

CAFII Board of Directors Meeting

Tuesday, June 10, 2014

Host: AMEX Bank of Canada

Location : King Gallery, One King West, 1 King Street West, Toronto, ON M5H 1A1

3:15 – 4:45 pm

Conference call dial-in information: 416.764.8662 or 1.888.884.4534

participant pass code: 771017#, moderator pass code: 7661560

Draft Agenda

Item	Presenter	Action
1. Call to Order and Welcome 1.1. CAFII Competition Guidelines 1.2. Approval of Agenda (Consent and Discussion items)	M. Cummings	Review Approval
Consent Items		
2. Consent Agenda Items 2.1. Regulatory Update 2.2. Regulator and Policy-Maker Visits 2.2.1. Regulator and Policy-Maker Visit Plan	All	Receipt for the Record
Discussion Items		
3. Committee Reports Addressing CAFII Priorities 3.1. Distribution and Market Conduct Policy Committee 5.1.1 Comparative Project on Creditor Insurance 3.2. Licensing Efficiency Issues Committee 3.2.1 NB Licensing Issues 3.2.2 MB restricted licensing regulations 3.3. Media and Communications Committee 3.4. Networking and Event Hosting Committee 3.4.1. Speaker and Reception Event: June 10/14 3.4.2. Next Speaker: October 7/14	S. Manson M. Gill J. Lewsen/M. Gill/B. Wycks P. Yeung / M. Sanchez-Chung	Update Update Update Update
<i>Discussion below to begin at approximately 3:40 pm</i>		
4. Policy Issues and Decision Items 4.1. Director and Officer Appointments 4.1.1. New Director 4.1.2. Board Chair 4.1.3. Secretary & EOC Chair 4.2. LLQP Modernization 4.3. Pan-Industry Project Group on Travel Insurance Issues 4.4. Fasken Martineau Invoice Re CNCA Continuance 4.5. Balanced Scorecard 4.6. <i>In Camera</i> Discussion (see item 5.2)	M. Cummings M. Gill/B. Wycks B. Wycks/J. Lewsen B. Wycks J. Hines/B. Wycks J. Hines	Approval Approval Approval Approval Update Approval
5. Other Business 5.1. CAFII Compliance with Canada's Anti-Spam Legislation (CASL) 5.2. <i>In Camera</i> Discussion Re Admin Support	B. Wycks J. Hines	Update Approval

Next Board Meeting: Tuesday, October 7, 2014 hosted by TD Insurance in Toronto, ON

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Regulatory Update – CAFII Board, June 6, 2014
Prepared By Brendan Wycks, CAFII Executive Director

Executive Summary of this Issue

- **Insurance Council of BC Invites Representation Nominees. Page 1:** Gerry Matier invites recommendations from CAFII members of well-qualified nominees for non-voting positions on the BC Insurance Council.
- **Review of BC Financial Institutions Act. Page 1:** BC's Financial Institutions Act is due for a scheduled review, and work is expected to start in Fall 2014. The Insurance Council will be trying to get a number of things moved out of the Act and into Rules and Regulations, to create more flexibility.
- **AMF Disseminates Questionnaire On Compliance With Sound Commercial Practices Guideline. Page 4:** In early May, the AMF sent its promised Questionnaire on Compliance With Sound Commercial Practices Guideline to all insurers and deposit-taking institutions operating in Quebec. At the CLHIA Compliance Conference, AMF staff executive Helene Samson commented on the questionnaire and characterized the Guideline as the AMF's bible on Fair Treatment of Customers.
- **Insurance Licensing Crisis In New Brunswick. Page 4:** CAFII, CLHIA Make Views Known On Delays in Processing Applications for New and Renewal Life Licences.
- **CCIR To Develop Common Supervisory Framework. Pages 5-6:** All CCIR members support, in principle, a Common Supervisory Framework initiative, where CCIR members will work together in a manner similar to a Supervisory College
- **CCIR's 2014-17 Strategic Plan Initiatives. Page 6:** Carolyn Rogers, CCIR Chair, gave a high level overview of the Council's new Strategic Plan at the CLHIA Compliance Conference; and commented on related regulatory developments.
- **Financial Consumer Agency of Canada Outlines National Financial Literacy Strategy; Seeks Applicants For National Steering Committee From Broad Range Of Sectors. Pages 7-8:** Jane Rooney has been promoted into the role of Financial Literacy Leader, working within the Financial Consumer Agency of Canada (FCAC).
- **Borden Ladner Gervais Presentation on Market Conduct Issues: Trends in Industry and Self-Regulation. Page 9:** Jill McCutcheon gave some poll-based prognostications on market conduct regulation trends at the recent CLHIA Compliance Conference.

British Columbia

Financial Institutions Commission (FICOM)

FICOM Awaiting Stragglers' Responses to Open Letter and Two Question Survey On "Creditor's Group Insurance Issue"

In late May, Brendan Wycks made a follow-up call to Harry James, FICOM's Director, Policy Initiatives, to find out if there was any news he could share based on responses to the Commission's open letter sent in early April to all entities licensed to offer creditor's group insurance in the province. The deadline for responses was May 9.

Harry advised that it was premature for him to respond, as there were still a number of straggler respondents who had yet to submit a response to the letter. He expected to be in a position to communicate FICOM's findings and next steps in early to mid-June.

As previously indicated, the open letter includes a questionnaire consisting of two high level filter questions intended to ascertain the prevalence in the market of CGI products which may contravene BC insurance legislation with respect to the "structuring and effecting" of creditor's group insurance.

Earlier, on March 12, Harry James had contacted Brendan Wycks to provide heads-up information about an issue related to creditor's group insurance which had led the Commission to impose a Consent Order and fines totaling \$150,000 on Manulife Financial and its subsidiary company Benesure Canada.

Insurance Council of BC

The following are highlights of a May 28, 2014 regulatory liaison meeting that CAFII arranged with Gerry Matier, Executive Director of the Insurance Council of BC, while he was in Toronto for CISRO LLQP Committee meetings:

Representation For Banks-in-Insurance Sector At Insurance Council of BC

Gerry is always interested in receiving recommendations from CAFII members of well-qualified (company or agent) nominees for the non-voting positions on the Insurance Council (first step towards full council membership). Duration of the term for such appointments and residency requirements could be negotiated.

Review of the Financial Institutions Act

BC's Financial Institutions Act is due for a scheduled review, and work is expected to start in the fall. The Insurance Council will be trying to get a number of things moved out of the Act and into Rules and Regulations, to create more flexibility.

It was suggested and agreed that if this change occurs, it will be all the more important to have all relevant perspectives represented at the Insurance Council table, including the banks-in-insurance perspective.

The exemption from licensing for creditor insurance is in this Act.

Recent Consultation on Conflict of Interest Guidelines

Roughly 10 submissions were received by the Insurance Council. Gerry's staff are revising the draft Guidelines to reflect the salient feedback received and the revised document will be brought to the Council at its Annual Meeting in June.

There was substantive discussion of how and if conflict of interest situations could occur and how they could be dealt with in a call centre or other controlled environment where clients initiate the approach, which surfaced factors not fully considered in this consultation thus far.

In discussion of this matter, Gerry commented that "your banks-in-insurance sector really does have a different perspective that is always valuable when regulators are developing rules or guidance for the industry."

The particular example noted was that the Council sees it as appropriate to deny a life insurance agent license to those in certain professions who want sell insurance as a sideline (egs. police officers; pastors and other religious leaders; nurses; doctors). However, he now intends to consider how Council's view should be adapted where the applicant for a license was going to be working in a CAFII member FI contact centre, rather than in face-to-face sales.

Banks-in-Insurance and Regulatory Risk

In Gerry's view, Canada's banks and the banks-in-insurance sector are one of the most tightly controlled, and rigorously internally regulated financial sectors in the world; and that's been proven time and again. In his job, he doesn't worry much at all about the banks and other FIs that operate in the creditor's group insurance space. It's the bit players that have been allowed to play in the insurance sandbox – such as car dealers and glass companies – that he worries about in terms of consumer protection. "Banks have more to lose by doing something wrong than anybody else, in terms of reputational risk."

He is not in agreement with BC legislation's exemption from licensing for creditor insurance and would prefer that an appropriate licensing regime be put in place.

Consumer Financial Literacy

The Insurance Council has started to get involved in consumer education. It has invested in running some pithy ads on insurance topics in lower and middle income-targeted media throughout the province which say something like "Did You Know (pithy/interesting insurance fact)?" and then refer the viewer/listener to a web site. This is akin to the AMF's "Protegez Vous" financial literacy campaign.

Manitoba

Meeting With Minister of Finance On April 29/14

On April 29, Moira Gill, Paul Yeung, and Brendan Wycks met in Winnipeg with Manitoba Minister of Finance Jennifer Howard, Deputy Minister Jim Hrichishen, Superintendent of Insurance Jim Scalena, and Deputy Superintendent Scott Moore.

Immediately prior to that meeting, the CAFII delegation had a pre-meeting with Jim Scalena, Scott Moore, and Erin Pearson, Executive Director of the Insurance Council of Manitoba.

In addition to face-to-face relationship-building, the meetings provided an opportunity for CAFII to communicate its support for Manitoba's ISI Regulation, given that its current form reflects a high degree of harmonization with the existing ISI regimes in Alberta and Saskatchewan. The delegation stressed the importance of providing – whenever such new Regulations are introduced – sufficient lead time to enable our member Financial Institutions to implement the required changes in an efficient, effective and consumer-friendly manner. We noted that significant regulatory changes inevitably become major projects within member organizations and it takes considerable time to ensure that necessary IT systems changes are made, forms revised, staff re-trained, and consumers notified of how the changes affect them.

Other highlights of the meetings are set out in a Regulatory Visit Report and thank you letters sent to Minister Howard and Superintendent Scalena.

Quebec

Compliance Questionnaire on Sound Commercial Practices Guideline

Helene Samson, Director, Prudential Oversight of Financial Institutions at the AMF, presented as part of CLHIA Conference panel on Fair Treatment of Customers, along with Moira Gill and John Lewsen.

In her remarks, Ms. Samson advised that the following through that week, by Friday, May 9, on its promise to issue a Questionnaire on Compliance with the AMF's Sound Commercial Practices Guideline, which came into force in June 2013. She indicated that the Guideline was inspired by best practices and ICP 19 in the IAIS' Insurance Core Principles, is outcomes-based, and is effectively the AMF's policy manual and bible on Fair Treatment of Customers.

She indicated that the questionnaire would be sent to all financial institutions operating in Quebec, both insurers and deposit-taking institutions. The survey is designed to give the AMF a "big picture assessment" of the current level of compliance, which will permit it to measure the degree of progress towards compliance with the Guideline. Insurers and DTIs doing business in Quebec will be given several months to complete and submit the Questionnaire on Compliance with the Sound Commercial Practices Guideline.

New Brunswick

CAFII, CLHIA Make Views Known On Delays in Processing Applications for New and Renewal Life Licences in New Brunswick

On June 4, CAFII representatives met with an official from Invest New Brunswick, a Crown Corporation with a mandate to attract inbound business investment to the province. CAFII took the opportunity of this meeting invitation to emphasize strongly how the current insurance licensing crisis in the province is a disincentive to new or expanded contact centre operations in the province.

In a similar vein, Frank Swedlove, CEO of the Canadian Life and Health Insurance Association, recently wrote to Angela Mazerolle, New Brunswick's Superintendent of Insurance, as follows:

Dear Ms. Mazerolle:

Recently a number of insurers have approached CLHIA with concerns related to delays in processing applications for new and renewal life licences in New Brunswick.

