

CAFII Executive Operations Committee Meeting Agenda

Date: Tuesday, April 27, 2021
Chair: R. Dobbins
Location: [Virtual MTeams Meeting](#)

Time: 2:00 – 3:30 p.m. EST
Dial-in: 437-703-4263
Phone Conference ID: 965 295 258#

1. Welcome, Call to Order, and Priority Matters	2:00 p.m.	Presenter	Action	Page #	Document
a. Call to Order		R. Dobbins		3	
2. Consent Items	2:02 p.m.	Presenter	Action	Page #	Document
a. Consultations/Submissions Timetable				5	✓
b. Regulatory Update				6	✓
c. Regulator and Policy-Maker Visit Plan				22	✓
d. Summary of Board and EOC Action Items				24	✓
e. Board-Approved Schedule Of CAFII 2021 Meetings And Events				25	✓
3. Financial Management Matters	2:03 p.m.	Presenter	Action	Page #	Document
a. CAFII Financial Statements as at March 31/21		T. Pergola	Update	27	✓
b. Forecast For CAFII 2021 Fiscal Year as at March 31/21		T. Pergola	Update	31	✓
c. Update on Board and Membership Approval of CAFII 2020 Audited Financial Statements		B. Wycks	Update	34	
4. Committee Updates	2:12 p.m.	Presenter	Action	Page #	Document
a. Research & Education		A. Stuska			
i. Results Report From CAFII 2020-21 Consumer Research Project With Pollara Strategic Insights On Consumers' Digitization Preferences: Next Steps		A. Stuska/K. Martin	Update	35	✓
b. Media Advocacy		C. Blaquiere	Update	66	
c. Market Conduct & Licensing		B. Kuiper	Update	67	
d. Travel Insurance Experts		B. Wycks	Update	68	
e. Networking & Events		S. Kirby	Update		
i. CAFII Engagement with Glen Padassery, EVP and Chief Consumer Officer, FSRA, in Preparation for April 28/21 Webinar on "Tapping FSRA's Consumer Office and Consumer Advisory Panel To Help Shape The Authority's Regulatory Policy; and Fostering Internal and External Innovation at FSRA for the Benefit of Consumers and the Regulated Sectors"		K. Martin	Update	69	✓
5. Recent and Upcoming Strategic and Regulatory Initiatives	2:35 p.m.	Presenter	Action	Page #	Document
a. Board-Approved Next Step #1 Arising from AMF's March 30/21 Response Letter to CAFII's July 7/20 Creative Solutions Submission on Credit Card-Embedded Insurance Benefits: CAFII Working Group on Industry Alignment Around Compliance with AMF's Expectations		K. Martin	Update	73	✓
b. Board-Approved Next Step #2 Arising from AMF's March 30/21 Response Letter to CAFII's July 7/20 Creative Solutions Submission on Credit Card-Embedded Insurance Benefits: CAFII Outreach Request To CBA That It Engage In This Issue, Given Implications For Core Credit Card Offerings in Quebec		K. Martin/B. Wycks	Update	75	✓
c. Board-Approved Next Step #3 Arising from AMF's March 30/21 Response Letter to CAFII's July 7/20 Creative Solutions Submission on Credit Card-Embedded Insurance Benefits: CAFII Outreach to Norton Rose Around Furtherance of Legal Arguments/Opinion Opposed to AMF's Interpretation on RADM's Applicability and Resulting Regulatory Expectations		K. Martin/B. Wycks	Update	78	✓
d. Board-Approved CAFII Working Group on Industry Alignment Re Interpretation of FCAC's Appropriateness Guideline's Application to Authorized Insurance Products/CPI; and Potential Approaches to Compliance		K. Martin/M. Boyle	Update	81	✓
e. Insights Gained From CAFII/CLHIA/THIA Weekly Calls Re Impact Of COVID-19 On Travel Insurance Industry		B. Wycks/K. Martin	Update	83	

6. Governance Matters	3:05 p.m.	Presenter	Action	Page #	Document
a. CAFII Board Confirmation of Tweaks/Amendments to Three-to-Five-Year CAFII Strategic Plan		K. Martin	Update	84	✓
b. CAFII Board Input Around Planning For Return to In-Person Meetings: (i) October 5/21 Board Meeting and Linked "Industry Issues Dialogue Session" with AMF Staff Executives; (ii) December 7/21 Board Meeting and Immediately Ensuing Holiday Season/Year-End Reception; (iii) General Need To Deliver An Enhanced Experience For Virtual/Remote Attendees		B. Wycks/K. Martin	Update	95	
c. Results and Next Steps Arising From CAFII Outreach to EOC Members Re Creating Better Engagement and Succession Pipeline of CAFII Committee Chairs and Other Volunteer Leadership Roles; and Need to Secure Near-Term Successor Chairs for Two CAFII Committees		B. Wycks/ R. Dobbins	Update/ Discussion	96	✓
d. New CAFII Initiation Membership Applicant: Canadian Tire Bank (CTB)		B. Wycks/K. Martin	Update	99	
e. Draft Minutes of March 30/21 EOC Meeting		B. Wycks	Approval	100	✓
f. Draft Minutes of April 13/21 Board Meeting		B. Wycks	Endorsement	106	✓

7. Read Only Items		Presenter	Action	Page #	Document
a. CAFII Data Improvements Working Group With RSM Canada Around Quarterly CPI Benchmarking Study: Progress Report				113	Briefing Note Only
b. Board Approval of Further CAFII Research on "Digitization and the Customer Experience": Next Steps				114	Briefing Note Only
c. Board-Approved Website Blog As An Ongoing CAFII Initiative: Next Steps				115	✓
d. Responses to Two FSRA Questions Arising From CAFII Submission on FSRA's Proposed Unfair and Deceptive Acts or Practices (UDAP) Rule				120	✓
e. Rationale for CAFII Decision Not to Make Submissions In Response To Recent BCFSAs Consultations on Outsourcing and Information Security				122	✓
f. Plans For Future 2021 CAFII Webinars				126	Briefing Note Only

8. Other Business	3:20 p.m.	Presenter	Action	Page #	Document

9. In Camera Session	3:20 p.m.	Presenter	Action	Page #	Document

10. Tracking Issues		Presenter	Action	Page #	Document
a. Upcoming AMF Consultations on Updated Sound Commercial Practices Guideline and Draft Regulation Respecting Complaint Processing					
b. BC Ministry of Finance Drafting of Regulations To Implement Financial Institutions Amendment Act, 2019					
c. FCAC: Phase 2 of Domestic Bank Retail Sales Practices Review					

Next EOC Meeting: Tuesday, May 25/21, 2:00 to 4:30 p.m., Virtual MSTeams Meeting

Next Board Meeting, Immediately Preceded By 2021 Annual Meeting of Members: Tuesday, June 8/21, 2:00 to 4:00 p.m., Virtual MSTeams Meeting

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 1(a)
Call to Order

Purpose of this Agenda Item

Start of meeting.

Background Information

Recommendation / Direction Sought -- *Update*

Update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 2 (a-e) Consent Items

Purpose of this Agenda Item

To provide documentation for the EOC to review, which does not require updates, discussion, or decisioning.

Background Information

The Consent Items that do not require any discussion or decisions are:

- Consultations/Submissions Timetable;
- Regulatory Update;
- Regulator and Policy-Maker Visit Plan;
- Summary of Board and EOC Action Items;
- Board-Approved Schedule of CAFII 2021 Meetings and Events.

Recommendation / Direction Sought – *Information Only*

No action required.

Attachments Included with this Agenda Item

5 attachments.

CAFII Consultations/Submissions Timetable 2021-22

Regulatory Issue	Deliverable	Deadline	Accountable
BC Ministry of Finance 10-Year Review of FIA (Initial Public Consultation Paper released June 2, 2015)	<ul style="list-style-type: none"> Revised Financial Institutions Act (FIA) tabled in the legislature CAFII Meeting with Ministry of Finance staff executives <i>CAFII Follow-up Meeting (Virtual) with Ministry officials Re CPI Sales Practices and Related Fair Treatment of Consumers Considerations</i> CAFII submissions on draft Regulations in support of Revised FIA 	<ul style="list-style-type: none"> October 21/19 October 25/19 Q2 or Q3 2021 Q2 through Q4 2021 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Committee; Co-EDs to monitor
AMF Sound Commercial Practices Guideline Update	<ul style="list-style-type: none"> AMF releases consultation document for 60 day period CAFII submission on updated Sound Commercial Practices Guideline 	<ul style="list-style-type: none"> Q2 or Q3 2021 (expected) Q2 or Q3 2021 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Cttee; Co-EDs to monitor
Quebec Bill 141 and Related Regulations (including Regulation Respecting Alternative Distribution Methods, RADM)	<ul style="list-style-type: none"> CAFII sends AMF “creative solutions” submission on degree to which industry can meet AMF’s requirements around RADM’s applicability to credit card-embedded insurance benefits CAFII receives AMF acknowledgement response to July 7/20 submission, indicating “We acknowledge receipt of your correspondence and will get back to you with comments following the analysis of the issues raised AMF responds to CAFII’s “creative solutions” submission CAFII implements 3 Board directives in response to AMF’s March 30/21 response AMF launches consultation of Draft Regulation Respecting Complaint Processing CAFII submission on Draft Regulation Respecting Complaint Processing 	<ul style="list-style-type: none"> July 7/20 July 9/20 March 30/21 Q2 and Q3 2021 <u>Q2 or Q3 2021 (expected)</u> Q2 or Q3 2021 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Committee; Co-EDs to monitor
CCIR/CISRO Guidance: Conduct of Insurance Business and Fair Treatment of Customers	<ul style="list-style-type: none"> CAFII sends letter to CCIR/CISRO FTC Working Group asking it to obtain information on incentives and compensation models used by member distributors directly and privately, to avoid Competition Act violations <i>CCIR/CISRO FTC Working Group accepts proposal in CAFII’s July 2/20 letter</i> 	<ul style="list-style-type: none"> July 2/20 August 31/20 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Cttee; Co-EDs to monitor
SK Bill 177	<ul style="list-style-type: none"> FCAA releases transition-related Guidance and Interpretation Bulletin FCAA releases further transition-related Guidance/Interpretation Bulletin(s) 	<ul style="list-style-type: none"> May 17, 2019 Q2 or Q3 2021 (expected) 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Cttee; Co-EDs to monitor
FCNB Insurance Act Rewrite and Introduction of RIA Regime	<ul style="list-style-type: none"> FCNB launches industry consultation on RIA licensing regime model CAFII submission on FCNB’s RIA Regime licensing regime model <i>FCNB launches informal stakeholder consultation on applicability of A&S insurance provisions of various provincial Insurance Acts to New Brunswick</i> <i>CAFII responds to FCNB consultation on A&S Insurance Act provisions</i> CAFII/CLHIA send joint response to FCNB’s further Insurance Act Rewrite questions (received November 6/20) FCNB announces tabling of <i>An Act to Amend The Insurance Act</i> in NB legislature; and that implementation Rule will follow in late 2021 (with 60 day public consultation) 	<ul style="list-style-type: none"> November 29, 2019 January 31, 2020 July 2020 October 22/20 December 22/20 March 17/21 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Cttee; Co-EDs to monitor
Financial Services Regulatory Authority of Ontario (FSRA) Regulatory Consultations	<ul style="list-style-type: none"> FSRA launches preliminary consultation on Transforming FSCO’s Unfair or Deceptive Acts or Practices (UDAP) Regulation Into A FSRA Rule CAFII responds to FSRA’s preliminary consultation on Transforming FSCO’s Unfair or Deceptive Acts or Practices (UDAP) Regulation Into A FSRA Rule FSRA launches consultation on FY 2021-22 Statement of Priorities and Budget CAFII responds to FSRA consultation on FY 2021-22 Proposed Statement of Priorities and Budget CAFII speaks to its submission on FSRA’s FY 2021-22 Statement of Priorities and Budget at Stakeholder Advisory Committee meeting with FSRA Board CAFII responds to FSRA consultation on Unfair and Deceptive Practices (UDAP) Rule CAFII meets with FSRA and CLHIA virtually re follow-up questions arising from UDAP Rule submissions <u>CAFII responds to two follow-up UDAP Rule-related questions posed by FSRA</u> 	<ul style="list-style-type: none"> September 2020 October 7, 2020 October 7, 2020 November 3, 2020 November 25/20 March 18/21 March 24/21 <u>April 30/21</u> 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Cttee; Co-EDs to monitor

Underline = new/updated item since previous publication; **Boldface** = CAFII response pending; *Italics* = CAFII meeting with regulators/policy-makers pending

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Prepared by Keith Martin, CAFII Co-Executive Director

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Federal/National

Conference Board of Canada

Conference Board of Canada Shares Findings around Canadian Attitudes Towards Travel and Travel Insurance

Optimum Re held a 19 April, 2021 Webinar at which the Conference Board of Canada made a presentation on the future of the travel industry. It noted that there has been robust growth in travel until the interruption in 2020, with Canadians making 33 million overnight trips in 2019. However, the COVID-19 pandemic has dealt the industry a shock, with 78% of Canadians expressing an intention to travel in April 2019, 45% expressing such an intention in April 2020, and 22% expressing such an intention in January 2021. Of the two-thirds of Canadians who had trip plans in 2020, most cancelled or rebooked, and 87% of Canadians say they miss travelling. But the pent-up demand will ensure a rebound which will contribute to a recovery. Three quarters of Canadians say they won't travel internationally until they are vaccinated; two thirds say they won't even consider flying internationally or to the U.S. until at least late 2021. As well, 80% of Canadians do not want the Canada-U.S. border reopened now.

