBC intern To be completed as part of External Communications Strategy implementation To be completed as part of External Communications Strategy implementation
<ul style="list-style-type: none"> Manage research to support message (eg. Pollara) develop key messages manage plan of use of research determine when and what research must be undertaken or renewed 	<ul style="list-style-type: none"> Pollara plan of use in place 	<p>MAC</p>	<ul style="list-style-type: none"> Research is a key component of External Communications Strategy. Plan of use to be reviewed by ED in light of Strategy, once approved
<ul style="list-style-type: none"> Industry Statistics 	<ul style="list-style-type: none"> identify and keep current statistics from LIMRA and CAFII research 	<p>ED</p>	<ul style="list-style-type: none"> overlapping responsibility with DMC. Referred/delegated to DMC.
<ul style="list-style-type: none"> Webinars: Develop and offer webinar education Determine distribution of webinar material 	<ul style="list-style-type: none"> develop / oversee development of new webinars review and keep webinars current track who has seen which webinars plan number of webinars per year, have list of upcoming webinars deliver webinars 	<p>ED</p>	<ul style="list-style-type: none"> Digital commerce and social media webinar, developed by Davis Yoo and Debbie Dimoff of PwC, delivered to CCIR audience on May 30, 2013. Topic and timing of next webinar for CCIR under consideration.

Media Response Taskforce

Membership: Taskforce consists of any two members of the Media and Advocacy Strategy committee plus Brendan Wycks.

Purpose: Deal with media issues as they arise. Make recommendation to Board communications committee (Members: Mark Cummings, Scotialife Financial; Dave Minor, TD; Rick Lancaster, CIBC; Julie Barker-Merz BMO)

Networking and Events Committee

Membership: 1 Chair - 2 members , EOC chair is an ex-officio member

Chair: Paul Yeung RBC 2) Maria Sanchez –Chung TD 3) Ex-officio: Jennifer Hines Resources: Leya Duigu, Brendan Wycks

Mandate : Operate CAFII events and receptions to maintain contact with regulators, associate members and other key stakeholders.

Priority	Activities	Status
Plan Quarterly Speaker and reception events, and member-only event	<ul style="list-style-type: none"> February 2014 Speaker Event (members only) 	<ul style="list-style-type: none"> Annual Members’ Luncheon moved to February 11, 2014, with Chrys Lemon, Partner, McIntyre & Lemon, PLLC, Washington, DC, speaking on “Update On Credit Card Insurance Market In The U.S. Since 2012.”
	<ul style="list-style-type: none"> April 8, 2014 	<ul style="list-style-type: none"> Louis Morriset, AMF CEO, has agreed to speak to CAFII Board/EOC group or at a larger Regulator Reception event, provided that it is held on April 8 and in Montreal
	<ul style="list-style-type: none"> June 2014 AGM/Regulator Reception Event 	<ul style="list-style-type: none"> Speaker required
	<ul style="list-style-type: none"> October Speaker Event 	<ul style="list-style-type: none"> Speaker required
	<ul style="list-style-type: none"> December 2014 Reception 	
Keep current lists of key contacts		
Christmas cards to key contacts?		
Seek out other opportunities to meet with contacts (eg. corporate table)		

2014 Speaker Suggestions

1. Annual Members Luncheon and Speaker Forum

When: Tuesday, February 11, 2014 from 12:00 – 1:30 pm **tentative date*

Location: Toronto - TBA

Speaker: Chrys Lemon, Partner, McIntyre & Lemon, PLLC

Topic: Suggested topic will be similar to his presentation at the 2012 Summit on Credit Card Insurance entitled "Advances in Customer Engagement: A U.S. Perspective and Overview." Final topic and description tba.

Budget: \$3,000 = \$2000 travel + \$1000 honorarium payment

2. Pre-Board Meeting Luncheon and Presentation, Tuesday, April 8, 2014

Date: Tuesday, April 8, 2014

Where: Montreal – TBA (host: Desjardins)

Speaker: Louis Morisset, President and CEO, *Autorité des marchés financiers* ("AMF")

Comments: The preliminary format for this event is a lunch meeting, AMF presentation/discussion with CAFII Board, followed by the Board Meeting. Alternative formats include a Board discussion and potential presentation to a larger audience at a reception in Montreal.