Based on the information collected over the past year by several insurers, it appears that approvals can take anywhere from 20 to 60 days with the average being approximately 30 days. This compares with one to three weeks in most other provinces including the other Atlantic provinces where applications are processed manually.

Our members are concerned about the length and variability of the approval process. You can appreciate that this affects the ability of agents and prospective agents to carry on business and earn a living. It also can mean a great deal of uncertainty for the insurers they represent.

We trust you will give this matter your careful attention with a view to quickly achieving more acceptable standards for processing licence applications. Rest assured the industry is prepared to assist in any way it can.

Federal/National

Canadian Council of Insurance Regulators (CCIR)

The following updates are based on CCIR's Highlights from its April 3-4, 2014 Spring Meeting and from an update presentation given by Carolyn Rogers, Chair, at the May 7-9/14 CLHIA Compliance Conference:

Review of Third Party Administrators

CCIR's Agencies Regulation Committee (ARC) undertook a review in 2013 to determine if there were regulatory gaps in the oversight of these entities and if their involvement in insurance distribution and claims administration might be causing harm to the public.

While ARC's fact-finding and pre-consultation identified some areas of interest around TPAs, none of them were directly related to insurer's use of TPAs. Insurers generally treat TPA contracts as outsourcing arrangements and follow the OSFI outsourcing guideline for oversight, etc. Therefore, CCIR has agreed to suspend further consultation regarding insurers' use of TPAs in these markets.

However, this investigation has resulted in an issue related to White Labeling of Travel Insurance making its way into the 2014-17 CCIR Strategic Plan.

As well, CCIR is reminding insurers that their oversight of TPAs may be addressed by Conduct of Business Review in the future; and insurers are expected to ensure that their TPAs make information about the complaint and dispute resolution process clear to claimants who are denied for any reason.

Market Conduct Supervisory Framework

CCIR's "IAIS Insurance Core Principles Implementation Committee (ICPic)" is currently drafting a paper detailing the issues and options for the development of a common Supervisory Framework. The Council has reached agreement that the common Framework must be rooted in the following principles:

- comprehensive with respect to international standards;
- cost-effective for CCIR members;
- efficient in regard to administrative burden on the regulated industry; and
- shared and equitable distribution of responsibility among participating jurisdictions.

The key issue with respect to assisting CCIR member jurisdictions in improving their compliance with the IAIS' ICPs is: how to regulate and supervise on a national basis in an environment characterized by many supervisory authorities and shared decision-making?

The areas requiring most improvement are in the Supervisory Framework (ICP 9) requirements and the Conduct of Business requirements (ICP 19). The approach to addressing these will have to recognize the differences in legislation in various jurisdictions as well as stakeholder concerns about regulatory duplication and overlap.

All CCIR members support, in principle, this Common Supervisory Framework initiative, where CCIR members will work together in a manner similar to a Supervisory College (as described in ICP 25).

ICPc plans to have a draft Supervisory Framework ready for approval at CCIR's Fall 2014 meeting.

2014-17 Strategic Plan

Based on strong common themes found in stakeholder input submissions for CCIR's new Strategic Plan, the following have been incorporated into the Council's priorities for its 2014-17 plan:

- increased emphasis on harmonization of laws and regulations, in the implementation of CCIR recommendations, in licensing requirements, and in guidance around the uses of new technologies;
- greater regulatory co-ordination amongst provincial regulators as well as greater engagement with federal regulatory counterparts including OSFI and FCAC;
- continued focus on risk-based approaches where regulatory action is targeted for the outliers, rather than stricter compliance rules for all; and
- more efficient and effective regulation to reduce or eliminate unnecessary regulatory burden.

Therefore, CCIR's high level strategic priorities for the next three years are

- align supervision with international best practices to enhance consumer protection;
- work collaboratively with regulatory partners to increase regulatory capacity across all jurisdictions; and
- partner with industry stakeholders to identify opportunities to improve harmonization and reduce inter-jurisdictional barriers.

CCIR expects to publish its new 2014-17 Strategic Plan in the summer of 2014.

Dates For 2014 Annual Stakeholder Meetings In Toronto

CCIR has tentatively set aside Wednesday and Thursday, November 5-6 for its third annual Stakeholder Meetings in Toronto. Invitations will be extended to industry Associations in the early Fall to meet with the Council to discuss current industry issues and concerns, along with respective work plans for the coming year.

Canadian Insurance Services Regulatory Organizations (CISRO)

LLQP Modernization

On April 28, Ron Fullan, Chair of CISRO and its LLQP Committee, issued an open letter to LLQP Stakeholders on the subject of "LLQP Updating Project." The letter has been widely shared throughout the life insurance industry, including by FSCO and the AMF.

The main purpose of the three-page letter – which details the process followed by the LLQP Committee to date, plans and timelines for seeing the project through to completion, and the benefits of the modernization effort to all stakeholders, including consumers – is to address “misconceptions concerning some of the details of the project.” The misconceptions referenced, no doubt, include those held by the industry stakeholder whose opposition to key aspects of the project caused the LLQP Committee to ask CAFII for a “letter of support,” since delivered, which could be shared with Ministers across the country.

On May 28, 2014, CAFII representatives Fay Coleman of TD Insurance and Brendan Wycks met with the LLQP Committee for another one-on-one stakeholder consultation, where the focus of discussion was the criteria to be used by CISRO in selecting LLQP course providers and monitoring their performance.

CCIR has expressed its continuing unanimous support for the LLQP modernization project and the direction that CISRO is taking, noting that “this will be a solid advancement in harmonization across the nation and a boon to consumer confidence in the life insurance industry.”

*See also separate report on **LLQP Support and Opposition** found in a Regulatory Visit Report on the May 28, 2014 CAFII meeting with Gerry Matier, Executive Director of the Insurance Council of BC and a member of CISRO’s LLQP Committee.*

Financial Consumer Agency of Canada

FCAC Outlines National Strategy On Financial Literacy

On April 15/14, Jane Rooney, a seasoned FCAC policy-maker in domestic and international financial literacy issues, was appointed Canada’s first-ever Financial Literacy Leader. At the CLHIA Compliance Conference on May 9, Ms. Rooney presented as part of a panel on financial literacy. The title of her presentation was “Financial Literacy: A Powerful Market Force.” The highlights of her remarks are as follows.

The goal of the National Strategy for Financial Literacy is to strengthen Canadians’ knowledge, skills and confidence to make responsible financial decisions throughout their lives.

Phase 1 of the National Strategy will focus on Seniors and near-Seniors. Phase 2 will focus on other vulnerable groups such as low income Canadians, aboriginal people, and newcomers to Canada. Phase 3 will focus on children and youth.

A National Steering Committee on Financial Literacy comprised of sector leaders and champions of the National Strategy will be formed. There will an online application process for the committee this Spring and she hopes to be in a position to select and name the members of the committee before the end of summer. She will be engaging with stakeholders to promote participation on the committee.

Financial Literacy Month, which will continue to be held every November. In 2014, a new element will be a National Financial Literacy Conference, to be held in Vancouver on November 6-7, to share knowledge and best practices.

Canada's First National Steering Committee On Financial Literacy To Be Created: Financial Literacy Leader Seeks Applicants From Broad Range Of Sectors

On June 2/14, Jane Rooney, Canada's first Financial Literacy Leader, announced that she is looking for influential people within the public, private and non-profit sector across the country to serve on the country's first National Steering Committee on Financial Literacy. The Minister of State (Finance) will play a key role in shaping the membership of the Steering Committee.

Committee members will provide leadership and promote participation within the sectors they represent, helping to ensure effective coordination across sectors in the development and implementation of a successful National Strategy for Financial Literacy.

Interested individuals need to apply online with the Financial Consumer Agency of Canada by June 16, 2014.

FCAC Unveils New Three Year Business Plan

On April 30, 2014, FCAC Commissioner Lucie Tedesco unveiled the Agency's 2014-17 "Report on Plans and Priorities." The six priorities outlined in this business plan for the Agency for the next three years are:

- lead and co-ordinate the implementation of the National Strategy on Financial Literacy;
- increase the Agency's contribution to financial consumer policy discussions;
- expand efforts to promote public awareness of the obligations of federally regulated financial entities (FRFES);
- conduct proactive and transparent supervision;
- strengthen collaboration and engagement with internal and external stakeholders;
- leverage the Agency's resources and optimize its infrastructure to enhance efficiencies.

In a May 9/14 briefing/planning meeting with CAFII representatives Maria Sanchez-Chung, Moira Gill, Brendan Wycks, and Leya Duigu, Brigitte Goulard, recently appointed FCAC Deputy Commissioner who will be the speaker at CAFII's June 10 Reception event, Ms. Goulard advised that some of her remarks will focus on explaining the Agency's new business plan. She characterized the three-year plan as having five externally-focused priorities and one internally-focused priority. She noted that the CAFII speaking engagement presents an excellent opportunity for FCAC to address one of its external priorities, by connecting with a key industry stakeholder and improving the relationship.

Federal Financial Consumer Code To Proceed

In a briefing meeting with CAFII representatives on May 9/14, Brigitte Goulard, Deputy Commissioner of the FCAC, advised that the proposed Federal Financial Consumer Code, for which a consultation with industry was held between December 2013 and February 28, 2014, will definitely be proceeding ahead.

She advised that many industry stakeholders are not aware of just how much international issues impact domestic market regulatory policy and market conduct regulation. The consultation around the proposed Federal Financial Consumer Code, for example, was borne out of a commitment that Canada made at a G20 meeting. Many people don't realize how difficult it is to change the Government's mind, particularly when international commitments have been made, she advised.

Office of the Superintendent of Financial Institutions (OSFI)

OSFI Wins High Performance Marks In Qualitative Research Findings

In the Executive Summary of a qualitative research report published in March 2014 by public opinion research firm The Strategic Counsel, OSFI wins high marks for effectiveness in discharging its mandate.

Overall, satisfaction with OSFI is very strong which is attributed to perceptions of how it interacts with those it regulates. OSFI is perceived to

- be willing to engage in dialogue with both individual companies and the industry;
- have established good communications with the life insurance industry through consultation, regular meetings with some companies, and participation in presentations and seminars;
- be professional in its dealings with life insurance companies; and
- focus on appropriate areas of risk for the most part.

OSFI is viewed to be among best-in-class regulators worldwide for its efforts to consult with the industry on the development of guidance; principles-based approach to regulation; and generally, being seen as fair and reasonable to deal with.

Canadian Life and Health Insurance Association (CLHIA)

Highlights of 2014 CLHIA Compliance and Consumer Complaints Conference, May 7-9/14 In Ottawa

Market Conduct Issues: Trends in Industry and Self-Regulation

Jill McCutcheon of Borden Ladner Gervais gave a presentation at the CLHIA Conference on this subject. She reported that she had recently conducted an informal poll of industry experts (both regulators and others) in which she posed this question: "What is the most important market conduct issue facing the life insurance industry today and in the near future?"

While this straw poll gave rise to a variety of answers and a remarkable lack of consensus, the following themes emerged:

- higher regulatory expectations rooted in the international mantra of "Fair Treatment of Customers" and related pressure points
- consumer protection standards are increasingly being driven by international views and/or adopted local views, and not by law-maker views
- increased regulator supervision of market conduct
- increased pressure for insurer supervision of the independent life agent/MGA channel

-increased use of Administrative Monetary Penalties as a sanction

CLHIA Sends “Proposal On Keeping Regulators Informed” To CCIR

On March 4, CLHIA CEO Frank Swedlove wrote to Carolyn Rogers, Chair of CCIR, to communicate his Association’s “Proposal On Keeping Regulators Informed.” The proposal was in response to a CCIR letter to the industry on the same subject, issued in July 2013. The CLHIA letter is reproduced as Appendix A to this newsletter.