Insurers have an important role in getting Canadians travelling again. Consumers are now much more likely to seek out travel health insurance, and 35% of travellers are much more likely to make a booking if they knew their health was protected; 42% reported that they would be more likely to purchase insurance if the policy covered COVID.

The Canadian Life and Health Insurance Association (CLHIA)

In its Submission on the FSRA Unfair or Deceptive Acts or Practices (UDAP) Rule, CLHIA Expresses Concerns Around the Provisions on Sales Incentives.

The Canadian Life and Health Insurance Association (CLHIA) in its submission to FSRA on its proposed new Unfair or Deceptive Acts or Practices (UDAP) rule, expresses concerns around sales incentives:

We appreciate that FSRA has made innovation a priority. However, in our view, this section would benefit from greater clarification and a better understanding of how it may impact the distribution of life and health insurance products. In order to fully consider various factors, and potential consequences, we would recommend that this matter be reviewed in greater detail with all stakeholders before proceeding. In this regard, we believe that this section should be pursued on a separate track.

However, we are concerned that this reworking of the Rule would lead to more complex regulatory oversight and more frequent consumer complaints. The issues related to rebating and inducements are different for the P&C industry than the life and health industry, largely because P&C insurance is typically written on an annual basis whereas life and health insurance products are intended to be held for years, and even decades. Traditionally, rebates have been viewed as running counter to the interests of a consumer because they are generally offered to a particular consumer (whether the consumer is an individual, or employer, for example if a group plan) to entice a purchase.

Travel and Health Insurance Association of Canada (THIA)

In its Submission on the FSRA Unfair or Deceptive Acts or Practices (UDAP) Rule, THIA Supports Rebating but Emphasizes the Importance of Harmonization

While THIA notes that Western provinces generally allow rebating, it also notes that FSRA's UDAP rule takes a different approach and that there is a cost to this lack of harmonization:

We note that the Proposed Rules are inconsistent in some respects with the approaches taken in other provinces of Canada to address certain matters that are within the scope of the Proposed 31950892.2 - 2 - Confidential \ Non Personal Data Rules. For example, in most of the Western provinces prohibitions against rebating and inducements have been either revoked or substantially loosened. Discrimination under human rights legislation is not part of the assessment criteria for permissible rebates or inducements in any of those provinces. We note that this country, with a population the size of California, has seventeen insurance regulators, while California has one. The differences in approach and the proliferation in divergent rules among jurisdictions come at a cost to the insurance system, which costs are ultimately born by policyholders. As such, we do wonder in respect of certain discreet parts of the Proposed Rules, such as in respect of rebating and inducements, if the benefits of harmonization may outweigh the benefits of the bespoke approach set out in the Proposed Rules. THIA supports aligning the rules relating to rebates and inducements with the rule applicable in Alberta or the comparable rule in B.C. or in Saskatchewan and Manitoba.

The Canadian Association of Independent Life Insurance Brokerages Agencies (CAILBA)

In its Submission on the FSRA Unfair or Deceptive Acts or Practices (UDAP) Rule, CAILBA Argues Against Rebating

The Canadian Association of Independent Life Insurance Brokerages Agencies (CAILBA) in its submission to FSRA on its proposed new Unfair or Deceptive Acts or Practices (UDAP) rule, strongly argues against allowing rebating, which is one of the new features of the proposed FSRA rule:

In our view, rebating should be strictly prohibited to ensure the protection of consumers of life and health products. We believe this clarity helps ensure more equitable outcomes for all consumers. Rebating of any amount in any form creates an uneven playing field whereby a consumer can pay a different price for the same product depending on the rebate being offered by the broker. In addition, allowing rebating is in direct conflict with the Canadian Council of Insurance Regulators' "Fair Treatment of Customers" Guidance; put simply, how can consumers be treated fairly when they may be paying different prices for the same product? Aside from the inherent unfairness of providing products at different prices (often based largely on negotiating skills), it is clear to us that attempts to regulate the practice have created some unforeseen problems.

Independent Financial Brokers of Canada (IFB)

In its Submission on the FSRA Unfair or Deceptive Acts or Practices (UDAP) Rule, IFB Expresses Concerns Around the Provisions on Sales Incentives

The Independent Financial Brokers of Canada (IFB) indicates in its submission to FSRA on the UDAP rule that rebating opens the door to potential consumer abuse:

IFB recognizes that the intent of the proposed Rule is to modernize the current UDAP Rule. Concerns have been expressed by some stakeholders that the current Rule is too prescriptive and presents a barrier to innovation. Certainly, in today's world, consumers have become increasingly accustomed to conducting transactions in a seamless and more efficient way. For the insurance industry, the restrictions on face-to-face interactions brought about by the COVID-19 pandemic necessitated quick action to allow consumers and insurance advisors to conduct business in a virtual way. Many of these changes, such as digital onboarding and electronic signatures, have resulted in welcome efficiencies for life and health insurance consumers and advisors. However, IFB shares the concerns of some others that permitting rebating in Ontario will increase the risk of unfair sales practices, predatory pricing, and the likelihood of consumer harm.

The Financial Advisors Association of Canada (ADVOCIS)

In its Submission on the FSRA Unfair or Deceptive Acts or Practices (UDAP) Rule, Advocis Recommends Prohibiting Rebating

The Financial Advisors Association of Canada, in its submission to FSRA on the new UDAP rule, recommends prohibiting rebating:

However, the proposed changes to the existing prohibition on incentives and rebating raise important consumer protection concerns in the life and health insurance sector that merit further review. Due to the specific nature of life and health insurance products, including how they are purchased by consumers and their intended multi-year time horizons, we recommend that FSRA continues to prohibit the practice of rebating in these sectors or holds a separate consultation on rebating in life and health insurance for broader review and assessment of the inherent risks.

The submission goes on to say:

While a consumer may switch property and casualty insurers every year without experiencing a detrimental impact, life insurance is typically purchased as part of a long-term wealth and risk management strategy and is designed to create a stable, long-term plan for the insured's beneficiaries. It is selected with the assistance of a qualified advisor who provides advice and recommendations based on the consumer's specific needs and circumstances, including longer term financial goals, as well as which products the consumer qualifies for at purchase and will qualify for over the term of the product. Any rebate could incent consumers away from products that are better aligned with their specific individual needs, and it could lead to consumers purchasing products that benefit them in the short-term, but do not necessarily serve their interests in the long-term. This is possible regardless of the reason that the rebate is being offered or how transparently it is communicated.

Desjardins

In its Submission on the FSRA Unfair or Deceptive Acts or Practices (UDAP) Rule, Desjardins Supports Permitting Rebating

While Associations representing insurance brokers and advisors stood strongly in opposition to the FSRA proposal to allow rebating in its new UDAP rule, insurance carriers and the Associations representing them tend to be supportive. Desjardins, in its submission to FSRA, states that:

DGIG welcomes the new rule that allows insurers to offer rewards to their customers while ensuring that purchase decisions remain in the customer's best interests. We recommend that FSRA does not require insurance providers to provide unrequested and detailed explanations of how the amount of the rebate or any value of payment would be calculated. Instead we propose that insurers should be required to communicate to insurance consumers where they can learn more about the details of the rebate. This would help to reduce the paperwork that consumers receive.

Provincial/Territorial

Ontario

Financial Services Regulatory Authority of Ontario (FSRA)

FSRA Releases 2020 Annual Report on the Consumer Advisory Panel

On 8 April, 2020 FSRA released its Annual Report on the Consumer Advisory Panel. The Report states that

Established in January 2020, the Consumer Advisory Panel (the Panel) serves as an advisory body to the Financial Services Regulatory Authority of Ontario (FSRA) through FSRA's Consumer Office. The Panel provides advice from a consumer perspective on proposed FSRA policy changes and regulatory activities, and is an important part of FSRA's stakeholder engagement process.

Among the highlights noted were that

The Panel's nine members helped inform FSRA's policymaking by contributing combined experience and expertise in investor and pensioner protection, insurance reform, credit unions, financial services, advocacy and law, and academia.

The membership of the Consumer Advisory Panel is:

Sharon Altman-Leamen who is a Director of the Canadian Federation of Pensioners and a member of its advocacy team;

Kristian Bonn who is the Vice President (and future President) of the Ontario Trial Lawyers Association;

Anish Chopra who has over 20 years of experience interacting with clients of all backgrounds across a variety of wealth channels, including investment advisors, financial advisors, and institutional and retail investors;

Rhona DesRoches who is the Chair of the Board of FAIR Association of Victims for Accident Insurance Reform;

Hitesh Doshi who is a professor at Ryerson University;

Roger Gauthier who has extensive knowledge and experience in the credit unions sector at the local, provincial and national levels;

Harold Geller who is a lawyer who represents investors and insurance clients;

Robert Gouley who has significant experience advising on investor protection issues and regulatory proposals, including the Fair Treatment of Customers Guideline adopted by Canadian Council of Insurance Regulators (CCIR) and Canadian Insurance Services Regulatory Organizations (CISRO);

Laura Tamblyn Watts who is a public policy lawyer with 20 years of expertise in the aging, financial, disability and consumer sectors.

Among the activities of the Consumer Advisory Panel in insurance were:

- *Fair Treatment of Customers Harmonization – FSRA’s proposed guidance to harmonize its standards for the fair treatment of insurance customers with the national guidelines adopted jointly by CCIR and CISRO.*
- *Insurance Supervisory Approach for 2020-21 – FSRA’s three areas of focus for its supervision in the Life and Health Insurance sector, including the fair treatment of customers, Life Agent Reporting Forms (LARF) and a thematic review of the insurer-managing general agents (MGA) relationship*
- *Unfair or Deceptive Acts or Practices (UDAP) Rule – FSRA’s two-stage process for transitioning to a UDAP rule and more principles-based regulatory approach, by clearly defining outcomes that are unfair or otherwise harmful to consumers.*

- *Insurer-MGA Relationship Review – FSRA’s review of the insurer-MGA relationship to assess effective governance and risk management of MGAs, as well as identify potential gaps between the roles of insurance companies, MGAs and independent agents.*

The full report can be found here:

<https://www.fsrao.ca/media/3476/download>

British Columbia

British Columbia Financial Services Authority (BCFSA)

The British Columbia Financial Services Authority (BCFSA) Issues Consultations on an Outsourcing Guideline, and on an Information Security Guideline

The British Columbia Financial Services Authority (BCFSA) has consulted with industry around two new Guidelines that it is planning on issuing. CAFII has reached out to BCFSA to ask about the scope of the new Outsourcing Guideline and the new Information Security Guideline. CAFII inquired from BCFSA as to whether these guidelines apply to companies that are not incorporated in BC, and received confirmation from Stephen Wright (principal BCFSA analyst on both consultations) and Peta Wales (BCFSA Sector Liaison) that they did not:

Your assumption is correct in that the expectations communicated in the outsourcing guideline do not apply to FRFIs. While the expectations communicated in the information security guideline do not apply to FRFIs, we are considering introducing a rule that would require all insurance companies (including FRFIs that are licensed to conduct business in BC) to notify BCFSA in the event of a significant information security incident. As we begin work on the details of such a rule, we will reach out to your organization for your input.