3. Post-Board Meeting Speaker Presentation & Reception

When: Tuesday, June 10, 2014 at 5:30 pm

Where: Toronto hosted by TBA

Speaker: TBA

4. Post-Board Meeting Speaker Presentation & Reception

When: Tuesday, October 7, 2014 at 5:30 pm

Where: Toronto hosted by TBA

Speaker: TBA

5. Post-Board Meeting Reception – end-of-year reception, no speakers

When: Tuesday, December 2, 2014

Where: Toronto hosted by TBA



Agenda Item 6.1

December 4, 2013 Board Meeting

MEMORANDUM

TO: Board of Directors

FROM: Brendan Wycks, Executive Director

DATE: November 28, 2013

SUBJECT: CAFII Continuance Under *Canada Not-for-Profit Corporations Act*

The deadline for CAFII, a federally incorporated not-for-profit corporation, to become compliant with this legislation – by filing Articles of Continuance – is October 17, 2014. We must meet that deadline or, if not, the Association will become “dissolved.”

While CAFII is, relatively speaking, a small, straightforward, narrowly-focused Association, from a CNCA compliance perspective, things are not as simple as they might first appear. The fact that we distinguish between Foundation and Voting Members; and between them and Associate Members; and the fact that we have a somewhat unique division of responsibilities between the Board of Directors and the Executive Operations Committee are complicating factors.

In addition, the requirement for CAFII to transition and comply with the new Act by filing Articles of Continuance should be looked upon as an opportunity for the Association to re-examine its purposes, membership model, governance model, and other fundamentals. We may have to come up with an altered approach to Associate Members, to avoid having the new Act put the Association in a position where Associate Members would have voting rights, even in limited circumstances.

The EOC has reviewed this matter at its October and November meetings and resolved upon the following:

CNCA Compliance Critical Path

- | | |
|------------------------|---|
| Dec 4, 2013 | CAFII Board receives CNCA Compliance Update; endorses Critical Path and approves required budget (through 2014 Operating Budget) |
| Dec 5 - March 21/14 | CNCA Working Group reviews CAFII Bylaw and oversees preparation of Revised Bylaw and Articles of Continuance to achieve CNCA compliance, working with external advisor and legal counsel as appropriate |
| March 25, 2014 | EOC reviews and endorses, for recommendation to Board, proposed Revised CAFII Bylaw and draft Articles of Continuance |
| April 8, 2014 | CAFII Board reviews and approves proposed Revised CAFII Bylaw and draft Articles of Continuance (at Board meeting to be held in Montreal) |
| June 10, 2014 | CAFII Membership approves proposed Revised CAFII Bylaw at Annual General Meeting |
| June 30, 2014 (approx) | CAFII files Articles of Continuance with Industry Canada |

255-55 St. Clair Ave West, Toronto, Ontario M4V 2Y7

Tel: (416) 494-9224 Fax: (416) 967-6320

Email: info@cafii.com Web: www.cafii.com

To achieve this plan, we will

- form a CNCA Compliance Working Group comprising John Lewsen, Brendan Wycks, Leya Duigu, Pamela Smith (see below), and one or two additional EOC members (possibly Brian Wise, a lawyer and Assurant Solutions Canada's new EOC appointee).
- at a cost of between \$1,500 and \$2,500 plus taxes, engage the services of Pamela Smith, TO Corp's resident "governance expert," who has worked with four other Association clients in helping them complete the work necessary to file Articles of Continuance with Industry Canada to achieve CNCA compliance. She has developed a matrix that references an Association's current Bylaw/governance document(s) against the key provisions of the CNCA, to help Associations work expeditiously through the required analysis and wording considerations. This analysis exercise that she facilitates minimizes the number of required hours of a lawyer's time.
- At a cost of approximately \$5,500 plus taxes, engage the services of law firm Faskens Martineau to draft the Bylaw revisions identified by the CNCA Compliance Working Group; draft the Articles of Continuance; provide general legal guidance on this project including attending (by teleconference) the April 8 Board meeting, if necessary, and the June 10 AGM, if necessary; and file CAFII's continuance documents.

Faskens is the firm that prepared CAFII's Bylaw at the time of the Association's inception, and the firm we have worked most closely with over the years.

Faskens has provided CAFII with a quote for legal services on this project, and is prepared to provide those services in accordance with our Work Plan and timelines. Faskens partner Koker Christensen, who has worked with CAFII in the past, would be the lead/consulting partner on this engagement.