Credit Union Central of Canada

CUCC Names New President & CEO

On May 14, Daniel Burns, Board Chair of Credit Union Central of Canada, announced that Martha Durdin had been named President & CEO, effective June 9, 2014.

Ms. Durdin is a public affairs practitioner who has enjoyed a more than 25-year career in corporate communications, marketing, and government relations. Her clients have included large international corporations, governments, universities, associations and not-for profits that she has guided through major foreign investment transactions, rebranding and repositioning strategies, advised on crises, and developed high profile advocacy campaigns.

Ms. Durdin’s career has included time in both the public and private sectors. Prior to her most recent role as Managing Principal with Navigator, a Canadian communications firm, she spent more than a dozen years at BMO Financial Group, as VP of Corporate Affairs for global operations and was Head of Marketing and Communications for BMO’s global investment banking business.

Early in her career, Martha served as Media Relations Officer in the Office of the Prime Minister, Chief of Staff to two federal ministers and handled media on national and provincial election campaigns. Ms. Durdin is bilingual and holds a BA (Hon) from Western University, an MSc from the London School of Economics, and an ICD.D from the Rotman School of Management.

Appendix A

CLHIA's Proposal on Keeping Regulators Informed

March 4, 2014

Ms. Carolyn Rogers
Chair, Canadian Council of Insurance Regulators
5160 Yonge Street
Box 85, 17th floor
Toronto, ON M2N 6L9

Dear Ms. Rogers:

I am writing to provide the CLHIA's input on the request you made to industry members for suggestions on determining when developments in the insurance market are of such significance that they should be communicated to regulators and the best ways to make such communication as easy as possible.

Our attached Proposal on Keeping Regulators Informed suggests a two-pronged approach. First, it suggests that ongoing market intelligence gathering be strengthened in order to create a stronger baseline of information for regulators. And then, it outlines an approach for identifying significant developments and notifying the regulators about them. As stated in the Proposal, the industry anticipates that there would be at most a handful of such significant developments from across the country in any given year.

We wanted to also reinforce, as you did in your letter, that notification of significant developments is not, nor is it intended to become, a pre-approval process. As well, in the context of discussing situations when companies provide regulators with sensitive information or information that may have competitive implications, the importance of having a self-evaluative privilege in place is highlighted. Thus, we have recommended that companies report to their home regulator, where such protection is more likely to exist, rather than to a CCIR committee. Further, we urge CCIR to encourage those jurisdictions that have not yet adopted a self-evaluative privilege to move on this front as soon as possible.

We look forward to discussing our Proposal or to answer any questions you may have, at your convenience.

Yours sincerely,

Original signed by

Frank Swedlove

PROPOSAL ON KEEPING REGULATORS INFORMED

The life and health insurance industry appreciates the opportunity to provide input to the Canadian Council of Insurance Regulators (CCIR) in response to its letter of July 24, 2013 about "*methods for pro-active market intelligence gathering*" and seeking "*suggestions on determining when changes are significant and need to be communicated to regulators and the best way to make such communication as easy as possible*".

The industry recognizes the need for regulators to be aware and informed of significant developments in the insurance market. Indeed, such expectations are reinforced through the IAIS Insurance Core Principles. To achieve this goal, we set out a two-pronged approach: the first deals with mechanisms for ongoing market intelligence gathering, and the second with timely notification to regulators about impending significant developments. In the case of the latter, we suggest a variety of factors that can be used to identify significant developments.

1. ONGOING MARKET INTELLIGENCE GATHERING

Structured interactions between the regulators and the industry now take place on a regular ongoing basis, be it with specific insurers or with the CLHIA. This is an important existing tool that, we suggest, could be used to promote more dialogue by, for instance, including an agenda item that focuses on industry trends and developments or increasing the incidence of CCIR-CLHIA meetings. Commitment on the part of both regulators and the industry is important in making these interactions as effective as possible.

CLHIA currently meets with CCIR on an annual basis, at the invitation of CCIR, and provides an overview of industry developments with particular attention to the impact of policy/regulatory initiatives and international regulatory developments. In addition, CLHIA is always available to CCIR to provide input on issues of interest (e.g., providing insurer expertise for a CCIR/CAPSA session on longevity risk in fall 2013). We see an augmented role going forward in providing information to CCIR about any new development that has an industry-wide impact and is likely to result in prominent media coverage of the industry, including trade media. For example,

- a. government budget announces tax exempt changes
- b. pressures on governments to restrict insurers' ability to underwrite -- e.g., to not use information from genetic tests
- c. changes in capital requirements have prudential impact on insurers
- d. the industry's response to major disasters (e.g., 9/11).

In the case of a new development that has an industry-wide impact, CLHIA would likely need to consult its members to have a fuller understanding of the impact, before bringing it to the attention of CCIR. If the information is not time critical, CLHIA would give notification at the next regularly scheduled meeting with CCIR. Otherwise, CLHIA would contact CCIR on a priority basis.

To further supplement the regulators' goal of staying informed, CCIR may wish to consider putting into place some additional tools that might be helpful. For example:

- i. Obtaining insurers' news releases. This would give regulators a reliable and comprehensive flow of information and could be achieved by establishing feeds from the news wire services to get copies of all news releases issued by individual insurers. The CLHIA could work with the CCIR to ensure that an effective system is put in place.
- ii. The industry could provide CCIR members with a list of primary contacts at each insurer (e.g., government relations officers) from whom to obtain information on developments in the industry / obtain information on new significant developments. The industry would undertake to refresh the list regularly to ensure that it stays up to date.

The suggestions above (i.e., increased meetings and new tools) are intended to increase the level of regular industry-regulator interaction to provide a stronger baseline of information about day-to-day industry activities and developments and to provide for more opportunity to discuss emerging trends.

2. NOTIFICATION ABOUT SIGNIFICANT DEVELOPMENTS

In addition, there would be instances of significant developments in the insurance market where special notification to regulators could be provided by insurers. We set out a process for identifying and giving notification of such significant developments, below. The industry anticipates that there would be at most a handful of new developments from across the industry in any given year. In such cases, a short summary of the development would be provided to the appropriate regulator so that they are aware of and informed about the upcoming developments.

As new developments are assessed, a variety of factors can be applied to determine whether such new developments are 'significant' and should therefore be brought to the attention of the relevant regulator(s). The particular factors that we suggest are described in items A, B, and C, immediately below, along with examples from past initiatives (in some instances) to illustrate what types of situations are meant to be covered.

A. Is It A Development For Which Notice Should Be Provided?

The following indicia could be provided to assist insurers in helping to determine whether to bring a particular **significant new development** (e.g., new products, new underwriting or new claims adjudication processes, new forms of distribution) to the attention of regulators:

i. An **insurer** is introducing a product line that is new to the Canadian industry or provides insurance coverage for a type of risk not previously covered:

a. e.g., when critical illness or long term care insurance or longevity insurance were first introduced in the Canadian market

ii. An **insurer** is making changes to introduce novel or exceptional elements for the first time in the Canadian market:

a. i.e., significant changes to an existing product e.g., the introduction of level cost of insurance in universal life insurance; the introduction of guaranteed minimum withdrawal benefits

b. i.e., significant changes to claims or underwriting practices

c. i.e., the introduction of an entirely new distribution model, never used in the industry before

iii. An **insurer** anticipates that a new development (e.g., a significant business change) is likely to have a significant impact on policyholders as a whole and to result in prominent media coverage of the industry, including trade media:

a. e.g., if an insurer has marketed similar products or made changes to operating methods internationally, and those initiatives garnered media attention abroad, and the insurer anticipates that similar attention would result when the product is first introduced in Canada.

The existence of any of these indicia does not necessarily mean that a notification to the regulators is warranted. For example, a new product that is being introduced at present is PRPPs. Applying strictly the process described immediately above, this would likely fall under A(i) and the first insurer to market should therefore notify the regulators. However, given extensive industry discussions with regulators during the policy development phase, it may be that additional insurer notification of regulators would be redundant.

B. Provision Of Notification

Where an insurer determines that notice is warranted, it is proposed that the notification be sent to the insurer's 'home' regulator "Home regulator" is the provincial jurisdiction where the insurer has its head office or, in the case of a foreign insurer operating as a branch in Canada, the provincial jurisdiction in which it has its principal office. , which in turn would assess if the development might be of interest to the other regulators and may then distribute the information to other insurance regulators, as may be appropriate. This is most workable from an administrative perspective. It would also optimize any privilege/confidentiality protection afforded to communications between an insurer and its regulators.

If the new development is relevant only to a province that is not the 'home' regulator, then that particular province could also be notified directly.

Any disclosure would need to be made in compliance with financial disclosure requirements of securities laws.

C. Reasonable Time For Notification

The lead time for informing regulators will vary depending on the nature of the significant development, its sensitivity, complexity, and the time that would be needed for the regulator to become informed. Judgment will need to be applied in each case. However, as a general objective, in the case of an insurer initiative, a reasonable lead time for informing regulators could be about two weeks from when the development is to become public. While this should be sufficient in most instances, in some cases a longer time period may be appropriate. In other instances, circumstances may dictate a shorter period.

In all situations, the goal is for the time period to be workable and reasonable for both the regulators and the particular insurer, as the case may be.

CAFII Regulator and Policy-Maker Visit Plan 2014

updated June 6, 2014

Jurisdiction	Regulator/Policy-Maker	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
British Columbia	Insurance Council of BC: Gerry Matier, Executive Director	X	-Update on Council priorities -Maintain and strengthen relationship	M. Gill G. Grant D. Blake B. Wycks S. Gelgor J. Lewsen R. Beckford T. VanMeggelen B. Wycks	Invite when in Toronto	<p>-CAFII group met with G. Matier on May 28/14. Insights gained reported in Regulatory Visit Report. CAFII implored to take further action in support of LLQP modernization, to counter campaign by opposed parties focused on “The Underserved Market”. G. Matier informed that matter to be discussed at June 10/14 CAFII Board meeting.</p> <p>-Five CAFII reps had liaison lunch meeting with G. Matier in Toronto on May 15/13; covered range of topics in CAFII Briefing document.</p> <p>-G. Matier is member of CISRO LLQP Committee, which had engaging discussion with CAFII reps. in one-on-one stakeholder meetings on February 10/14 and May 28/14..</p> <p>-CAFII LEIC decided not to make submission in response to Insurance Council of BC’s 2014 consultation on “Conflict of Interest Guidelines” (due date: March 9/14) as it was not high among competing priorities</p>

Jurisdiction	Regulator/Policy-Maker	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	<p>Financial Institutions Commission(FICOM): Carolyn Rogers , CEO, FICOM & Superintendent of Insurance (CCIR chair);</p> <p>Doug McLean, Deputy Superintendent</p> <p>Harry James, Director, Policy Initiatives</p>	X	<p>-update on FICOM priorities -Maintain and strengthen relationship</p> <p>(-CAFII 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	<p>-CAFII group of C. Knight, M. Gill, M. Sanchez-Chung, J. Lewsen, J. Beauchamp, G. Grant, and B. Wycks had liaison dinner with C. Rogers in Ottawa on May 6/14. C. Rogers accepted invitation to be speaker at October 7/14 CAFII event.</p> <p>-Harry James phoned B. Wycks on March 12/14 with heads-up about "Creditor's Group Insurance" issue involving large life insurer that led to Consent Order and \$150,000 in fines (see March and April 2014 Regulatory Updates)</p> <p>-J. Lewsen and B. Wycks met with Harry James, Director, Policy Initiatives, 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</p> <p>-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.</p>