CAFII for that reason did not make submissions on these Guidelines. CAFII also learned from Sarah Hobbs, Director, Policy at CLHIA that the Association

didn’t receive a lot of feedback from members on these as they both only apply to B.C. incorporated insurance companies. But we did mention in our draft submissions that BCFSA should consider waiting until OSFI finishes its review of technology risks before implementing the guidelines.

International Developments, Research, and Thought Leadership

Business Intelligence in B.C. Online Magazine (BIV)

BIV Interviews Melissa Carruthers of Monitor Deloitte, and Joshua Krenus, of Alteri Insurance, on Insurance and the Pandemic

Online magazine BIV (Business Intelligence for B.C.) interviewed Melissa Carruthers, national life and health insurance strategy and transformation leader, Monitor Deloitte, and Joshua Krenus, CEO, Alteri Insurance, as part of their special series on insurance and the pandemic.

Melissa Carruthers, when asked about the biggest changes made by the insurance industry, stated that:

I think that this was a real wake-up call for the life and health insurance industry in Canada and globally. And when it comes to being digital, and working virtually, that is something that is previously unknown to this industry. We tend to rely on traditional processes, face-to-face interactions, face-to-face sales. And so this was one of the big catalysts that is starting to drive a lot of transformation in the industry.

Joshua Krenus was asked how his company responded to the pandemic:

Whether it was right or not, [we] began by responding and continuing to help with regards to premiums.... We can defer premiums, we can lower premiums, we can extend your policy term, we can look at your business individually and try to help you out that way. And that's kind of what insurers did. Very similar to other businesses, they tried to help out the wallet a bit instead of going after coverage. And now obviously, they're going to have to start thinking, "OK, what are we covering with regards to stuff like this moving forward?"

The full interview can be found here:

<https://biv.com/article/2020/10/pandemic-wake-call-insurance-industry>

CIO Dive

Online Magazine CIO Dive Reports that AI and Chatbots are Becoming Viewed as Employees

CIO Dive says over half (56%) of managers and leaders say their use of technology for workforce augmentation, such as AI or chatbots, will increase over the next 18-24 months, according to the MIT Sloan Workforce Ecosystems survey of 5,118 managers.

NASA views its virtual bots as employees, according to an interview with Nicholas Skytland, deputy chief, Exploration Technology Office at NASA. The bots have unique IDs issued alongside virtual employee badges and integrate with existing IT systems.

The line between technology and employees blurred over the last year, even if companies are slow to accept automation as a member of the workforce. The pandemic pushed businesses to automate in order to scale without adding staff when faced with financial constraints and uncertainty.

About two-thirds (63%) of employees expect automation to help them do more in less time, according to a SYKES survey of 1,500 employed U.S. adults. But analysts expect automation to also replace human members of the workforce. Forrester predicts automation will eliminate nearly one-third of jobs by 2030, and contribute to new job creation by just 13%.

At Walmart, automated systems saved millions and augmented work freed up employees to help customers. A machine learning model optimizing markdowns saved the company \$30 million and an augmented reality app to navigate backrooms frees employees from some stocking and inventory tasks.

For others, chatbots act as a digital face for the company. ServiceNow employs natural language chatbots as a virtual assistant for employee onboarding and Royal Bank of Scotland has chatbots for everything from contact centers to mortgage applications.

Online Magazine CIO Dive Reports that Two-thirds of Executives Plan to Boost Automation, AI Spend

Post-pandemic, leaders expect the workforce augmentation boom to continue. Two-thirds of senior executives across industries plan to increase investments in automation and AI as a part of their COVID-19 recovery strategy, according to a McKinsey report.

About 20% to 25% of the workforce in advanced economies could work from home between three to five days per week, reducing needed office space by 30% on average and possibly decreasing demand for public transportation and downtown restaurants and retailers, the study found.

"In the computer-based office work arena, 70% of time could be spent working remotely without losing effectiveness, compared to most other arenas, where as little as 5% to 10% of work could be done remotely," researchers wrote.

In the year ahead, CIOs are enabling technology that can lower costs and improve efficiency throughout the organization. But companies and workers will probably need to make significant post-pandemic adjustments for the remainder of the decade, McKinsey said.

"The pandemic has, for the first time, elevated the importance of the physical dimension of work," according to McKinsey, which studied the extent to which several "work arenas" can operate without a loss of productivity or effectiveness.

It assigned a high "physical proximity score" to medical care and personal care such as gyms and hair salons, and a low score to transportation of goods and outdoor production and maintenance, such as farming and construction.

"COVID-19 may propel faster adoption of automation and AI, especially in work arenas with high physical proximity," researchers said.

"Remote work and virtual meetings are likely to continue, albeit less intensely than at the pandemic's peak, with knock-on effects for real estate, business travel and urban centers," McKinsey said. "Employers and employees who can work from home agree that remote work—at least for part of the workweek—is here to stay."

Companies will likely reduce business travel by 20% compared with pre-pandemic levels, the study found, which would have "a significant knock-on effect on employment in commercial aerospace and airports, hospitality and food service."

The McKinsey Report on "The Future of Work After COVID-19" can be found here:

<https://www.mckinsey.com/featured-insights/future-of-work/the-future-of-work-after-covid-19>

Reuters

Canadian Banks Shrink Workforces as they Invest Heavily in Technology

Reuters reports on 7 April, 2021 that Canada's top banks are shedding workers for the second straight year, moving toward leaner operations to satisfy investors demanding returns on tens of billions of dollars that lenders have poured into new technologies.

Five of Canada's six biggest banks cut their workforces 4.4% from a year earlier to a combined total of 291,409 full-time equivalent employees as of Jan. 31. That is down 5.2% from a peak in the third quarter of 2019.

Banks are likely to continue investing in technology at similar levels as the past few years, which will be "welcomed by investors as long as earnings and dividends continue to grow, and especially if tech investment displaces some labor costs," he said.

The pullback in headcounts follows combined quarterly year-on-year growth of 4% to 5% in 2018 and 2019 across the six big banks. The cuts have reduced efficiency ratios, or non-interest expenses as a proportion of revenues, by about 2 percentage points from a year ago at most banks, disclosures show.

The phenomenon isn't unique to Canada. U.S. and European banks last year joined Bank of Montreal ([BMO.TO](#)) and Canadian Imperial Bank of Commerce ([CM.TO](#)) in announcing or resuming layoffs, with the former expected to shrink headcounts by an average of 5-10%. While job cuts at banks in other countries have included technology roles, Canadian lenders are still growing in this area because their digital shift has lagged.

Toronto-Dominion Bank ([TD.TO](#)) has been expanding its technology teams while redeploying employees from temporarily closed branches to other areas, Chief Executive Bharat Masrani said in an interview.

TD's workforce has shrunk by about 0.7% from its peak in the fourth quarter of 2019, following quarterly growth of 4-6% over the prior year. "You should view this as the bank constantly adapting to evolving expectations," Masrani said. TD declined to comment on its technology spending plans.

Bank of Nova Scotia (Scotiabank) ([BNS.TO](#)), which has been divesting some international operations, and BMO, which has been working on improving efficiencies, have had the biggest year-on-year headcount reductions, 9.5% and 5.3% respectively.

Royal Bank of Canada ([RY.TO](#)), the country's biggest lender, has been the only one to grow its workforce, by 1.9% from a year earlier, as it expands its wealth management divisions in the U.S. and Canada. A spokeswoman said RBC continues to hire "selectively."

In February, CIBC executives said the bank had saved C\$800 million (\$633.91 million) over the past five years by streamlining operations. It reinvested the funds in high-growth areas, and accelerated technology spending.

The other banks declined to comment.

Much of the technology investment so far has gone into automating manual processes such as enabling online mortgage applications and e-signing documents. Future investments will likely focus on beefing up cybersecurity, upgrading systems, and data and analytics, said Robert Colangelo, senior vice president for credit ratings at DBRS Morningstar.

Headcounts are unlikely to "grind lower for years and years," but they are expected to lag revenue growth, said Brian Madden, portfolio manager at Goodreid Investment Counsel, who estimates that lenders have invested a combined C\$10 billion annually in technology in the last few years.

With labour the biggest part of non-interest expenses, and the pandemic's "unexpected turbo boost" to customer adoption of online banking, "most of the return on investment in tech spend is going to have to come from efficiency gains/headcount reductions," he said.

Global Risk Institute

Global Risk Institute to Hold Session on "Women, the Pandemic, and the Economic Repercussions" on Thursday, 29 April from 11am-12 noon

The Toronto-based Global Risk Institute reports that

The pandemic has had a disproportionate impact on women and racial minorities. We will explore the greater income and job losses for women in 2020 and 2021, what some of the underlying causes have been, and what the future outlook is for women's economic integration and leadership in the years ahead.

The speaker will be Sarah Kaplan, Distinguished Professor, Director, Institute for Gender and the Economy and Professor of Strategic Management at the Rotman School of Management, University of Toronto

Registration for this open forum can be found here:

[GRI Women in Risk Session](#)

Insurance Business Canada (IBC)

Insurance Business Canada has Announced the Speakers for its 15 June, 2021 Panel on “Women in Insurance”

Insurance Business Canada has announced the speakers for its Women in Insurance panel (see below).



Cheryl Pounder
2x Olympic Gold Medalist
Canadian Women's National Ice Hockey Team



Lucy Hathaway
Chief Sales Officer
Allianz Global Assistance Canada



Monica Ningen
CEO and President
Swiss Re Canada and English Caribbean



Edwina McKennon
Broker Engagement Leader
APOLLO Insurance



Rissa Revin
General Counsel & Chief Equity, Diversity and Inclusion Officer
Cassels Brock & Blackwell LLP

Registration can be found here:

[Women in Insurance Panel](#)

UK Financial Conduct Authority (FCA)

UK FCA CEO Nikhil Rathi Outlines Innovations Taken by the Regulator Around Regulatory Sandboxes and Promoting Innovation

Nikhil Rathi, CEO of the UK Financial Conduct Authority (FCA), gave a 20 April 2021 speech to the UK's FinTech Conference, at which he stated that

Seven in ten of us now use the services of at least one fintech company. More consumers are adopting innovative ways of accessing financial services in the UK than in equivalent markets, for example using finance aggregator services to make it easier to save and manage outgoings.

This success in financial innovation has been enabled by regulatory open-mindedness; a trait not always associated with regulators.

Mr. Rathí went on to say that

The choice created by competitive markets is, in itself, not a social or economic good. It only becomes one when it delivers better or cheaper products, an improved or more tailored service, and pushes incumbents to fight harder to attract and keep their customers. Crucially, consumers must be armed with information they can readily understand to help them make the right choice for them.

In supporting innovation to deliver more competitive markets, another of our objectives is held in balance – that of consumer protection.

Innovation comes with risk. New products and new firms fail. They can take consumers' money with them. As a result, we, as regulator, need to understand new ideas and stay close to innovative firms.

That is why, less than a year after the FCA was founded, we set up Project Innovate. This recognised that the financial services industry has high costs of entry, and so those wishing to join – with genuinely new ideas that support markets and provide choice to consumers – require additional regulatory support.

The full speech can be found here:

<https://www.fca.org.uk/news/speeches/levelling-playing-field-innovation-service-consumers-and-market>

Agenda Item 2(c)
March 30/21 EOC Meeting

CAFII Insurance Regulator and Policy-Maker Meetings/Interactions
From March 25/21 To April 22/21

<u>Date</u>	<u>Event/Occasion</u>	<u>Who</u>
March 30, 2021	Response Letter from AMF to CAFII "Creative Solutions Submission"	AMF sends response letter to July 7/20 CAFII "Creative Solutions Submission" on credit card-embedded insurance benefits, in which it wholly rejects all industry proposals which try to meet the regulator half-way with respect to the RADM's applicability to credit card-embedded insurance benefits. The letter was signed and sent by AMF Analyst Charlene Boucher, on behalf of her boss AMF Director Mario Beaudoin.
April 6 to 9, 2021	Keith Martin makes email outreach to BCFSa, seeking clarification as to scope and applicability of Authority's draft Outsourcing Guideline and draft Information Security Guideline which are currently in a public consultation phase	Frank Chong, Deputy CEO, and Harry James, Director, at BCFSa. Frank Chong responds to K. Martin by referring query to Steven Wright, Principal Analyst on both consultations. Steven Wright subsequently responds that neither consultation is relevant to FRFIs.
April 6 and 20, 2021	Virtual Meetings of the Canadian Association of Pension Supervisory Authorities (CAPSA)'s Capital Accumulation Plan Guideline Industry Working Group's Communication/Fees Subcommittee	Brendan Wycks, CAFII's representative on this Industry Working Group, attends two meetings and interacts therein with Angela Mazerolle, Vice-President, Regulatory Operations and Superintendent of Insurance at the Financial and Consumer Services Commission of New Brunswick (FCNB), who is the Chair of this IWG in her capacity as a provincial pension supervisor and a Vice-Chair at CAPSA, the national co-ordinating body of pension regulators.