Jurisdiction	Regulator/Policy-Maker	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	-Update on Council priorities -Council Representation for Restricted Licence Holders -Licensing for 3 rd 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>-M. Gill, J. Lewsen, and B. Wycks had lunch liaison meeting with J. Abram and R. Gilbertson on March 17/14 (see March 2014 Regulatory Update)</p> <p>-J. Abram and W. Martinson of AIC are members of CISRO LLQP Committee, which had engaging discussion with CAFII reps. in one-on-one stakeholder meeting on February 10/14 meeting -CAFII arranged opportunity for two AIC staff execs. to give demo presentation of new “Canadian Insurance Participant Registry” (CIPR) to CAFII member audience on January 8/14. Highlights captured in Regulatory Update. CAFII arranged follow-up opportunity for electronic demo presentation of CIPR for CAFII and CADRI members which occurred on March 17/14</p> <p>-M. Gill, J. Lewsen, B. Wycks and L. Duigu met with J. Abram and S. Boyetchko on December 12/13 around AIC’s interest in Representation for Restricted Licence Holders in Alberta. Discussion captured in Regulatory Report. CAFII to submit formal proposal on two viable options to J. Abram</p> <p>-B. Wycks met with J. Abram over lunch at the CLHIA Consumer Complaints Officers Section Fall Seminar on November 21/13; insights captured in ED’s Report -Five CAFII reps met with J. Abram and R. Gilbertson in Vancouver on May 7/13; discussion captured in Regulatory Visit Report</p>

Jurisdiction	Regulator/Policy-Maker	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	Ministry of Finance: Mark Prefontaine, Superintendent of Insurance Brad Geddes, Deputy Superintendent of Insurance Laurie Balfour, Acting Deputy Superintendent of Insurance		-Update on Superintendent's priorities -Maintain and strengthen relationship		When Mark is in Toronto; or CAFII Board member in Edmonton	Targeted networking with M. Prefontaine and B. Geddes occurred during CAFII 15 th Anniversary event on April 10/13 Effective June 27/13, 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 30/13
	New President of Treasury Board and Minister of Finance Doug Horner					

Jurisdiction	Regulator/Policy-Maker	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
Saskatchewan	Insurance Councils of Saskatchewan: Ron Fullan, Executive Director; and Chair, CISRO	X	-Update on Council priorities -Council Representation -Maintain and strengthen relationship		Invite when Ron is in Toronto	<p>-R. Fullan is Chair of CISRO LLQP Committee, which had engaging discussion with CAFII reps. in one-on-one stakeholder meetings on February 10/14 and May 28/14.</p> <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 21-22/13; insights captured in Executive Director's Report.</p> <p>-CAFII reps met with R. Fullan on July 29/13 to discuss main themes in CAFII's Proposal For Restricted Licensee Representation in Sask. Proposal submitted to R. Fullan on October 10/13. Favourable feedback on CAFII proposal received from R. Fullan in April 2014.</p> <p>-Targeted networking with R. Fullan occurred during CAFII 15th Anniversary Event on April 10/13, and during CLHIA Compliance Conference in May 2013.</p>

Jurisdiction	Regulator/Policy-Maker	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	Financial and Consumer Affairs Authority , David Wild, Chairperson and Superintendent of Insurance; Ian McIntosh, Deputy Superintendent of Insurance		-Courtesy visit, Introduction of CAFII -Insurance Act Review, ISI; Council Representation for Restricted Licence Holders -Maintain and strengthen relationship		When David or Ian is in Toronto; or CAFII Board member in Regina	
	Consultant (ex Superintendent) Jim Hall		-Update on Insurance Act review -Maintain and strengthen relationship		When Jim is in Toronto; or CAFII Board member in Regina	

Jurisdiction	Regulator/Policy-Maker	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
Manitoba	Ministry of Finance: Jim Scalena, Superintendent (Targeted networking with J. Scalena, Superintendent, occurred during CAFII 15 th Anniversary Event on April 10, 2013)	X	-Update of Insurance Act review and ISI regime -Maintain and strengthen relationship		Winnipeg	-CAFII delegation of M. Gill, P. Yeung, and B. Wycks met with Minister of Finance J. Howard, Deputy Minister J. Hrichishen, Superintendent of Insurance J. Scalena, and Deputy Superintendent S. Moore on April 29/14. That meeting was immediately preceded by meeting with J. Scalena, S. Moore, and E. Pearson, Executive Director of Insurance Council. (See Meetings Summary and CAFII thank you letters.) -Manitoba released Draft ISI Regulation in early June 2013. CAFII responded with detailed submission. -On January 10/14, CAFII responded to Draft 2 of ISI Regulation with detailed submission. CAFII requested meeting with Minister of Finance re imperative of harmonization of Manitoba ISI Regime with other provinces, as directed by Board on October 8/13. -In late February 2014, S. Moore communicated with B. Wycks by e-mail and phone to advise that Manitoba's Draft ISI Regulation would be amended to address nearly all of the concerns expressed by CAFII and other industry stakeholders (see Regulatory Update).

Jurisdiction	Regulator/Policy-Maker	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	Insurance Council of Manitoba: Erin Pearson, Executive Director	X	-Update on Council priorities -Representation for Restricted Licence Holders -Maintain and strengthen relationship		When Erin is in Toronto; or CAFII Board or EOC member or Executive Director is in Winnipeg	CAFII delegation of M. Gill, P. Yeung, and B. Wycks met with E. Pearson in Winnipeg on April 29/14 as part of pre-meeting with her, J. Scalena, and S. Moore immediately prior to meeting with Minister of Finance J. Howard.
	Ministry of Finance Minister Jennifer Howard		Letter of introduction sent to predecessor Finance Minister Stan Struthers; include on a visit of CAFII Chair or other reps to Manitoba. Letter requesting meeting with new Finance Minister Jennifer Howard re Draft ISI Regime Regulation and other CAFII issues sent on January 15/14, on heels of response submission on Draft 2 of ISI Regulation			-CAFII delegation of M. Gill, P. Yeung, and B. Wycks met with Minister of Finance J. Howard, Deputy Minister J. Hrichishen, Superintendent of Insurance J. Scalena, and Deputy Superintendent S. Moore on April 29/14. (See Meetings Summary and CAFII thank you letters.)
Ontario	FSCO: Phil Howell, CEO & Superintendent	X	-Update on FSCO priorities -Maintain and strengthen relationship		Toronto	-B. Wycks had catch-up/courtesy visit discussion with P. Howell at luncheon table during CLHIA Compliance Conference on May 7/14. -B. Wycks had Get Acquainted lunch meeting with P. Howell, at his request, on July 5/13. Insights gained captured in Regulatory Visit Report. -Targeted networking with P. Howell occurred during CAFII 15 th Anniversary event on April 10/13.

Jurisdiction	Regulator/Policy-Maker	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	<p>FSCO: Grant Swanson, Executive Director, Licensing & Market Conduct Division</p> <p>Jim Fox, Senior Policy Advisor (leader of Modernizing Disciplinary Hearings for Insurance Agents and Adjusters initiative)</p> <p>FSCO: Anatol Monid, Director, Market Regulation Branch</p> <p>Adrienne Warner, leader of Life Insurance Product Suitability Review initiative</p> <p>Shonna Neil, Senior Manager, Licensing; member of CISRO LLQP Committee</p>		<p>Consultation Proposal on “Modernizing Disciplinary Hearings for Insurance Agents and Adjusters”</p> <p>Industry consultation on “Life Insurance & Mortgage Broker Product Suitability Review”</p>			<p>-J. Fox e-mailed B. Wycks in early March 2014 to advise that implementing amendments to Insurance Act had been introduced in the legislature (legislation died on Order Paper with calling of provincial election for June 12/14). On February 14/13, 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.</p> <p>-CAFII reps met with FSCO team on April 9/14 and provided feedback on of analysis of data from life agent questionnaire and resulting Interim Report of Life Insurance Product Suitability Review.</p> <p>-CAFII made written submission in September 2013. 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 18/13. Follow-up discussion on draft survey of insurance agents occurred on September 6/13. 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.</p>

Jurisdiction	Regulator/Policy-Maker	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	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 22/13. Networking by B. Wycks and several CAFII volunteer leaders in attendance occurred with G. Swanson, A. Monid, S. Neil, A. Warner, L. Miclescu, and other FSCO senior staff

Jurisdiction	Regulator/Policy-Maker	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
Quebec	New AMF CEO effective July 2/13: Louis Morisset		-Update on AMF priorities -Maintain and strengthen relationship		When Louis is in Toronto; or CAFII Board member in Quebec City	<p>-Louis Morisset and four members of AMF staff executive team (P. Dery, E. Stevenson, J. Reid, S. Langlois) had candid discussion on industry issues with CAFII Board and EOC group on April 8/14.</p> <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 7/13 for a productive and informative liaison meeting.</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 10/13

Jurisdiction	Regulator/Policy-Maker	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	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 21-22/13.

New Brunswick	<p>Angela Mazerolle, Superintendent of Insurance</p> <p>David Weir, Deputy Superintendent of Insurance</p> <p>Adam Mitton, Attractiveness Executive, Invest New Brunswick</p>		<p>-Update on Superintendent's priorities</p> <p>-Discuss/educate on creditor's group insurance (CGI) and Avalon Study;</p> <p>-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</p> <p>-Maintain and strengthen relationship</p> <p>-David Weir is Chair of Atlantic Taskforce on ISI (dormant)</p>		<p>TBD</p> <p>Fredericton</p>	<p>-B. Wycks had brief get-reacquainted discussion with A. Mazerolle during CLHIA Conference in Ottawa on May 7/14. Discussion confirmed that morning of October 1/14 in Fredericton is highly viable option for rescheduling of CAFII Joint Visit with Atlantic Canada Regulators, postponed from May 15/14 due to Regulator attendance constraints, and she would be able to attend.</p> <p>-Targeted networking with A. Mazerolle and D. Weir, Deputy Superintendent of Insurance, occurred during CAFII 15th Anniversary Event on April 10/13.</p> <p>-D. Weir is member of CISRO LLQP Committee, which had engaging discussion with CAFII reps. in one-on-one stakeholder meeting on February 10/14 meeting.</p> <p>-CAFII met with Adam Mitton of Invest New Brunswick on June 3/14 in Toronto re insurance licensing inefficiency and related constraints to business investment in the province. (See Industry Liaison Visit Report.)</p>
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	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	In April 2014, New Brunswick government announced that role of Consumer Advocate For Insurance will be eliminated, and responsibilities transferred to provincial ombudsman.
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	<p>-D. Murphy has confirmed that he can attend CAFII Joint Meeting with Atlantic Canada Regulators if rescheduled for morning of October 1/14 in Fredericton.</p> <p>-Brief networking with D. Murphy occurred following CAFII/CCIR Industry Stakeholder Meeting on October 30/13.</p> <p>-Targeted networking with D. Murphy occurred during CAFII 15th Anniversary event on April 10/13.</p>

PEI	Superintendent Robert Bradley		Courtesy- Low priority for 2013 (only if CAFII Board member in Charlottetown) -Update on Superintendent's priorities -Build relationship		Charlottetown	- R. Bradley has confirmed that he can attend CAFII Joint Meeting with Atlantic Canada Regulators if rescheduled for morning of October 1/14 in Fredericton. -Targeted networking with R. Bradley occurred during CAFII 15 th Anniversary event on April 10/13.
Newfoundland	Superintendent Douglas Connolly (retired effective early 2014; successor appointment pending) Craig Whalen, Deputy Superintendent		-Update on Superintendent's priorities -Discuss/educate on creditor's group insurance (CGI) and Avalon -Build relationship		St John's	-Targeted networking with D. Connolly occurred during CAFII 15 th Anniversary event on April 10, 2013 - C. Whalen has confirmed that he can attend CAFII Joint Meeting with Atlantic Canada Regulators if rescheduled for morning of October 1/14 in Fredericton. -Brief networking with C. Whalen occurred immediately following CAFII/CCIR Industry Stakeholder meeting on October 30, 2013.