April 8, 2021	Practice Session/dry run for upcoming April 28/21 CAFII Webinar With Glen Padassery, EVP and Chief Consumer Officer, FSRA (including review/discussion of draft questions to be posed by host Keith Martin in the webinar)	Keith Martin, Brendan Wycks, Albert Lin, and Meighan Pears from CAFII with Glen Padassery, Vicki Lam, and Benny Cheung, FSRA. Interaction produces agreement that CAFII will be introduced to two new FSRA executives, Glen Padassery's direct reports, during the April 28/21 webinar: Taryn Pimento, Director of Consumer Office; and Marlena Labieniec, Director of Innovation Office.
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Summary of CAFII Board and EOC Action Items					
	Source	Action Item	Responsible	Deadline	Status April 23 2021
		Association Strategy and Governance			
1	EOC and Board: October 2019	Launch CAFII EOC Working Group to Explore a New Lower Dues Category of CAFII Membership, via a first meeting and a draft Terms of Reference for this Working Group.	B. Wycks/K. Martin	31-Dec-21	In progress/ See #2
2	BOD: June 9, 2020	Revisit the launch of the CAFII Working Group On A Proposed Lower Dues Category Of CAFII Membership once the economic environment stabilizes	K. Martin	31-Dec-21	In progress
3	EOC May 29, 2018	Develop a summary job description for the CAFII EOC Chair role and circulate it to EOC Members.	B. Wycks/K. Martin	31-Dec-21	In progress
4	EOC February 27, 2018	Document in writing the process for reviewing, approving, and admitting applicants for CAFII Members and Associate status	B. Wycks	31-Dec-21	In progress
5	EOC October 29, 2020	FRFI EOC members to share with Co-Executive Directors the work being done within their organizations on the FCAC's Appropriateness Guideline and about their organization's involvement in this file with the CBA; relevant EOC members	Relevant EOC members	31-Dec-21	Completed
6	EOC March 30, 2021	Share outcomes of new Committee Vice-Chair Initiative with the EOC	B. Wycks/K. Martin	27-Apr-21	In Progress
		Regulatory Initiatives			
7	EOC: Sept 22, 2020	Resuscitate the Working Group on CPI Best Practices and add the FCAC appropriateness test to its mandate	K. Martin	31-Dec-21	In Progress
8	EOC March 30, 2021	Organize a virtual meeting for CAFII with David Weir, FCNB around the in-development Rule and its provisions addressing the creation of a Restricted Insurance Agent licensing regime in New Brunswick	B. Wycks	15-Mar-21	In Progress
9	EOC March 30, 2021	Working with the Market Conduct & Licensing Committee, prepare a CAFII response to FSRA's two UDAP Rule-related follow-up questions	B. Wycks/K. Martin	30-Apr-21	Completed
		Research and Education			
10	EOC March 30, 2021	Present report to EOC and Board on outcomes of the efforts of the Working Group on Data Improvements to the Quarterly CPI Benchmarking Study	K. Martin	Q3/Q4 2021	In Progress

CAFII Board-Approved 2021 Schedule of Meetings and Events
(Approved by Board at October 15/20 Meeting)

EOC Meetings: *To be held for 2 hours or 1.5 hours, in alternating months, via teleconference*

- **Tuesday, January 26, 2021** (2:00-4:00 p.m.)
- Tuesday, February 23, 2021 (2:00 – 3:30 p.m.)
(Family Day stat holiday: Monday, February 15)
- **Tuesday, March 30, 2021** (2:00-4:00 p.m.)
(Good Friday, April 2; Easter Monday, April 5)
- Tuesday, April 27, 2021 (2:00 – 3:30 p.m.)
- **Tuesday, May 25, 2021** (2:00-4:00 p.m.)
(Victoria Day stat holiday: Monday, May 24)
- Tuesday, June 22, 2021 (2:00 – 3:30 p.m.)
(St. Jean Baptiste Day: Thursday, June 24; Canada Day: Thursday, July 1)
- Tuesday, July 20, 2021 , tentative summer meeting (2:00 – 3:30 p.m.)
- Tuesday, August 17, 2021, tentative summer meeting (2:00 – 3:30 p.m.)
(Civic Stat Holiday: Monday, August 2)
- **Tuesday, September 14, 2021** (2:00-4:00 p.m.) *If in-person meeting is possible, switch to 2:00-4:30 p.m. meeting, hosted by TBA.*
(Rosh Hashanah: September 7 & 8; Yom Kippur: September 16)
- Tuesday, October 26, 2021 (2:00 – 3:30 p.m.)
(Thanksgiving Stat Holiday: Monday, October 11)
- **Tuesday, November 23, 2021** (2:00-4:00 p.m.) *If in-person meeting is possible, switch to 2:00-4:30 p.m. meeting, hosted by TBA.*
- EOC Annual Dinner: TBA in conjunction with September or November 2021 in-person EOC meeting, if public health requirements allow.

Board Meetings:

- **Tuesday, April 13, 2021** (2:00-4:00 p.m.; Virtual Meeting possibly followed by CAFII Webinar).
- **Tuesday, June 8, 2021** (2:00-5:00 p.m., immediately preceded by 2021 CAFII Annual Meeting of Members, and possibly followed by CAFII Webinar).
- **Tuesday, October 5, 2021** (2:00-4:00 p.m.; Virtual Meeting possibly followed by CAFII Webinar). *If in-person meeting is possible, switch to 2:20-4:00 p.m. meeting, immediately following liaison lunch and Industry Issues Dialogue with AMF staff executives, hosted by Desjardins Insurance in Levis, Quebec.*
- **Tuesday, December 7, 2021** (2:00-4:00 p.m.; Virtual Meeting possibly followed by CAFII Webinar). *If in-person meeting is possible, switch to 2:00-5:00 p.m. meeting, followed by Reception, hosted by CIBC Insurance.*

2021 Annual Members Luncheon:

- *Tentative Date: Tuesday, March 9, 2021 from 12 Noon to 1:30 p.m. EST (Virtual-only Webinar)*

2020 Board meetings Hosted by:

None, due to COVID-19 pandemic situation

2019 Board meetings Hosted by:

CUMIS (National Club), Manulife Financial, National Bank Insurance, TD Insurance

2018 Board Meetings Hosted by:

CAFI; ScotiaLife Financial; BMO Insurance; The Canada Life Assurance

2017 Board Meetings Hosted by:

TD Insurance; CAFI; Desjardins; CIBC Insurance

2016 Board Meetings Hosted by:

CUMIS Group; Assurant Solutions; RBC Insurance; BMO Insurance

2015 Board Meetings Hosted by:

CIBC Insurance; ScotiaLife Financial; Desjardins; Canadian Premier

Recent Years' Annual Members' Luncheons**2020 Annual Members Luncheon Webinar**

Date: Wednesday, October 21, 2020 from 12 Noon to 1:00 p.m. EDT

Topic: "Setting the Bar Higher: How the Financial Consumer Protection Framework Sets a New Standard for Fairness and Transparency"

Speaker: Frank Lofranco, Deputy Commissioner, Supervision and Enforcement, Financial Consumer Agency of Canada

Venue: Virtual-Only Webinar

2019 Annual Members Luncheon

Date: Tuesday, February 19, 2019 from 11:45 a.m. to 2:15 p.m.

Topic: "The Changing Regulatory Environment – Challenges, Risks and Opportunities"

Panelists: Stuart Carruthers, Partner, Stikeman Elliott LLP, Koker Christensen, Partner, Fasken, Jill McCutcheon, Partner, Torys LLP. Panel Moderator: Nicole Benson, CEO, Canadian Premier Life / valeyo

Venue: Arcadian Loft, 401 Bay St., Simpson Tower, 8th Floor, Toronto, ON

2018 Annual Members Luncheon

Topic: "Leading For Success in A Volatile World"

Speaker: Richard Nesbitt, CEO, the Global Risk Institute

Venue: Arcadian Loft, 401 Bay St., Simpson Tower, 8th Floor, Toronto, ON

2017 Annual Members Luncheon

Topic: Tomorrow is Today: Insurtech Disruption in the Life and Health Insurance Sector

Speaker: Keegan Iles, Director, Insurance Consulting Leader, PwC Canada

Venue: Arcadian Loft, 401 Bay St., Simpson Tower, 8th Floor, Toronto, ON

2016 Annual Members Luncheon

Topic: Innovation in Insurance: Opportunities in a Changing Market

Speaker: Alison Salka, Ph.D, Senior Vice President and Director Research, LIMRA

Venue: Arcadian Loft, 401 Bay St., Simpson Tower, 8th Floor, Toronto, ON

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 3(a)

Financial Management Matters--CAFII Financial Statements as at March 31/21

Purpose of this Agenda Item – *Update*

To update the EOC on the Association's financial statements as at March 31, 2021.

Background Information

Treasurer Tony Pergola will provide an update on the CAFII Financial Statements as at March 31, 2021.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

CAFII

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

Statement of Operations As at March 31st 2021

	Current Month	Budget Mar-21	Variance to Monthly Budget	Current YTD	Budget '21 YTD	Variance Budget to YTD	Budget 2021
Revenue							
Membership Dues	78,941	\$76,540	\$2,401	\$234,420	\$229,619	\$4,801	\$918,475
Interest Revenue	20	\$25	(\$5)	58	\$75	(\$17)	\$300
TOTAL REVENUE	78,961	\$76,565	\$2,396	\$234,478	\$229,694	\$4,785	\$918,775
Expenses							
Management Fees	41,949	\$40,648	(\$1,301)	124,987	\$121,945	(\$3,042)	\$487,780
CAFII Legal Fees/Corporate Governan	-	\$4,167	\$4,167	-	\$12,500	\$12,500	\$50,000
Audit Fees	381	\$1,395	\$1,014	3,171	\$4,186	\$1,015	\$16,743
Insurance	449	\$504	\$55	1,346	\$1,513	\$166	\$6,050
Website Ongoing Maintenance	550	\$596	\$46	1,610	\$1,789	\$179	\$7,156
Telephone/Fax/Internet	1,401	\$477	(\$924)	2,184	\$1,432	(\$752)	\$5,730
Postage/Courier	-	\$13	\$13	-	\$38	\$38	\$150
Office Expenses	52	\$417	\$364	551	\$1,250	\$699	\$5,000
Bank Charges	215	\$39	(\$176)	232	\$118	(\$115)	\$470
Miscellaneous Expenses	-	\$42	\$42	-	\$125	\$125	\$500
Depreciation Computer/Office Equipm	95	\$95	\$0	284	\$284	\$0	\$1,136
Provincial Regulatory Visits	-	\$0	\$0	-	\$0	\$0	\$0
Research/Studies	16,950	\$15,000	(\$1,950)	16,950	\$15,000	(\$1,950)	\$60,000
Website SEO and Enhancements	5,537	\$3,496	(\$2,041)	10,057	\$10,488	\$431	\$41,950
Regulatory Model(s)	-	\$0	\$0	-	\$0	\$0	\$0
Federal Financial Reform	-	\$0	\$0	-	\$0	\$0	\$0
CAFII Benchmarking Study/RSM Canada	-	\$16,950	\$16,950	-	\$16,950	\$16,950	\$67,800
FCAC Presentation	-	\$0	\$0	-	\$0	\$0	\$0
Media Outreach	242	\$500	\$258	323	\$1,500	\$1,177	\$6,000
Media Consultant Retainer	2,260	\$2,260	\$0	6,780	\$6,780	\$0	\$27,120
Marketing Collateral	104	\$417	\$312	104	\$1,250	\$1,146	\$5,000
Contingency Fund	-	\$0	\$0	-	\$0	\$0	\$50,000
CAFII Reception Events	-	\$0	\$0	-	\$0	\$0	\$0
TOTAL EXPENSE	70,184	87,015	16,831	168,579	197,146	28,567	838,585
NET INCOME	8,777	- 10,451	19,228	65,899	32,547	33,352	80,190