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 			<p>- CAFII Joint Meeting with all Atlantic Canada insurance regulators to be rescheduled for morning of October 1/14 in Fredericton.</p> <p>-Such a joint visit to Atlantic Canada regulators was strongly encouraged by Phil Howell of FSCO.</p>
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CCIR	Carol Shevlin, Policy Manager	X	<p>-Annual lunch. Discuss priorities</p> <p>-Maintain and strengthen relationship</p>		Toronto	<p>-B. Wycks had productive discussion with C. Shevlin at CLHIA Conference in Ottawa on May 7/14, in which she confirmed that she would not schedule any CCIR activity for the morning of October 1/14 in Fredericton, which will thereby allow for rescheduling of postponed CAFII Joint Meeting with Atlantic Canada Insurance Regulators to that slot. CISRO is meeting there on September 29-30; and CCIR on October 2-3.</p> <p>-in spirit of open communication, B. Wycks shared CAFII's submission in response to proposed federal financial consumer code with CCIR in early March 2014, to which C. Shevlin replied with a note of appreciation.</p> <p>-J. Lewsen and B. Wycks had meeting with Carol Shevlin and Harry James, ARC Chair, on September 26/13 around CCIR's TPA Review initiative.</p> <p>-B. Wycks had a Get Acquainted Lunch with C. Shevlin in January 2013; and is in regular contact with her.</p>
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	CCIR Executive		Meet when pressing issues or opportunistic meeting occasions arise.		October 30, 2013 in Toronto	CAFI Board members, EOC members, and B. Wycks had “industry stakeholder meeting” with CCIR Executive on October 30/13. 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 -Multi-jurisdictional licensing and related contact centre compliance issues 		-invite when in Toronto	<p>-CAFI reps (2) had engaging one-on-one stakeholder meeting with CISRO LLQP Committee on May 28/14.</p> <p>-CAFI reps (3) had engaging one-on-one stakeholder meeting discussion with CISRO LLQP Committee on February 10/14</p> <p>-B. Wycks interacted and had private liaison conversations with CISRO LLQP Chair Ron Fullan and other LLQP Committee members during each of four Stakeholder Information Sessions held in Toronto in 2013.</p> <p>-Based on suggestion made by J. Abram at March 17/14 liaison lunch, B. Wycks contacted R. Fullan, Chair of CISRO. As a result, CAFI likely to be offered opportunity to make a presentation to CISRO on multi-jurisdictional licensing and other compliance challenges faced by national contact centres, at meeting in Fredericton on September 29-30/14.</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>-M. Sanchez-Chung, M. Gill, L. Duigu, and B. Wycks had get acquainted and briefing/orientation meeting with newly appointed Deputy Commissioner Brigitte Goulard and Kevin Thomas, Senior Compliance Officer, on May 6/14. P. Yeung, L. Duigu, and B. Wycks had follow-up planning teleconference on June 5/14, re Goulard's presentation at CAFII speaker event on June 10/14.</p> <p>-M. Gill and B. Wycks had Get Acquainted/Refresh meeting with Karen Morgan and other FCAC contacts on January 9/14. Discussion captured in Regulatory Update.</p> <p>-On April 15/14, Jane Rooney was promoted from Director position to spotlight role of "Financial Literacy Leader" for Canada.</p> <p>-CAFII participated in federal government consultation, being led by FCAC, around a proposed new federal financial consumer code. Submission sent February 28/14 and is now posted on Finance Canada site.</p>
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CAFII Priorities by Committee – June 6, 2014

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 Develop, monitor and report on performance against Balanced Scorecard	
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 Communications Strategy Committee (MAC)	Communications strategy, CAFII Branding Advocacy Strategy Website
Build relationships with key stakeholders	Connect with regulators and policy-makers. Manage and conduct regulator visits. (Manage Regulator and Policy-Maker Visit Plan) Approve attendees at regulator and policy-maker 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	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 (DMC)

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

1) Sue Manson, CIBC, Chair 2) Eleanore Fang, TD 3) Emily Brown, BMO 4) Brian Wise, Assurant Solutions

5) Andre Duval, DFS 6) Rose Beckford, ScotiaLife Financial 7) Ex Officio: Jennifer Hines, RBC; Brendan Wycks, Executive Director **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. **DMC priorities closely linked with Balanced Scorecard; progress/update reports on both to be provided at EOC and Board meetings.**

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 15/12 and with AMF staff executives on June 7/13 Insurance Act Overhaul/Re-write formally announced by Quebec Government on April 30,/13 New government elected in Quebec on April 7/14. AMF advised on April 8/14 that overhaul of Insurance Act and Distribution Act will proceed ahead in due course 	<ul style="list-style-type: none"> Active/Monitor ongoing
	Quebec <ul style="list-style-type: none"> Review of Distribution Guide Sound Commercial Practices Guideline 	<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 15/12 and follow-up letter sent to AMF in Dec 2012 AMF advised on April 8/14 that a new iteration of draft DG will be released for consultation in due course, in conjunction with Distribution Act overhaul AMF advised on April 8/14 that a self-assessment questionnaire re compliance with Guideline, released in June/13, would be sent in May 2014 to entities licensed in Quebec, with several months provided for completing and submitting it 	<ul style="list-style-type: none"> Active EOC involvement and oversight Met with AMF in Quebec City on June 7/13 DMC proposes information session on the Guide, for CAFII member staff, once Guide is finalized DMC to review its IAIS ICPs Impact Matrix in comparison with Sound Commercial Practices Guideline self-assessment questionnaire
International Regulation of Creditor Insurance	PPI		<ul style="list-style-type: none"> Active/Monitor ongoing
	IAIS Core Principles	<ul style="list-style-type: none"> CAFII Project 	<ul style="list-style-type: none"> Board approval received on June 11/13 to secure draft communication of project outcomes

CAFII Priorities by Committee – June 6, 2014

Item	Description	Activities Completed/Industry Developments	Status/Next Steps
		<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"> Post-Implementation Review Presentation by Chrys Lemon on latest developments in US, at Annual Members' Luncheon in February 2014 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 25/13 S. Manson and R. Beckford met in Spring 2014 to reactivate this initiative
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 was consulted on final draft of survey of life agents, and on final report from Suitability Review. CAFII had follow-up meeting with FSCO on April 9/13 to discuss Interim Report of product suitability review, based on results of life agent survey
	E-commerce	<ul style="list-style-type: none"> CCIR and AMF – upcoming consultations 	<ul style="list-style-type: none"> CAFII submitted detailed response to CCIR E-Commerce Position Paper in July 2013 CCIR Final E-Commerce Position Paper released November 15/13; final CCIR recommendations in harmony with CAFII positions, as stated in submission

CAFII Priorities by Committee – June 6, 2014

Item	Description	Activities Completed/Industry Developments	Status/Next Steps
	Provincial Insurance Acts	<ul style="list-style-type: none"> Manitoba Saskatchewan Ontario 	<ul style="list-style-type: none"> Draft ISI Regulations released on June 3/13; Licensing Committee is dealing with this matter. Watch Watch
Comparison of creditor insurance on mortgages with term life and individual disability insurance project	Survey member 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 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 Board approved the engagement of Towers Watson as actuarial consultant to this project in early March 2014. Survey of CAFII members to be distributed in late June or early July 2014. Ongoing progress monitoring meetings being held every two weeks.

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, Brendan Wycks

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

Licensing Efficiency Issues Committee (LEIC)

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

Chair: Moira Gill, TD 2) Rose Beckford, ScotiaLife Financial 3) Brian Wise, Assurant Solutions 4) Greg Grant, CIBC 5) Ex Officio: Jennifer Hines, RBC; Brendan Wycks, Executive Director

Mandate: Identify and manage licensing efficiency issues for restricted and individual licensing processes. **LEIC priorities closely linked with Balanced Scorecard; progress/update reports on both to be provided at EOC and Board meetings.**

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 when time was opportune. 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 2014, in conjunction with plans to fold near-dormant Adjusters Council into General Council. CAFII had preliminary consultation meeting with J. Abram about this on December 12/13 and further discussion during liaison lunch on March 17/14. This development may present a tandem opportunity to push for restricted certificates for third parties.
	CISRO project to redesign LLQP – project completion target date is 2015, for implementation at beginning of 2016		CAFII attended CISRO's quarterly LLQP Stakeholder Information Sessions on January 17/13, April 9/13, and October 30/13; and had one-on-one meetings with LLQP Committee on February 10/14 and May 28/2014. Thereafter, CISRO requested a letter of support from CAFII for its LLQP modernization initiative, which CAFII delivered on February 21/14. CAFII Board to discuss further action in support of LLQP modernization, as requested by G. Matier, Insurance Council of BC, on June 10/14.

CAFII Priorities by Committee – June 6, 2014

	Licensing process -streamlining and harmonization		Identification of issues ongoing. CAFII representatives met with Invest New Brunswick on June 4/14 re licensing crisis in that province. Opportunity expected for CAFII to present to CISRO on “Multi-jurisdictional Licensing Challenges” in Fredericton on September 29 or 30/14.
ISI regime implementation	Manitoba – issues to be resolved with implementing regulations		<p>-Included in Insurance Act Spring 2012 Letter sent in August 2012 -CAFII response to draft ISI Regulation 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 -CAFII response submission on second draft of ISI Regulation sent on January 10, 2014 -In late February 2014, S. Moore, Deputy Superintendent, communicated to CAFII that Manitoba’s Draft ISI Regulation would be amended to address nearly all of the concerns expressed by CAFII and other industry stakeholders; and he subsequently confirmed that in writing -S. Moore advised in February 2014 that Draft ISI Regulation will be amended to address nearly all of concerns expressed by CAFII and other industry stakeholders; and confirmed same in writing. -CAFII met with Superintendent of Insurance and with Finance Minister Jennifer Howard on April 29/14. Imperatives of harmonization of provincial ISI regimes and of providing adequate lead time for implementation stressed in productive meeting; and in immediately prior pre-meeting with Superintendent of Insurance and Executive Director of Insurance Council.</p>

CAFII Priorities by Committee – June 6, 2014

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.		<p>Legal assistance engaged and analysis of options underway. Meeting with AIC Jan 2012. Meetings with Sask. held Meeting with Manitoba held</p> <p>Active: CAFII Concept Proposal For A Saskatchewan Insurance Councils' Restricted Insurance Agents Advisory Committee submitted to R. Fullan on October 10/13.</p> <p>Active: In a meeting with B. Wycks on November 21/13, J. Abram, CEO, indicated that AIC would be open to a CAFII proposal re representation for restricted licence holders.</p> <p>2014 is opportune for discussions re establishing a "Restricted Licence Holder Council." CAFII advanced discussion with AIC on this issue on December 12/13 and March 17/14. CAFII to provide submission to AIC based on updated options analysis developed by Stikeman Elliott</p>
Electronic licensing	Promote use of electronic licensing systems by provincial regulators; possible use of "business numbers" to link		<p>-Letter of support sent to CISRO May 2012 -Alberta Insurance Council readying to launch Canadian Insurance Participant Registry (CIPR) later in 2014; will be a significant leap forward towards a national electronic licensing system</p>
Multi-jurisdictional licensing/ mutual recognition	Trade Agreements - promote mutual recognition (Ontario – Quebec, New West Partnership)		<p>-Attended trade agreement update meeting May 2012 -CAFII viewpoints on licensing and harmonization communicated, as related relevant commentary, in February 2014 letter of support for CISRO's LLQP modernization initiative -Based on suggestion made by J. Abram at March 17/14 liaison lunch, B. Wycks contacted R. Fullan, Chair of CISRO.</p>