Explanatory Notes:

- 1 - Amortization of office equipment based on 4 year straight line depreciation
- 2 - Management fees includes Managing Matters and Executive Director
- 3 - Website includes hosting cafii.com, subscription and website improvements

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Balance Sheet As at March 31st 2021

	CAFII Operations			CCBPI Project			Combined		
	31-Mar 2021	28-Feb 2021	31-Dec 2020	31-Mar 2021	28-Feb 2021	31-Dec 2020	31-Mar 2021	28-Feb 2021	31-Dec 2020
ASSETS									
Current Assets									
Bank Balance	\$608,472	\$480,287	\$308,624	\$0	\$0	\$0	\$608,472	\$480,287	\$308,624
Savings Account	\$102,336	\$102,316	\$102,278	\$12,151	\$12,151	\$12,151	\$114,487	\$114,467	\$114,429
Accounts Receivable	\$24,078	\$225,509	\$0	\$0	\$0	\$0	\$24,078	\$225,509	\$0
Prepaid Expenses	\$4,690	\$11,799	\$14,037	\$0	\$0	\$0	\$4,690	\$11,799	\$14,037
Computer/Office Equipment	\$8,014	\$8,014	\$8,014	\$0	\$0	\$0	\$8,014	\$8,014	\$8,014
Accumulated Depreciation -Comp/Equip	(\$7,162)	(\$7,067)	(\$6,878)	\$0	\$0	\$0	(\$7,162)	(\$7,067)	(\$6,878)
Total Current Assets	\$740,428	\$820,857	\$426,075	\$12,151	\$12,151	\$12,151	\$752,579	\$833,009	\$438,226
TOTAL ASSETS	\$740,428	\$820,857	\$426,075	\$12,151	\$12,151	\$12,151	\$752,579	\$833,009	\$438,226
LIABILITIES									
Current Liabilities									
Accrued Liabilities	\$4,185	\$18,042	\$32,852	\$0	\$0	\$0	\$4,185	\$18,042	\$32,852
Credit Card	\$654	\$379	\$352	\$0	\$0	\$0	\$654	\$379	\$352
Account Payable	\$29,810	\$36,094	\$9,012	\$0	\$0	\$0	\$29,810	\$36,094	\$9,012
Deferred Revenue	\$256,020	\$325,361	\$0	\$12,151	\$12,151	\$12,151	\$268,171	\$337,512	\$12,151
Total Current liabilities	\$290,669	\$379,876	\$42,216	\$12,151	\$12,151	\$12,151	\$302,821	\$392,027	\$54,367
TOTAL LIABILITIES	\$290,669	\$379,876	\$42,216	\$12,151	\$12,151	\$12,151	\$302,821	\$392,027	\$54,367
UNRESTRICTED NET ASSETS									
Unrestricted Net Assets, beginning of year	\$383,859	\$383,859	\$230,223	\$0	\$0	\$0	\$383,859	\$383,859	\$230,223
Excess of revenue over expenses	\$65,899	\$57,123	\$153,636	\$0	\$0	\$0	\$65,899	\$57,123	\$153,636
Total Unrestricted Net Assets	\$449,758	\$440,982	\$383,859	\$0	\$0	\$0	\$449,758	\$440,982	\$383,859
Total Unrestricted Net Assets	\$449,758	\$440,982	\$383,859	\$0	\$0	\$0	\$449,758	\$440,982	\$383,859
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$740,428	\$820,857	\$426,075	\$12,151	\$12,151	\$12,151	\$752,579	\$833,009	\$438,226

Financial Reserves Targets as per 2019 Budget:	
Minimum 3 months (25%) of Annual Operating Expenses=	\$ 209,646
Maximum 6 months (50%) of Annual Operating Expenses=	\$ 419,293
Current Level of Financial Reserves (total unrestricted net assets):	\$449,758
Current Level of Financials Reserve (%):	54%

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Membership Fees

		<u>Feb-21</u>		<u>Jul-21</u>	
		<u>To be billed</u>	<u>Received</u>	<u>To be billed</u>	<u>Received</u>
BMO Bank of Montreal	2021 Upper Tier Member	\$ 38,555	18-Mar-21	\$ 38,555	
CIBC Insurance	2021 Upper Tier Member	\$ 38,555	24-Feb-21	\$ 38,555	
RBC Insurance	2021 Upper Tier Member	\$ 38,555	2-Mar-21	\$ 38,555	
ScotiaLife Financial	2021 Upper Tier Member	\$ 38,555	18-Feb-21	\$ 38,555	
TD Insurance	2021 Upper Tier Member	\$ 38,555	12-Feb-21	\$ 38,555	
Desjardins Financial Security Life Assurance Company	2021 Upper Tier Member	\$ 38,555	29-Mar-21	\$ 38,555	
National Bank Life Insurance Company	2021 Upper Tier Member	\$ 38,555	12-Feb-21	\$ 38,555	
Manulife Financial	2021 Upper Tier Member	\$ 38,555	3-Mar-21	\$ 38,555	
The Canada Life Assurance Company	2021 Upper Tier Member	\$ 38,555	24-Feb-21	\$ 38,555	
Assurant Solutions	2021 Lower Tier Member	\$ 19,277	3-Mar-21	\$ 19,277	
Canadian Premier Life Insurance Company	2021 Lower Tier Member	\$ 19,277	25-Feb-21	\$ 19,277	
Cumis Group Ltd/Co-operators Life Insurance Co.	2021 Lower Tier Member	\$ 19,277	26-Feb-21	\$ 19,277	
Valeyo	2021 Lower Tier Member	\$ 19,277		\$ 19,277	
Sun Life Financial	2020 Initiation Members (Upper Tier)	\$ 23,133	12-Mar-21	\$ 23,133	
RSM Canada	Associate	\$ 4,800	29-Mar-21		
Willis Towers Watson	Associate	\$ 4,800	25-Feb-21		
KPMG MSLP	Associate	\$ 4,800	25-Feb-21		
Optima Communications	Associate	\$ 4,800	10-Mar-21		
RGA Life Reinsurance Company of Canada	Associate	\$ 4,800	24-Feb-21		
Torys LLP	Associate	\$ 4,800	11-Feb-21		
Dog and Pony Studios	Associate	\$ 4,800	11-Feb-21		
Stikeman Elliott LLP	Associate	\$ 4,800	29-Mar-21		
RSA	Associate	\$ 4,800			
Feb Invoices		\$490,437		\$447,237	
July Invoices		\$447,237			
Total Membership Fees		\$937,675			
Total amount to reallocate monthly Jan-Sept		\$78,140			
Total amount to reallocate monthly Oct-Dec		\$78,140			

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 3(b)

Financial Management Matters—Forecast For CAFII 20021 Fiscal Year as at March 31/21

Purpose of this Agenda Item – *Update*

To update the EOC on the Association’s forecast for the 2021 fiscal year as at March 31, 2021.

Background Information

Treasurer Tony Pergola will provide an update on the CAFII financial forecast as at March 31, 2021.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

2021 CAFII Budget

	2018 Actuals	2019 Actuals	2020 Actuals	CAFII 2021 Operating Budget	2021 YTD March 2021	2021 Forecast	Comment/Rationale
Revenue							
Membership Dues	\$695,545	\$734,664	\$884,721	\$918,475	\$234,420	\$937,675	See breakdown in Member Dues Revenue Tab (includes one new Member at Lower Tier Dues as CPL and Valeyo intend to become two separate CAFII Members)
Annual Members' Luncheon "Additional Seats" Revenue	\$0	\$195	\$0	\$0	\$0	\$0	
Interest	\$0	\$982	\$399	\$300	\$58	\$232.88	Interest from the Savings Account
TOTAL REVENUE	\$ 695,545	\$ 735,841	\$ 885,120	\$ 918,775	\$ 234,478	\$ 937,908	
EXPENSE							
Management Fees	\$460,299	\$465,134	\$476,844	\$487,780	\$124,987	\$487,780	Includes MM Fees (2.0% contractual increase) and two Co-Eds (2.5% increase each)
Legal and consulting costs associated with regulatory submissions and initiatives	\$563	\$0	\$28,975	\$50,000	\$0	\$50,000	For streamlining/simplicity, this line now includes expenses previously captured under Regulatory Model(s) (Row 39), where \$15,000 was budgeted in 2020. 2021 Budget amounts are based on 2020 actuals (recognizing that while in 2020, zero expenses will be incurred under Regulatory Models, that is largely due to the COVID-19 pandemic) and the expectation that CAFII will likely need to tackle heightened regulatory communications/submissions and advocacy/relationship-building work in 2021 as regulators clear their abeyance "backlog" caused by COVID-19.
Audit Fees	\$14,432	\$14,799	\$16,743	\$16,743	\$3,171	\$14,238	Same as 2020 Bill received from KPMG
Insurance	\$5,258	\$5,338	\$5,385	\$6,050	\$1,346	\$6,050	Increase by 10% over 2020 Budget, as per advice from insurance broker Marsh, as a buffer for 2021 renewal in June 2021
Website Ongoing Maintenance	\$6,461	\$10,022	\$5,765	\$7,156	\$1,610	\$7,156	Includes CG Technology (\$233 per month (3% increase)), Constant Contact (\$62.83 per month (3% increase)), Soda PDF Premium (\$56.47), Zoom (\$237.60 per month), Survey Monkey (\$307.36), Virtual Platform (\$500)
Telephone/Fax/Internet	\$5,939	\$6,494	\$5,808	\$5,730	\$2,184	\$5,730	Includes Office Line (\$56.50 per month), Conference Line (\$47.46 per month) & Co-Eds phone and internet lines
Postage/Courier	\$458	\$159	\$53	\$150	\$0	\$150	Monthly Cheque Run and Ad Hoc Mailing
Office Expenses	\$2,423	\$2,025	\$2,158	\$5,000	\$551	\$5,000	Increased from 2020 Budget to cover possible replacement computer hardware and peripherals expenses in 2021 for the Co-Executive Directors
Bank Charges	\$23	\$112	\$236	\$470	\$232	\$470	Annual Credit Card Fee (\$190) plus a possible new digital/electronic Accounts Payable process in 2021 (\$280.00)
Depreciation Computer/Office Equipment	\$1,136	\$1,136	\$1,136	\$1,136	\$284	\$1,136	Same as 2020 Forecast
Miscellaneous Expense	\$0	\$0	\$0	\$500	\$0	\$500	Same as 2020 Forecast
Board/EOC/AGM							
Annual Members Luncheon	\$10,503	\$12,052	\$0	\$0	\$0	\$0	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency line item below
Board Hosting (External)	\$19,515	\$14,001	\$0	\$0	\$0	\$0	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
Board/EOC Meeting Expenses	\$20,715	\$35,419	\$4,676	\$0	\$0	\$0	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
Industry Events	\$1,270	\$0	\$0	\$0	\$0	\$0	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
EOC Annual Appreciation Dinner	\$763	\$2,193	\$4,244	\$0	\$0	\$0	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
Speaker fees & travel	\$191	\$1,189	\$0	\$0	\$0	\$0	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
Gifts	\$0	\$200	\$0	\$0	\$0	\$0	Same as 2020 Budget
Networking Events	\$0	\$0	\$0	\$0	\$0	\$0	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
CAFII Reception Events	\$0	\$0	\$0	\$0	\$0	\$0	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
CAFII 25th Anniversary Celebration	\$0	\$0	\$0	\$0	\$0	\$0	This line item is a placeholder. But this expense will actually occur in 2022, CAFII's "silver anniversary" year
Total Board/EOC/AGM	\$52,957	\$65,053	\$8,920	\$0	\$0	\$0	
Provincial Regulatory Visits and Relationship-Building	\$11,230	\$16,833	\$983	\$0	\$0	\$0	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
Federal Regulatory Visits and Relationship-Building	\$0	\$442	\$540	\$0	\$0	\$0	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
Research/Studies	\$77,345	\$5,368	\$28,646	\$60,000	\$16,950	\$60,000	Same as 2020 Budget
Website SEO and Enhancements	\$21,702	\$40,914	\$31,144	\$41,950	\$10,057	\$41,950	Same as 2020 Budget
Regulatory Model(s)	\$6,490	\$7,555	\$0	\$0	\$0	\$0	Combined with Legal Fees; and this line item will be removed/dispensed with, beginning with the 2021 CAFII budget
CAFII Benchmarking Study/RSM Canada	\$0	\$0	\$68,365	\$67,800	\$0	\$67,800	Continuation of CAFII CPI Benchmarking Study with RSM Canada, estimated at \$60K plus HST.
FCAC Presentation	\$0	\$0	\$20,905	\$0	\$0	\$0	
Media Outreach	\$6,883	\$5,683	\$350	\$6,000	\$323	\$6,000	Expenses related to CAFII Media Releases including Wire Service charges (new split into separate Media Outreach and Media Consultant Retainer (David Moorcroft's S2C retainer) expenses)
Media Consultant Retainer	\$31,639	\$27,120	\$27,685	\$27,120	\$6,780	\$27,120	Monthly retainer fees for David Moorcroft, S2C (new split into separate Media Outreach and Media Consultant Retainer (David Moorcroft's S2C retainer) expenses)
Marketing Collateral	\$557	\$1,629	\$845	\$5,000	\$104	\$5,000	Same as 2020 Budget
Tactical Communications Strategy	\$0	\$0	\$0	\$0	\$0	\$0	This line item is being removed/dispensed with, beginning with the 2021 CAFII budget
Contingency For Possible Resumption Of In-Person Meetings/Events, Etc. in 2021	\$0	\$0	\$0	\$50,000	\$0	\$50,000	Includes Annual Members' Luncheon (\$12,000); Board Hosting External (\$7,500); Board/EOC Meeting Expenses (\$13,500); Industry Events (\$1,000); EOC Annual Appreciation Dinner (\$3,000); Provincial Regulatory Visits and Relationship-Building (\$9,000); Federal Regulatory Visits and Relationship-Building (\$4,000)
TOTAL EXPENSE	\$ 705,793	\$ 675,816	\$ 731,485	\$ 838,585	\$ 168,579	\$ 836,080	
Excess of Revenue over Expenses	(\$10,248)	\$60,025	\$153,636	\$80,190	\$65,899	\$101,828	
Unrestricted Net Assets (beginning of year)	\$180,447	\$170,198	\$230,223	\$383,859	\$383,859	\$383,859	
Unrestricted Net Assets (end of year)	\$170,198	\$230,223	\$383,859	\$464,049	\$449,758	\$485,687	