CAFII Priorities by Committee – June 6, 2014

			As a result, CAFII likely to be offered opportunity to make a presentation to CISRO on multi-jurisdictional licensing and other compliance challenges faced by national contact centres, at meeting in Fredericton on September 29-30/14
Regulatory concerns about travel Insurance	<p>-Consumer confusion around coverage; complex application forms and medical questionnaires</p> <p>-redundancy of coverage (employer-sponsored benefits plans; through a credit card; and privately purchased) and sales agents not informing consumers of possible duplication</p>		<p>B. Wycks reached out to relevant industry Associations with proposal to form a pan-industry project group on travel insurance application forms – with representation from CAFII, THIA, and CLHIA – as per wish expressed by J. Abram, Alberta Insurance Council CEO, on March 17/14; and earlier by C. Rogers, CCIR Chair, in CAFII/CCIR liaison meeting on October 30/13; and as endorsed by CAFII Board of Directors on April 8/14. B. Wycks, J. Lewsen, and G. Grant liaising with CLHIA and THIA, and providing regular progress reports to EOC and Board.</p>

Media and Communications Strategy Committee (MAC)

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

Co-Chairs: 1) John Lewsen, BMO 2) Moira Gill, TD

Members: 3) Paul Yeung, RBC 4) Greg Grant, CIBC 5) Charles Blaquiere, Canadian Premier 6) Ex Officio: Jennifer Hines, RBC

Resources: Leya Duigu, Brendan Wycks

Mandate: Identify key stakeholders and develop, recommend and implement communications strategy. Oversee CAFII branding. Oversight of Media Response Task Force.

Areas of Interest: Underserved Market: Creditor Insurance (value proposition, disclosure); Counter broker lobby messages. **MAC priorities closely linked with Balanced Scorecard; progress/update reports on both to be provided at EOC and Board meetings.**

Initiatives	Status/Explanation	Resp	Next steps
-Develop a Communications Strategy	-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.	ED	-2014 External Communications Strategy approved by Board on October 8/13 and December 4/13. Completed. -Communications Strategy Tactical Implementation Plan approved by Board on April 8/14, with suggestions for minor tweaks in presentation only. Completed.
<u>Website</u> -collect testimonials, post on site	-Testimonial (written or video)- 1 per member, have 7 or 8 available and determine how to rotate through (value –add to members)	ED	-Email reminder sent w/o Oct 22, 2012; One written and three video testimonials received to date. B. Wycks to follow-up with direct request to all Members
-Refresh CAFII mission statement	-review mission statement to ensure it is in line with branding,	ED	-Removed from MAC Priorities, as Mission Statement is solely within Board purview and typically is reviewed as part of Strategic Plan renewal.
-expand tabs to include other products & regulators/industry	-incorporate alternate distribution (underserved market)	ED	-Underserved market material drafted, to be approved for website. In process with ED B. Wycks as part of Communications Strategy implementation

CAFII Priorities by Committee – June 6, 2014

Initiatives	Status/Explanation	Resp	Next steps
<u>CAFII Branding</u> -develop marketing tagline -CAFII newsletter for regulators -CAFII “look” -Acquire soft marketing tools (pads, pens etc),	several tagline options 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	J Lewsen ED ED ED	Completed -Completed -Completed and ongoing -Completed -Completed
<u>Media Protocol</u> -Develop and manage protocol for handling media requests -media training for ED	-Protocol revised with arrival of ED	ED	-Completed; revised Media Protocol approved by MAC on January 17/13 -Media Training for ED B. Wycks with Patrick McGee completed on March 26/14, with EOC members J. Lewsen and P. Yeung also participating
-Monitor Media		ED	Ongoing
-Develop List of Friendly media			P. Yeung and M. Gill have completed list
-Notify communications departments of member firms	-To be done when messaging is reviewed		
-News Release	-Send out notification re new ED		-Completed. Notice sent to all CAFII members. Included in first issue of Regulators’ newsletter and added to web site.
Develop 2-3 likely media response scenarios	-In process in conjunction with Key Message development and media training/media preparedness work	ED	-B. Wycks reviewing material drafted by G. Grant.
Key Message Development - identify issues and develop key messages	-Key message document: develop and review stock messages to be used in communication opportunities	ED	-In process. Key Messages being reviewed and refined by B. Wycks as part of Communications Strategy implementation
-Regulator Kit -develop booklet /brochure	For new regulators. Compile package of information for regulators which can include: -booklet - past submissions,	ED	-Some content developed by RBC intern -To be completed as part of Communications Strategy implementation

CAFII Priorities by Committee – June 6, 2014

Initiatives	Status/Explanation	Resp	Next steps
-Key Facts sheet	-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	ED ED ED	-To be completed as part of Communications Strategy implementation -To be completed as part of Communications Strategy implementation
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	-Pollara plan of use available, but in need of review and update	MAC	-Research is a key component of Communications Strategy. Plan of use to be reviewed by ED in light of now approved Communications Strategy
-Industry Statistics	-identify and keep current statistics from LIMRA and CAFII research	ED	-overlapping responsibility with DMC. Referred/delegated to DMC.
Webinars: -Develop and offer webinar education -Determine distribution of webinar material	-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	ED	-Digital commerce and social media webinar, developed by Davis Yoo and Debbie Dimoff of PwC, delivered to CCIR audience on May 30, 2013. -S. Manson has modernized CAFII presentation on Under-Served Market, with compelling new insights from several independent research sources; will be used for CAFII presentations for CCIR and/or CISRO audiences.

Media Response Taskforce

Membership: Taskforce consists of any two members of the Media and Advocacy Strategy committee plus Executive Director 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)

CAFII Priorities by Committee – June 6, 2014

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, RBC ; 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	-February 2014 Speaker Event (members only)	-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."
	-April 8, 2014	-Louis Morriset, CEO, and four AMF staff executives spoke informally with CAFII Board/EOC at liaison meeting in Montreal on April 8/14
	-June 2014 AGM/Regulator Reception Event	- Maria Sanchez-Chung has secured Brigitte Goulard, newly appointed FCAC Deputy Commissioner, who is a former CAFII EOC member, having formerly worked for TD Meloche Monnex
	October 2014 Speaker Event	- Carolyn Rogers, CCIR Chair, has accepted CAFII's invitation to be speaker at CAFII's October 7/14 Reception Event
	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)		

**Briefing Document On Agenda Item 3.2.1: New Brunswick Licensing Issues
June 10, 2014 CAFII Board Meeting**

**Industry Liaison Visit Report
Confidential: Not For Distribution**

Industry Liaison: Invest New Brunswick
Date: June 4, 2014
Location: Royal Bank Plaza, Toronto
Attendees:

Invest New Brunswick: Adam Mitton, Investment Officer

CAFII: Moira Gill, TD Insurance; Sandy Prokop, RBC Insurance; and Brendan Wycks, Executive Director

Purpose of Meeting: This liaison Meeting was requested by Invest New Brunswick, as a follow-up to CAFII's October 2013 submission in response to the New Brunswick Superintendent of Insurance's consultation on "Opportunities for Reforming the New Brunswick Licensing Framework for Other-than-Life Insurance Agents and Brokers." The meeting invitation presented an opportunity for CAFII to enlist support from this Crown Corporation mandated to attract inbound investment to the province, to help raise the political profile of the current crisis in the processing of insurance licenses in New Brunswick (very slow turnaround in issuing both new licenses and renewals).

New Brunswick Committed To Introducing Online/Electronic Licensing System: Adam Mitton advised that Angela Mazerolle, Superintendent of Insurance, acknowledges the problem and an online/electronic licensing system is coming as a solution. No hard date for implementation has been set, but it will be within a year. In the meantime, she has found the resources to hire two additional people to focus on nothing but licensing processing. CAFII representatives made the point that it's absolutely imperative that the one year target date for implementation of an online/electronic licensing system not be allowed to slip.

Post-2014 Provincial Election Opportunity To Address Red Tape Issues In New Brunswick Insurance Act: New Brunswickers go to the polls in a regular, four year term provincial election on September 22, 2014. CAFII representatives made the point that even with an online/electronic licensing system, the province's Insurance Act is terribly out-of-date and a number of updates are required to facilitate expedited licensing and the efficient conduct of business in the province. New Brunswick's requirement that a sworn affidavit be filed with a license application or renewal; and its requirement, hard-wired into the Insurance Act, that a new/separate criminal record check be obtained even for a candidate who has been licensed in another province, with no gaps, were cited as examples of "red tape" wastes of business and regulator resources that need to be addressed soon after the September 2014 provincial election.

Invest New Brunswick, has done an analysis of all of the response submissions to the recent New Brunswick consultation, with respect to requested Insurance Act changes. Adam Mitton asked if CAFII would be interested in being part of a post-election project group around this? CAFII representatives responded "Yes, definitely."

In addition, Adam requested that CAFII send Invest New Brunswick a separate letter, by the end of September, on its views on necessary changes to the Insurance Act. CAFII requested that the contemplated post-election review of the Insurance Act be separated out from the more comprehensive, painstaking, line-by-line reviews of provincial Acts that is typical; and instead be treated in an expedited manner.

***Agenda Item 3.2.2
June 10, 2014 CAFII Board Meeting***

Summary of CAFII Regulator and Policy-Maker Meetings in Winnipeg, Manitoba on April 29, 2014

Superintendent of Insurance and Insurance Council of Manitoba (1:00 to 2:15 p.m.)

CAFII representatives Moira Gill, TD Insurance; Paul Yeung, RBC Insurance; and Brendan Wycks, Executive Director, met with Jim Scalena, Superintendent of Insurance; Scott Moore, Deputy Superintendent of Insurance; and Erin Pearson, Executive Director of the Insurance Council of Manitoba.

Discussion focused on Manitoba's Incidental Sellers of Insurance (ISI) Regulation. Jim Scalena advised that he had just had his first briefing meeting with new Minister of Finance Jennifer Howard the previous week. The Minister, appointed to the Finance portfolio in October 2013, was a quick study, but indicated that she wanted to meet with Jim two or three more times to gain a fuller understanding of the ISI Regulation, so that she would feel completely comfortable bringing it forward to her Cabinet colleagues for approval via an Order-in-Council. The likely timing of the ISI package going forward for approval was July 2014.

CAFII representatives raised the following issues related to the ISI Regulation:

- definition of ISI and exclusion of personal accident insurance: importance of addressing this deficiency in the Regulation as soon as an opportunity to amend the Insurance Act emerges; and
- timing and implementation: adequate lead time required by the industry; importance of coordination and cooperation, especially in the development of application forms.

CAFII also obtained an update on tangential insurance regulations that would be brought forward with the ISI Regulation, as part of the same package.

Further details of the discussion at this meeting are found in CAFII's thank you letter to Superintendent of Insurance Jim Scalena.

Minister of Finance (3:00 to 3:50 p.m.)

CAFII representatives Moira Gill, TD Insurance; Paul Yeung, RBC Insurance; and Brendan Wycks, Executive Director, met with Jennifer Howard, Minister of Finance; Jim Hrichishen, Deputy Minister of Finance; Jim Scalena, Superintendent of Insurance; and Scott Moore, Deputy Superintendent of Insurance.