Explanatory Notes:

- (1) Assumes Two Co-Executive Directors, one @ 5 days per week; one @ 4.5 days per week; plus Managing Matters Admin support
- (2) Amortization of office equipment based on 4 year straight line depreciation
- (3) \$45,000 Legal Expense for Marc Dequette/Norton Rose Fulbright to complete legal opinion re: AMF Spousal Coverage Issue. Alternative for paying for legal opinion is to use the remaining funds from the CCPBI Special Project Fund

Actual/Forecasted Financial Reserves	2018 Actuals	2019 Actuals	2019 Actuals	2021 Operating Budget	2021 Forecast
Minimum 3 months (25%) of Annual Operating Expenses =	\$176,448	\$168,954	\$182,871	\$209,646	\$209,020
Maximum 6 months (50%) of Annual Operating Expenses =	\$352,897	\$337,908	\$365,742	\$419,293	\$418,040
Actual/Forecasted Level of Financial Reserves:	\$170,198	\$230,223	\$383,859	\$464,049	\$485,687
Actual/Forecasted Level of Financial Reserves %:	24%	34%	52%	55%	58%

2019 Operational Budget - Member Dues Breakdown

2018 Member Dues Breakdown

Upper Tier Member	73,438.00	5	367,190.00
DFS	55,079.00	1	55,079.00
Lower Tier Member	36,719.00	4	146,876.00
Initiation Members	44,000.00	2	88,000.00
Associate	4,800.00	8	38,400.00
			695,545.00

2019 (Base) Member Dues Breakdown

Upper Tier Member	73,438.00	6	440,628.00
Lower Tier Member	36,719.00	4	146,876.00
Initiation Members	44,000.00	3	132,000.00
Associate	4,800.00	8	38,400.00
			757,904.00

2019 Operational Budget - Member Dues Breakdown - Revised

2019 Member Dues Breakdown

Upper Tier Member	73,438	6	440,628.00
National Bank	55,079	1	55,079.00
Lower Tier Member	36,719	3	110,157.00
Initiation Members	44,000	2	88,000.00
Associate	4,800	8.5	40,800.00
			734,664.00

2020 Operational Budget - Member Dues Breakdown - 5% Dues Increase

2020 Member Dues Breakdown

Upper Tier Member	77,110	9	693,989.10
Lower Tier Member	38,555	3	115,664.85
Initiation Members (Up	46,266	1	46,265.94
Initiation Members (Lo	23,133	0	0.00
Associate	4,800	11	52,800.00
			908,719.89

2020 Operational Budget - Member Dues Breakdown - 5% Dues Increase

2020 Member Dues Breakdown

Upper Tier Member	77,110	9	693,989.10
Lower Tier Member	38,555	3	115,664.85
Initiation Members (Up	46,266	1	46,265.94
Initiation Members (Lo	23,133	0	0.00
Associate	4,800	6	28,800.00
			884,719.89

2020 Upper Tier Member

BMO Bank of Montreal
CIBC Insurance
RBC Insurance
ScotiaLife Financial
TD Insurance
Desjardins Financial Security Life Assurance Company
National Bank Life Insurance Company
Manulife Financial
The Canada Life Assurance Company

2020 Lower Tier Member

Assurant Solutions
Canadian Premier Life Insurance Company
Cumis Group Ltd/Co-operators Life Insurance Co.

2020 Initiation Members (Upper Tier)

Sun Life Financial

2020 Associate

RSM Canada
Willis Towers Watson
KPMG MSLP
Optima Communications
RGA Life Reinsurance Company of Canada
Torys LLP

*TBC
*TBC

*Associate Candidates - Stikeman Elliott, Norton Rose, Deloitte, Dog and Pony - To be confirmed

Did not renew in 2020

PWC

Munich Reinsurance Company Canada Branch (Life)

2021 Operational Budget - Member Dues Breakdown - No Dues Increase

2021 Member Dues Breakdown

Upper Tier Member	77,110	9	693,989.10
Lower Tier Member	38,555	4	154,219.80
Initiation Members (Upper Tier)	46,266	1	46,265.94
Initiation Members (Lower Tier)	23,133	0	0.00
Associate	4,800	5	24,000.00
			918,474.84

2021 Upper Tier Member

BMO Bank of Montreal
CIBC Insurance
RBC Insurance
ScotiaLife Financial
TD Insurance
Desjardins Financial Security Life Assurance Company
National Bank Life Insurance Company
Manulife Financial
The Canada Life Assurance Company

2021 Lower Tier Member

Assurant Solutions
Canadian Premier Life Insurance Company
Valeyo
Cumis Group Ltd/Co-operators Life Insurance Co.

2021 Initiation Members (Upper Tier)

Sun Life Financial

2 Year

2021 Associate

RSM Canada
Willis Towers Watson
KPMG MSLP
Optima Communications
RGA Life Reinsurance Company of Canada
Torys LLP

2021 Forecast

2021 Member Dues Breakdown

Upper Tier Member	77,110	9	693,989.10
Lower Tier Member	38,555	4	154,219.80
Initiation Members (Upper Tier)	46,266	1	46,265.94
Initiation Members (Lower Tier)	23,133	0	0.00
Associate	4,800	9	43,200.00
			937,674.84

2021 Upper Tier Member

BMO Bank of Montreal
CIBC Insurance
RBC Insurance
ScotiaLife Financial
TD Insurance
Desjardins Financial Security Life Assurance Company
National Bank Life Insurance Company
Manulife Financial
The Canada Life Assurance Company

2021 Lower Tier Member

Assurant Solutions
Canadian Premier Life Insurance Company
Valeyo
Cumis Group Ltd/Co-operators Life Insurance Co.

2021 Initiation Members (Upper Tier)

Sun Life Financial

2 Year

2021 Associate

RSM Canada
Willis Towers Watson
KPMG MSLP
Optima Communications
RGA Life Reinsurance Company of Canada
Torys LLP
Dog and Pony Studios
Stikeman Elliott LLP
RSA

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 3(c)

Financial Management Matters—Update on Board and Membership Approval of CAFII 2020 Audited Financial Statements

Purpose of this Agenda Item – *Update*

To update the EOC on the critical path for approval of the Association’s 2020 audited financial statements.

Background Information

Brendan Wycks will provide an update on the status of CAFII’s 2020 audited financial statements.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 4(a)(i)

Committee Updates—Research & Education—Results Report From CAFII 2020-21 Consumer Research Project With Pollara Strategic Insights on Consumers’ Digitization Preferences: Next Steps

Purpose of this Agenda Item – *Update*

The Pollara research study on consumers’ digitization preferences has now been completed, and Pollara Vice-President Lesli Martin presented the findings to CAFII’s membership on 20 April, 2021. This is an update on the next steps including getting Board approval for sharing the highlights publicly.

Background Information

This is an update on the status of the Pollara consumer research on consumers’ digitization preferences.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

One attachment.



Credit Protection Insurance – Process and Methods – Research Report



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Basis Within Your Organization
Only***

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March, 2021

Methodology

- Survey conducted nationally between **March 3rd to March 10th**, using an online methodology.
- Stratified sample among **1,002 Canadians aged 18 and over, who fit into the following categories :**
 - Who have obtained Credit Protection Insurance for their mortgage or Home Equity Line of Credit since April 2020 n=197
 - Who are likely to obtain a mortgage or Home Equity Line of Credit in the next two years and will likely obtain CPI n=805
- **Reliability:** Online samples cannot officially be assigned a margin of error. As a guideline, a probability sample of N=1003 carries a margin of error of $\pm 3.1\%$, N = 197 carries a margin of error of $\pm 7.0\%$, and N = 805 carries a margin of error of $\pm 3.5\%$, 19 times out of 20.
- **Reporting Conventions:**
 - For Home Equity Line of Credit, the acronym HELOC has been used.
 - For Credit Protection Insurance, the acronym CPI has been used.



Key Findings



Key Findings – Financial Transactions: Past, Present and Future

COVID-19 is changing the way Canadians conduct their banking. While some have continued to go to the branch for transactions such as arranging loans and obtaining insurance, most feel more comfortable and are more likely to use virtual methods. Once the pandemic is over, consumers report that they will continue to depend on financial representatives to assist with CPI arrangements, but it is almost an even split between those who will get this assistance in person or virtually.

- Before the outbreak of COVID-19, Canadians were most likely to conduct bank transactions such as arranging for loans or buying insurance primarily in-person, at a branch. However, most consumers agree that COVID has changed the way they will conduct financial transactions, now and in the future. They feel more comfortable in using virtual methods such as talking to representatives on the phone, through virtual meetings, communicating through email or using web-based methods and to a lesser degree mobile apps for actions for buying insurance or making claims. Many appreciate the convenience of conducting these transactions online and have up-graded their home technology to allow them to do this.
- Consumers expect a lot from their financial institutions to help them with virtual transactions, including easy to understand information, security when it comes to their personal information and the ability to connect with a person (preferably the same one throughout the whole process) if they have questions.
- Once COVID is over, many consumers will move back to conducting these types of bank transactions in general, and obtaining CPI specifically, in person at a branch. These consumers prefer to deal with these matters in person and like to talk to people face-to-face. However, some will continue to conduct these transactions virtually, even after the danger of COVID has passed. In fact, while most will continue to need assistance when it comes to researching and obtaining CPI, it is almost evenly split between those who will get this assistance in person, and those who will use a virtual method.

Key Findings – Obtaining CPI During Pandemic

COVID-19 has encouraged Canadians to obtain insurance, and those obtaining CPI are more likely to include Disability, Critical Illness and Job Loss in their coverage, than they were in 2018. While some who obtained this coverage during the pandemic continue to depend on face-to-face meetings for at least part of the CPI process, the likelihood of using a virtual method has increased significantly. Additionally, knowledge about the coverage and satisfaction with purchase experience has also increased.

- The COVID-19 pandemic has increased the likelihood of consumers obtaining insurance in general, and credit protection insurance specifically. While Life coverage remains the most frequently obtained, incidence of obtaining Disability, Critical Illness and Job Loss coverage has increased since 2018.
- Many of those who obtained CPI during the pandemic are likely to say they met with a representative in-person, at some point to discuss the options or sign the paperwork. However, while some conducted the whole process in-person, they are more likely to have conducted the research and completed the process virtually. This compares to the 2018 findings, when seven-in-ten CPI purchasers completed the process in person.
- Despite the change in method of communication, consumers purchasing CPI are even more satisfied this year than they were in 2018. They say most factors of the insurance were discussed at the same frequency, with the expectation of the review period, which more representatives had discussed this year than in 2018. There is strong confidence in knowledge of the benefits of the coverage types, which has increased significantly since 2018.



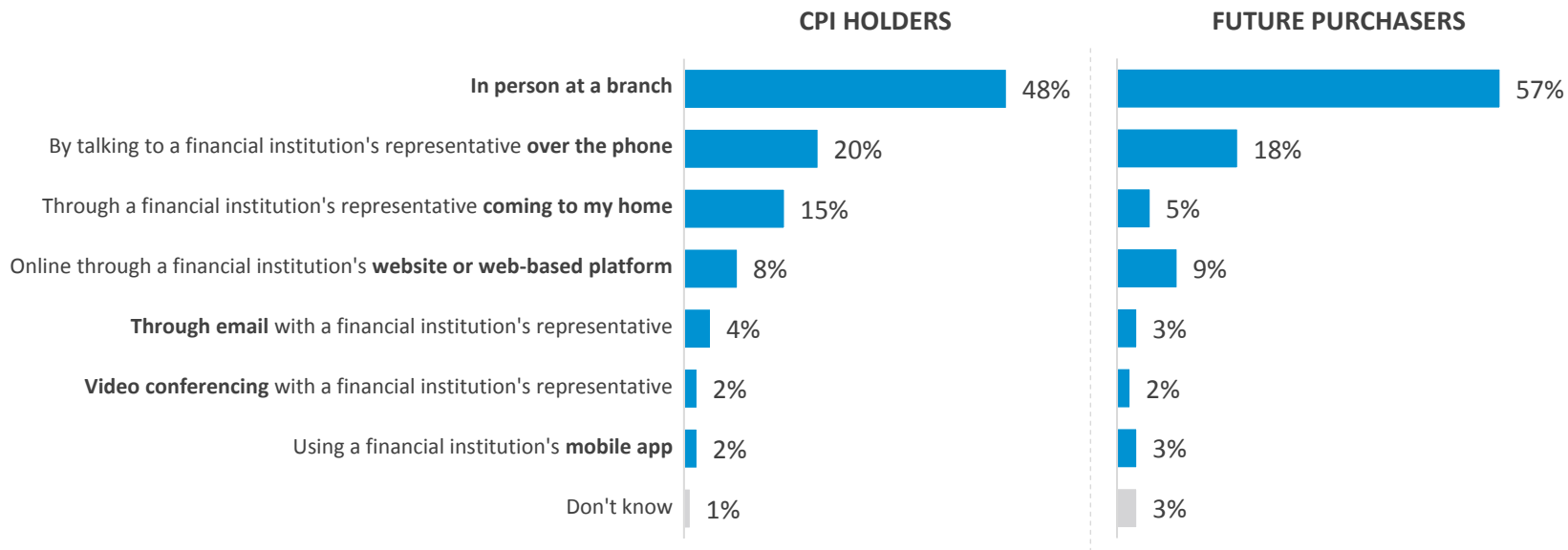
Financial Transactions: Past, Present and Future

pollara
strategic insights

Before COVID, arranging for loans or buying insurance was done in person

- Before COVID, Canadians were most likely to conduct financial transactions such as arranging for loans or buying insurance in person, with most saying they went to a branch (CPI holders 48%, future holders 57%), while a minority had a representative come to their home (CPI holders 15%, future holders 5%).
- While virtual conversations were less popular, those who choose this manner were most likely to talk on the phone (CPI holders 20%, future holders 18%).

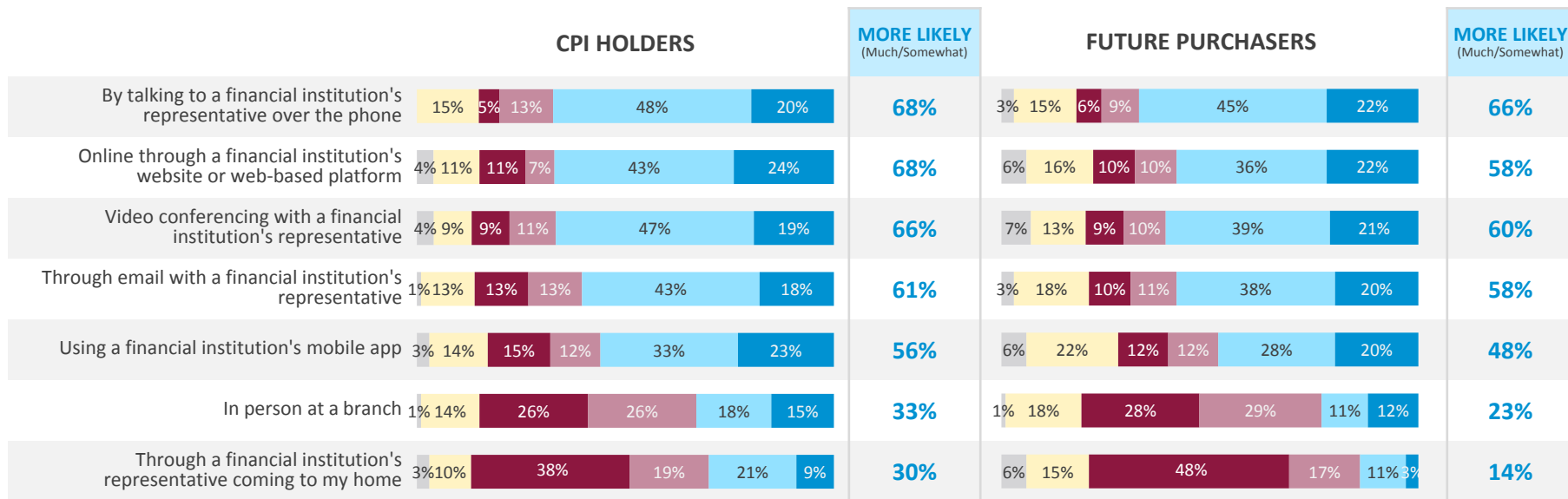
METHOD OF FINANCIAL TRANSACTIONS BEFORE COVID



COVID is influencing Canadians to consider virtual methods of banking

- During the pandemic, Canadians are more likely to consider alternative ways to communicate with their financial institution. Those who have gone through the process of obtaining CPI during this time are most likely to consider talking to a representative over the phone, using the web-based platform, video conferencing or email. Those who have not gone through this process are also likely to move to phone, or to a lesser degree video conferencing, but are slightly more hesitant about web-based or mobile platforms.

LIKELIHOOD OF CONSIDERING PROCESSES DUE TO COVID

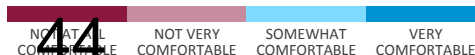
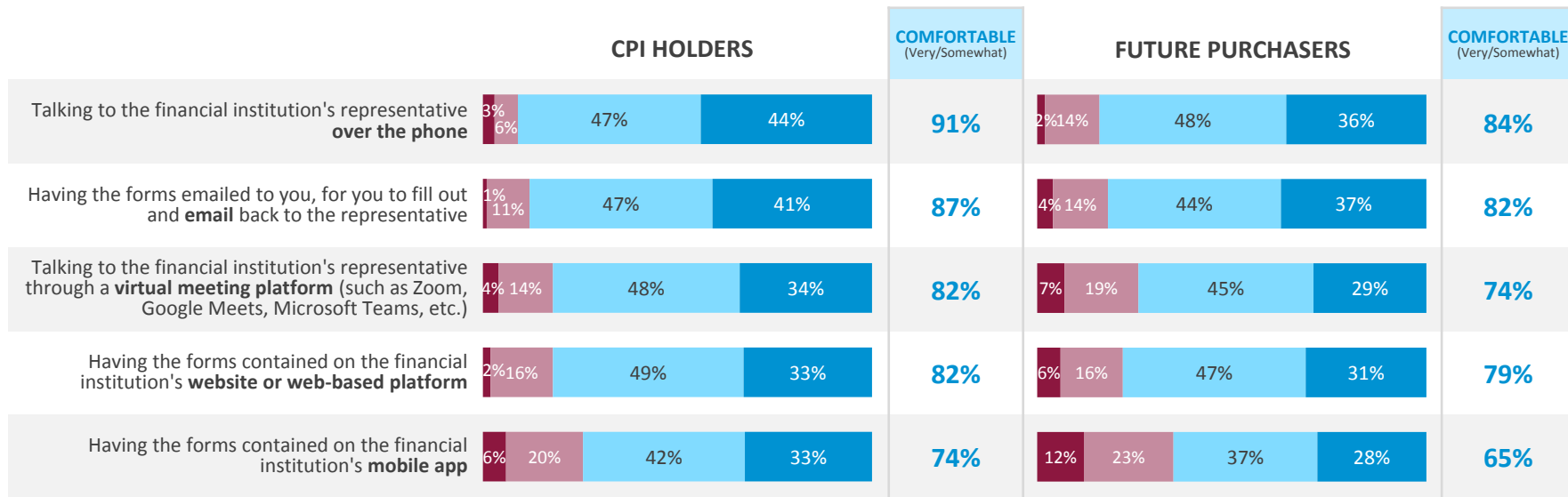


A2. Since the Covid-19 pandemic in Canada, would you say that you are more or less likely to conduct financial transactions such as arranging for loans or buying insurance in each of the following ways? Base: CPI Holders (N=197) **B2.** Since the Covid-19 pandemic in Canada, would you say that you are more or less likely to conduct financial transactions such as arranging for loans or buying insurance in each of the following ways? Base: Future Purchasers (N=805)

Despite many relying on in-person meetings, most would be comfortable obtaining CPI virtually

- Most, particularly those who obtained CPI during the pandemic, would feel at least somewhat comfortable obtaining CPI using virtual methods. Talking to a representative on the phone has the highest comfort rating (CPI holders 91%, future holders 84%), with email (CPI holders 87%, future holders 82%) and virtual meeting platforms (CPI holders 82%, future holders 74%) following closely behind.
- When it comes to financial institutions websites or apps, customers are more comfortable with websites (CPI holders 82%, future holders 79%) than mobile apps (CPI holders 74%, future holders 65%).