Discussion focused on the following issues on CAFII's agenda, with 95% of the dialogue on these topics being with Minister Howard herself:

- introduction to CAFII, its mission and mandate; and the focus and positioning of CAFII members in the insurance marketplace;
- CAFII's focus on access for consumers and meeting the insurance needs of the under-served lower and middle income market;

- CAFII's cooperation and collaboration with regulators and policy-makers; appreciation of open dialogue and discussion with Manitoba;
- importance of harmonization of financial services regimes across the country, for consumers and for industry;
- CAFII's support for Manitoba's ISI Regulation; credit to the Superintendent of Insurance and the Insurance Council for thorough consultation with the industry and ending up with a Regulation that achieves a high degree of harmonization with the existing ISI regimes in Alberta and Saskatchewan; and
- importance of providing a reasonable implementation timeline for the industry, following the Regulation's proclamation. (Minister Howard volunteered/acknowledged that inadequate lead time had been provided when the previous Manitoba Finance Minister levied a sales tax on insurance).

Further details of the discussion at this meeting are found in CAFII's thank you letter to Minister of Finance Jennifer Howard (reprinted below).

May 20, 2014

Ms. Jennifer Howard
Minister of Finance, Manitoba
103 Legislative Building
450 Broadway
Winnipeg, Manitoba R3C 0V8

RE: April 29, 2014 Meeting With Canadian Association of Financial Institutions In Insurance

Dear Minister:

Thank you for taking time out of your busy schedule to meet with representatives of our Association on April 29. Moira Gill of TD Insurance, Paul Yeung of RBC, and I very much appreciated the opportunity to make your acquaintance and discuss some industry issues of major importance to CAFII.

Thank you also for arranging to have Deputy Minister Jim Hrichishen, Superintendent of Insurance Jim Scalena, and Deputy Superintendent of Insurance Scott Moore attend the meeting.

As you will recall, CAFII is an industry Association dedicated to the development of an open and flexible insurance marketplace. We believe consumers are best served when they have meaningful choice. Our members therefore provide insurance through a variety of distribution channels including telephone contact centres, online e-commerce, direct mail, branches of financial institutions, and agents and brokers. Central to our Association's mandate is improving access for the vast under-served lower and middle income market of Canadians to simple, straightforward insurance products. Creditor's group insurance and travel insurance are the products of primary focus for our members.

CAFII is therefore particularly appreciative of the diligence being employed by your Ministry in reviewing the Regulation being brought forward by the Superintendent of Insurance, after thorough industry consultation, to establish an Incidental Sellers of Insurance (ISI) regime in Manitoba.

With respect to this initiative of vital importance to our members, CAFII

- supports the ISI Regulation and is pleased that its current form reflects a high degree of harmonization with the existing ISI regimes in Alberta and Saskatchewan;
- stresses the importance of providing – whenever such new Regulations are introduced – sufficient lead time to enable our member Financial Institutions to implement the required changes in an efficient, effective and consumer-friendly manner. Significant regulatory changes inevitably become major projects within our member organizations and it takes considerable time to ensure that necessary IT systems changes are made, forms revised, staff re-trained, and consumers notified of how the changes affect them;
- requests that, ideally, lead time of 12 to 18 months be provided for implementation, with nine months being the absolute minimum. As we noted in the meeting, risk management and investment decision protocols within Financial Institutions dictate that IT work stemming from regulatory change cannot be initiated until the Regulation comes into force; and
- looks forward to learning of the timelines that will be followed for securing approval of the ISI Regulation; the date of its proclamation and coming into force; and the period of time to be provided for implementation.

Thank you again, Minister, for the opportunity to meet and to dialogue with you on several industry issues of critical importance to CAFII members. Please do not hesitate contact me at any time you may have questions related to our Association or insurance industry issues.

Yours sincerely,



Brendan Wycks
Executive Director
brendan.wycks@cafii.com

c.c. Jim Hrichishen, Deputy Minister of Finance
Jim Scalena, Superintendent of Financial Institutions Regulations Branch
J. Scott Moore, Deputy Superintendent of Financial Institutions – Insurance

**Briefing Document On Agenda Item 4.2: LLQP Modernization
June 10, 2014 CAFII Board Meeting**

- Six of the 8 stakeholder groups that have participated in one-on-one stakeholder meetings with CISRO's LLQP Committee are supportive of the LLQP modernization effort, but two of them (Primerica, an insurance company, and Oliver's, an LLQP course provider) are very opposed and have combined forces in a national lobbying campaign designed to undermine CISRO's efforts to bring in a nationally harmonized, modular-based life agent qualification program.
- Those two organizations have launched a multi-faceted, multi-media campaign called "Community Life Insurance Workers and Educators" (www.communitylifeinsurance.ca) Given that the AMF/Quebec has been an educational resource expert and leader in the current LLQP modernization work, Primerica and Oliver's have set up Quebec up as the "bogeyman" in their lobbying campaign:
 - they've taken out full page ads in daily newspapers in mid-sized cities in Newfoundland, BC, Saskatchewan, and Ontario, at a minimum. The ads use a catchphrase along the lines of "You Wouldn't Treat Foresters/Farmers/Fishermen This Way" (depending upon the province). The campaign also uses letters to the editor and blog posts.
 - Primerica is getting its individual agents to lobby their local MLAs hard on this issue in a concerted grassroots effort. There is a full court press happening in Ontario right now during the provincial election campaign, and they are trying to cultivate all-party support so that their issue and messaging will live on regardless of which party forms the next Government. Primerica also arranged for the State of Georgia (where its corporate office is located) to file a grievance against Canada under NAFTA about the LLQP modernization. (But a grievance can only be investigated once a "harm" has actually occurred.)
 - On Wednesday, June 4, CAFII representatives Sue Manson and Brendan Wycks attended an Economic Club of Canada luncheon presentation in Toronto on "The Underinsured Market in Canada" by co-presenters Richard Hekeler, Assistant Vice-President & Director of Custom Research at LIMRA/LOMA, and Laura Dawson, PhD, President of Dawson Strategic.

While the LIMRA component of the presentation was an objective overview of recent industry research findings, it was in some respects a customized, even co-opted presentation, in support of the premises that there is a huge under-insurance issue in Canada and there is a significant channel preference for dealing in-person with an insurance agent/advisor/broker.

Ms. Dawson's ensuing part of the presentation was unequivocally a polemical, propaganda presentation of "commissioned research." Ms. Dawson highlighted from her recent research paper "Market Barriers and the Proposed Changes to the Life Agent Licensing System in Canada: A Commissioned Report For Primerica Canada By Dawson Strategic."

Ms. Dawson's key messages, delivered in both the research paper and her presentation, are:

-Insurance is a necessity/staple product, not a luxury, but the level of underinsurance across the country is getting worse because of declining numbers of agents. “I study the public policy impact of decisions made by regulators, and they shouldn’t be making it harder for Canadians to buy insurance.”

-The proposed new nationally harmonized LLQP is onerous, expensive, and has no clear benefits. The new program is a solution looking for a problem. An analysis of enforcement actions by provincial insurance regulators from 2008-13 shows that there is no problem here that needs to be addressed by introducing a new program that raises the bar for qualification.

-The new program is going to reduce the number of successful LLQP writers and drive up entry costs due to exam re-take fees. When you change the structure of the exam by breaking it up into a series of discreet modules (each of which has to be passed with a 60% mark), you increase the odds of getting “False Fails” and you reduce the exam’s overall reliability as a measure of knowledge/competence. (Source for this, cited in the research paper, is Dr. Edwin Weinstein, President of the Brondesbury Group, an independent consulting firm specializing in financial services included related credentialing. His PhD is in measurement and evaluation. Dr. Weinstein was in attendance at the Economic Club luncheon and asked a question to add independent, third party cachet to Dr. Dawson’s skewering of the modular exam approach.)

-While in general, harmonization is good, this particular change is not something we need. Harmonizing the common law provinces to the Quebec model is a false economy and not “least disruptive to trade” as required under the Agreement on Internal Trade (AIT).

-Moving forward with the proposed nationally harmonized LLQP could put Canada off-side its international trade obligations. Under NAFTA, when Canada – arbitrarily and without due process consultation -- changes the conditions of competition for an American or Mexican company operating in this country, then the changes can be subject to a NAFTA challenge. The signatories to the Agreement have the right to “regulate in the public interest” but that has to be balanced against “were appropriate analyses and steps taken?”, “were stakeholders adequately consulted?”, etc.

- While very appreciative of CAFII’s February 2014 letter of support for CISRO’s LLQP harmonization effort, which has been shared with relevant Ministers across the country, Gerry Matier, Executive Director of the Insurance Council of BC and a member of CISRO’s LLQP Committee, suggested that CAFII take further key action in support of the LLQP modernization. Given that Primerica is aggressively trying to lay exclusive claim to serving “The Underserved Market” in its lobbying messages to legislators, Gerry suggested that CAFII take measures to present a more accurate and balanced view.

**Briefing Document On Agenda Item 4.3: Pan-Industry Project Group on Travel Insurance Issues
June 10, 2014 CAFII Board Meeting**

As authorized by the Board on April 8, Brendan Wycks reached out to CLHIA, in the first instance, about the prospect of forming a joint industry working group to address collectively the concerns being expressed by regulators about travel insurance. CLHIA was very receptive to the proposal, as this Association had recently built “dealing with regulators’ concerns about travel insurance” into the 2014 strategic imperatives for its management team.

CAFII and CLHIA then reached out to the Travel Health Insurance Association of Canada (THiA), which was also receptive to the idea of a pan-industry project group on travel insurance issues.

THiA had previously formed a task force in the summer of 2013 to address many of the issues being raised by regulators, and the proposals emerging from that task force’s work were shared with the THiA membership at the Association’s annual conference in April 2013, for feedback by the end of June. THiA sees merit in the pan-industry, collective approach (more clout with regulators) so is willing to share the results of its task force’s work as a starting point for a pan-industry group.

Two introductory teleconferences have been held, involving representatives from the three Associations. And a face-to-face meeting is planned for Friday, June 20, where formative issues are to be discussed.

CAFII has subsequently indicated to the two other Associations that while our Association is interested in participating in the pan-industry group and plans to have representatives attend the June 20 meeting, we will not be in a position to commit fully until we’ve had a chance to complete some necessary internal work around our position on the scope of the pan-industry group and our positions on the substantive issues to be addressed. We’ve indicated that we expect to complete that work over the summer months, with recommendations then to be brought forward for approval by our Board of Directors in October.

**Briefing Document On Agenda Item 4.4: Fasken Martineau Invoice Re CNCA Continuance
June 10, 2014 CAFII Board Meeting**

CAFII's CNCA compliance/continuance work is now largely complete. And based on a pro forma invoice from Fasken Martineau that was recently shared and discussed with Brendan Wycks, the amount of time that lawyers Kathryn Beck and Koker Christensen spent on our CNCA Continuance file amounts to well over the \$9,000 estimated in the firm's proposal to CAFII.

The pro forma invoice -- which Faskens has not yet issued and about which Koker called Brendan Wycks to discuss -- amounts to \$22, 266.10 or more than \$13K higher than the proposal.

It's not surprising that the billing is higher than the original proposal/estimate, given that some of what the EOC ended up asking Faskens to do was out-of-scope from the proposal. What is perhaps surprising is the magnitude/quantum of the difference.

The main driver of the overage is the fact that we asked Faskens to expand their work and help the Association navigate through the legal requirements of a **two-stage** process, which would allow us to remove Associate Members as a membership class, as a first step, before then having Foundation and Voting Members approve a revised Bylaw for ratification by the full membership (which would no longer include "Associates") at an Annual and Special Meeting on June 10.

That said, at no point did Faskens provide an early warning to CAFII or a revised estimate of what moving to a two-stage approach would mean in terms of a revised legal services invoice.

In calling Brendan Wycks to provide a heads-up and discuss the pending invoice, Koker did not take a hard line and did not say that CAFII must pay the full amount that is due. Rather, he recognizes that the amount of the invoice will be something of an unpleasant surprise; and Faskens is definitely interested in cultivating a long-term client relationship with CAFII.

Koker offered to send over the pro forma invoice for consideration and discussion among the Association's leaders. He essentially is now looking to CAFII to come back to him with a proposal on the amount of the billing and how we can settle the account in a win-win manner.

Brendan Wycks tried to connect with Koker Christensen for a follow-up discussion, based on on the EOC's feedback, on two occasions since May 27 but had not heard back from him by June 6.

2014 Executive Director Balanced Scorecard - June 5/14					
H = High; M = Medium; L = Low. # = Prioritization within High Category					
H without number assigned = Ongoing, "Table Stakes" High Priority					
Objectives	Measures	Priority	Timing	June 5/14 Status	Outcome
Regulatory & Advocacy					
Deliver on Regulator and Policy-Maker Strategy & Tactics within timelines set out in the Board-approved Communications Strategy	Successful execution of tactics within specified timelines as itemized in Board-approved Communications Strategy				
Ensure that Regulator & Policy-Maker Visit Plan is well-maintained, updated for every EOC & Board meeting, & executed/achieved	Face-to-face meetings are secured with regulators and policy-makers in accordance with plan, at least once every 18 months even for those receiving a "courtesy visit"; they are willing to take advocacy arguments into account; favourable legislative and regulatory action or inaction	H	Ongoing	On Target	
Produce an informative, "industry intelligence"-focused Regulatory Update for each EOC & Board meeting	Regulatory Update is produced for each EOC & Board meeting, containing outside-of-the-public-domain information on regulatory actions, pronouncements, trends & leading indicators	H	Ongoing	On Target	
	Communiques to EOC members on issues & developments, in between EOC & Board meetings	H	Ongoing	On Target	
	Direct communiques selectively sent to EOC members on time-sensitive issues; other news consolidated into weekly e-newsletter	H	Ongoing	On Target	
Draft and deliver highly quality regulatory submissions	Regulatory submissions are well-written, comprehensive & produced on time; Board & EOC have sufficient time to review & provide input; which is given due & equitable consideration & included where appropriate; Submissions reflect prior consultation with allied industry Associations where appropriate	H	Ongoing	On Target	
Joint Visit with Atlantic Canada Insurance Regulators	Organize and execute successful CAFII meeting with four Atlantic Canada Insurance Regulators, with education and information-sharing focus	#1 (H)	Q3 2014	In process for October 1/14	
Regulator Kit	Develop and finalize content & design of materials for Regulator Kit for inclusion in Regulatory Kit	#2 (H)	Q3 and Q4 2014	Not Started	
Produce an informative, "industry intelligence"-focused Regulatory Update targeted at Regulators & policy makers	Prepare first issue of quarterly Regulatory Newsletter, for inclusion with Regulator Kit	#3 (H)	Q3 2014 and Ongoing	Not Started	
Comparative Project on Consumer Value of Creditor's Group Insurance	Oversee successful completion of project, in conjunction with DMC subcommittee and Towers Watson consultants	#4 (H)	Q2 thru Q4 2014	In progress	
Manitoba Draft ISI Regulation	Monitor to ensure that Regulation passed is as promised	H	Ongoing	On Target	
CISRO education around multi-jurisdictional licensing issues and compliance challenges	Presentation to CISRO on multi-jurisdictional licensing & other compliance challenges faced by national contact centres, at meeting in Fredericton, September 29-30	M	Q3 2014	Not Started	
Pan-industry project group to address travel insurance concerns Identified by regulators	If fully supported by Board, manage CAFII's effective participation in pan-industry project group on travel insurance in concert with CLHIA and THIA.	M	Q2 thru Q4 2014	In progress	
Maintain productive, collegial, mutually beneficial working relationships with allied industry Associations (egs. CLHIA, CBA)	Demonstrable collaboration & productive working relationships with allied Associations, particularly around regulatory submissions. Leadership in forming joint cross industry working groups, where appropriate	M	Ongoing	On Target	
Independent consumer research on insurance topics & issues	Lead formulation of a plan and budget and obtain approval for increased use of independent consumer research, to provide communications content for Regulators/Policy-Makers and other audiences	M	Q4 2014	Not Started	

H without number assigned = Ongoing, "Table Stakes" High Priority					
Objectives	Measures	Priority	Timing	June 5/14 Status	Outcome
Media & Communications					
Deliver on Media and Communications Strategy & Tactics within timelines set out in Board-approved Communications Strategy	Successful execution of tactics within specified timelines as itemized in Board-approved Communications Strategy				
<i>Media: Improve, Consolidate, & Confirm "Readiness" to Respond to Media Requests</i>					
Key Messages/Story Scenarios/Stock Answers	Complete Key Messages/Stock Answers/Story Scenarios with strong emphasis on "human touch" aspects of how CAFII members meet consumers' needs	#1 (H)	Q3 and Q4 2014	In progress	
Short articles on case for Creditor Insurance & Alternate Distribution	Develop series of short articles on Creditor Insurance & Alternate Distribution, with emphasis on human interest angle, for use on web site, in Media Kit, in "pen control" media opportunities, etc.	#2 (H)	Q3 and Q4 2014	In progress	
Media Kit	Develop "About Creditor Insurance" Media Kit, using existing web site content and other resources	#3 (H)	Q3 and Q4 2014	Not Started	
Independent consumer research on insurance topics & issues: Medium Priority	Lead formulation of a plan and budget and obtain approval for increased use of independent consumer research, to provide communications content for Media & other audiences	M	Q4 2014	Not Started	
<i>The Public & Consumer Interest Groups: Monitoring & Engagement</i>					
FAQs on Creditor Insurance for FCAC web site: High Priority	Develop approved FAQs using existing CAFII content & provide to FCAC for use on their site	#4 (H)	Q2 and Q3 2014	In progress	
Monitoring of Consumer Interest Groups: Ongoing High Priority	Include intelligence on Consumer Interest Groups' issues and activities in Regulatory Update for EOC & Board meetings	H	Ongoing	On Target	

Association Oversight & Management Metrics					
Ensure that CAFII successfully & optimally "continues" under Canada Non-Profit Corporations Act (CNCA)	"Articles of Continuance" & Revised Bylaw filed with Industry Canada by October 17/14 deadline; Certificate of Continuance is received	#1 (a) (H)	Q1 thru Q3 2014	In progress	
	Revised By-law is optimally structured, within constraints imposed by CNCA, leading to no major operational or governance issues encountered	#1 (b) (H)	Ongoing	On Target	
Ensure that Association adheres to good governance practices in Board, EOC, & committee appointments; conduct annual and special meetings of members; Required policies & procedures are in place & followed	Smooth, successful, non-controversial conduct of Board and EOC succession appointments; and of annual meeting	H	Ongoing	On Target	
Completion of the "rebranding" of the Association. New brand becomes synonymous with CAFII's name in the eyes of key stakeholders and members	All print and collateral materials updated with agreed-upon new logo/tagline and communicated to all members, regulators and policy-makers, and other stakeholders/audiences	#2 (H)	Q1 thru Q4 2014	On Target	
ED becomes a "go-to" information source	Plays lead role in agenda preparation for Board and EOC meetings, and attends all scheduled Board, EOC, and subcommittee meetings	H	Ongoing	On Target	
	Board and EOC increasingly view ED as "go to" resource on governance & strategic decision matters	M	Ongoing	In progress	
Ensure that CAFII prepares an annual operating budget that is well-grounded in approved strategic & operational plans; funds are spent according to plan; & financial control policies & procedures are appropriate & adhered to	Play a leadership role in development, management, & tracking/monitoring of CAFII's annual operating budget, & committee & project budgets. Budget targets are met, except for explainable/approved variances	#3 (H)	Q4 2014 & Ongoing	On Target	
With EOC Chair, oversee forming and activities of standing EOC subcommittees and adhoc working groups; and monitor and foster their progress	Participate in all EOC subcommittees; helps to determine priorities and budgets, and works to support their activities and success in the achievement of objectives	H	Ongoing	On Target	
Ensure that CAFII's daily operations and ongoing administration function smoothly	Complete assessment of workload allocation and resourcing; time tracking, compilation of results and development of insights and recommendation for Board review and approval	#4 (a) (H)	Q2 2014	Completed	
	Engage with TO Corp and EOC Chair to identify opportunities to streamline processes and realign workloads to ensure smooth & timely completion of all deliverables	#4 (b) (H)	Q2 2014 and Ongoing	On Target	
Efficient, effective CAFII meetings: With EOC Chair & standing committee Chairs, ensure agendas are focused & goal-oriented & meetings are well managed	Agendas and meeting materials are distributed with appropriate lead time.	H	Ongoing	In progress	
	Committee members are engaged in meeting discussions and feel meetings are productive		Ongoing	In progress	
	Meeting outcomes are productive and advance CAFII's objectives.		Ongoing	On Target	
Ensure that "CAFII Priorities By Committee" document is kept up-to-date and well-utilized as an operations plan for the Association	ED demonstrates engaged "ownership" of "CAFII Priorities By Committee" document	H	Ongoing	On Target	
	"Priorities By Committee" document is updated for every EOC & Board meeting and used as a roadmap for Committee activity		Ongoing	On Target	
Provide strategic and operational support to the EOC Chair in management of CAFII priorities and activities, and accountability reporting thereon	Engaged strategic and operational support to EOC Chair; escalates appropriate matters to EOC Chair for review and decision-making	H	Ongoing	On Target	

H without number assigned = Ongoing, "Table Stakes" High Priority					
Objectives	Measures	Priority	Timing	June 5/14 Status	Outcome
Evergreen/Bring Forward Items For 2015					
Regulatory & Advocacy					
	Formulate plan and budget for engaging with non-FI Creditor Insurance Groups around regulatory risk and industry education	L	2015		
Media & Communications					
<i>Media: Improve, Consolidate, & Confirm "Readiness" to Respond to Media Requests</i>					
Media section on CAFII web site	Develop a media-focused section on web site, using Media Kit materials & other content	L	2015		
<i>Selective Pro-active Engagement With Media</i>					
Roundtable Discussion meeting with "friendly media": Low Priority	Roundtable with targeted "friendly media" to discuss & educate around Creditor's Group Insurance; the under-served market; & alternate distribution, utilizing the Media Kit as a discussion guide & distribute	L	2015		
<i>The Public & Consumer Interest Groups: Enhanced Consumer-Friendly Web Presence</i>					
Consumer Testimonials	Secure additional Consumer Testimonials from CAFII members and post to CAFII site, & regularly refresh	L	2015		
Enhance consumer-friendliness of CAFII's web presence	Engage Search Engine Optimization services to improve CAFII's ranking in search results, and drive consumers with Creditor Insurance inquiries to site	L	2015		
	Post Kit materials developed for other audiences that are directly relevant to consumers to the CAFII site; Revamp "Contact Us" section of site to encourage consumer questions and develop process for prompt responses	L	Q1 and Q2 2015		
<i>The Public & Consumer Interest Groups: Monitoring & Engagement</i>					
Financial Literacy Month	Obtain approval & execution a plan to increase CAFII profile/involvement in Financial Literacy Month (November) to raise CAFII's profile with FCAC &/or other regulators	L	Q1 and Q2 2015		
Direct engagement with Consumer Interest Groups	Formulate plan & budget for CAFII to engage directly, beginning in 2015, with one or more key Consumer Interest Groups (eg. Seat on Advisory Board of Consumer's Council of Canada)	L	2015		