COMFORT WITH PROCESS – OBTAINING CPI

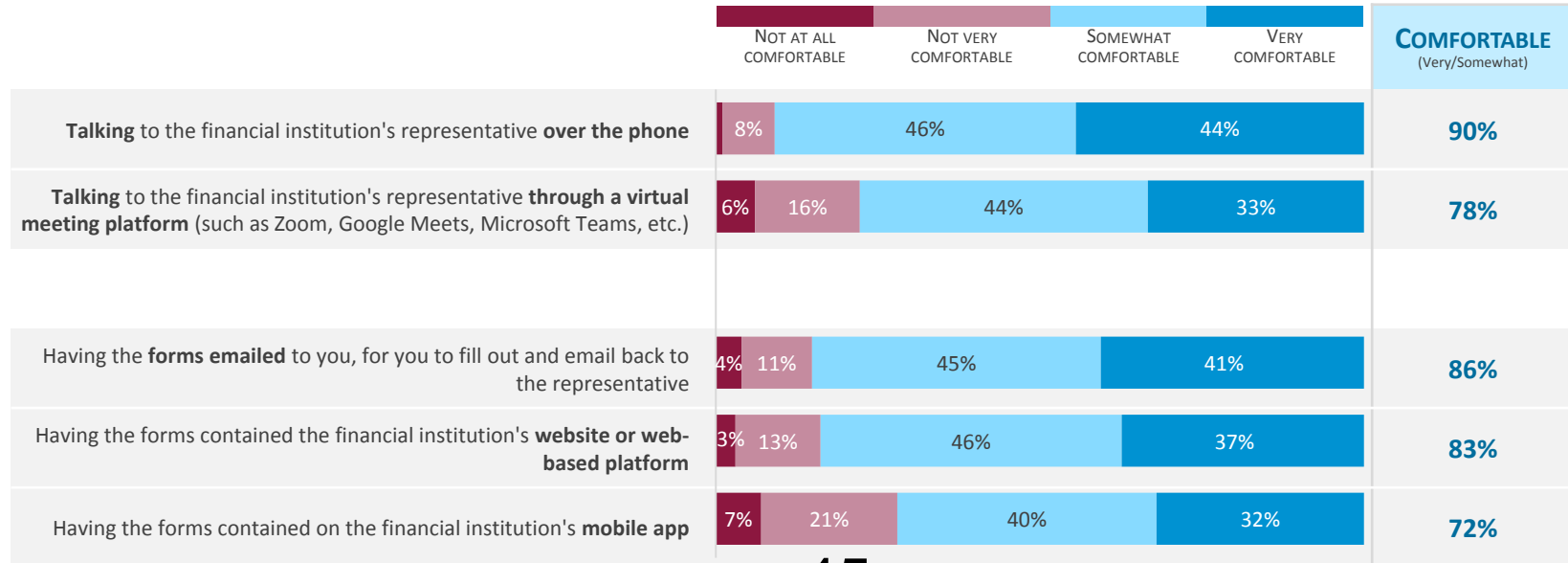


A15. Please indicate how comfortable you are with each of these methods for obtaining Credit Protection insurance? Base: Credit protection insurance holders (N=197)
B8. Please indicate how comfortable you are with each of these methods for obtaining Credit Protection insurance? Base: Future Purchasers (N=805)

Likewise, consumers would feel comfortable making a claim on CPI virtually

- When it comes to making a claim, consumers would feel comfortable doing so by talking to a representative over the phone (90%). While comfort with virtual meeting platforms is lower, still three-quarters (78%) would feel comfortable with this method.
- Consumers would also feel comfortable dealing with forms electronically, particularly through email (86%) or on the financial institutions website (83%). While comfort with mobile apps is less, still 72% would be comfortable using this.

COMFORT WITH PROCESS – SUBMITTING CLAIM

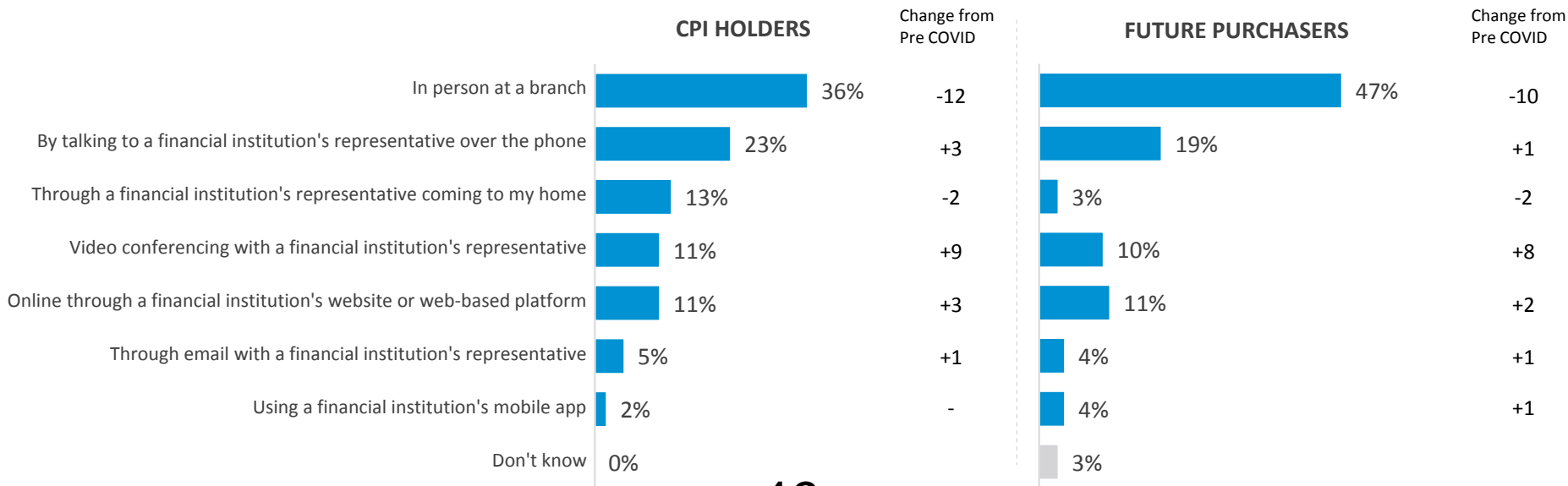


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After COVID, many Canadians will want to go back to in branch banking, although some will move to video conferencing

- When asked how they would like to conduct transactions like arranging for loans or buying insurance after the pandemic, the greatest number say they will go back to in branch banking (CPI holders 36%, future holders 47%). However, this has declined by more than 10% compared to what these people were doing before the pandemic.
- The process that has gained the most in popularity is video conferencing with one-in-ten saying this would be their preference (CPI holders 11% up from 2% pre-COVID, future purchasers 10% up from 2% pre-COVID).

METHOD OF FINANCIAL TRANSACTIONS AFTER COVID

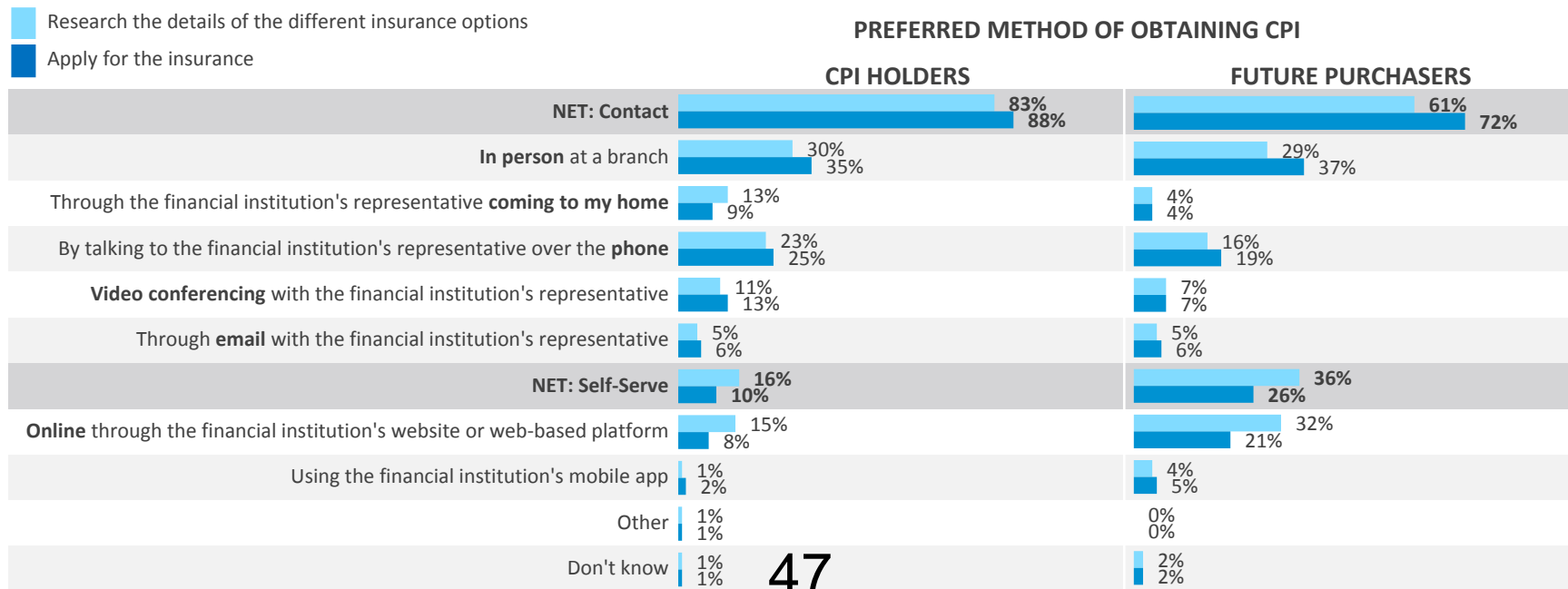


A3. Once the Covid-19 pandemic in Canada is over, how do you think you will want to conduct financial transactions such as arranging for loans or buying insurance?

Base: CPI Holders (N=197) **B3.** Once the Covid-19 pandemic in Canada is over, how do you think you will want to conduct financial transactions such as arranging for loans or buying insurance, such as credit protection insurance? Base: Future Purchasers (N=805)

While customers will want to have help in obtaining CPI, it does not necessarily have to be in-person

- After COVID, the majority of consumers will expect to need assistance in order to obtain CPI, both when it comes to researching and applying for the insurance. However, there is mixed reaction as to whether this will be in-person or virtual contact.
- Among those who have obtained CPI, two-fifths will want in person contact to research (43%) and apply for (44%) CPI, while a similar proportion will want to do it virtually (39% and 44% respectively, with over the phone being most popular. Future purchasers are also split with 33% wanting to research and 41% wanting to apply in person, while one-in-three want to do so virtually (28% and 32% respective). Those who have not yet gone through the process of getting CPI are more likely to think they would want to do it with no help.



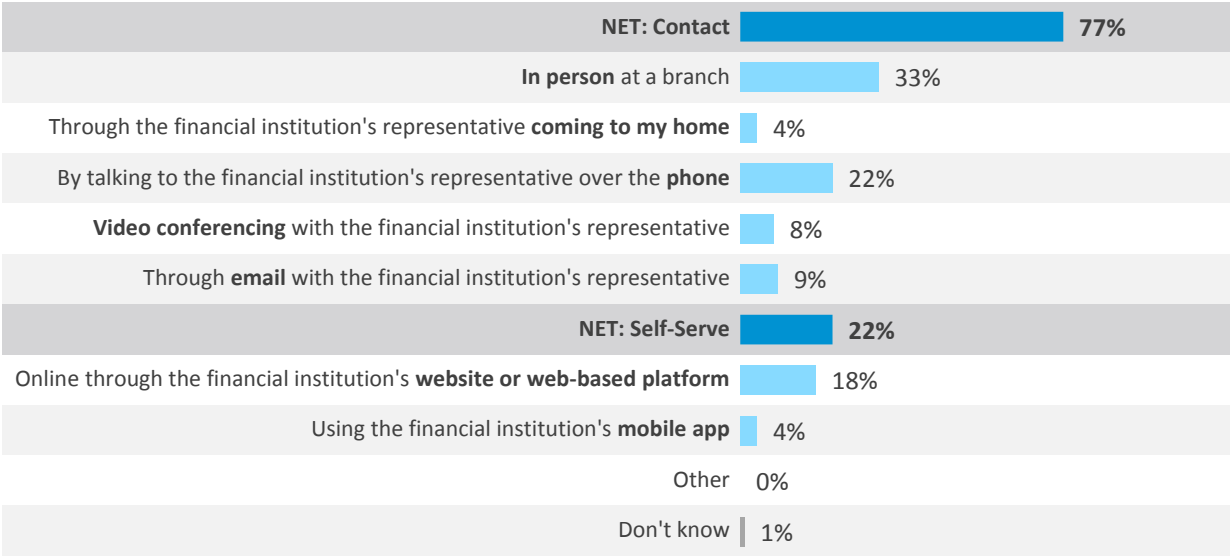
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A17. Once the Covid-19 pandemic in Canada is over, how would you like to complete each step of the process of obtaining credit protection insurance? Base: Credit protection insurance holders (N=197)
B10. Once the Covid-19 pandemic in Canada is over, how would you like to complete each step of the process of obtaining credit protection insurance? Base: Future Purchasers (N=805)

When it comes to making a claim, consumers also want assistance, but it does not necessarily have to be in person

- If they were to make a claim on their CPI policy, three-quarters (77%) would want to do so with the assistance of a representative. However, this is split between those who would want this assistance in person (37%) and those who would want it virtually (39%).
- One-fifth (22%) feel they could make the claim without assistance, with a web-based platform (18%) being more popular than a mobile app (4%).

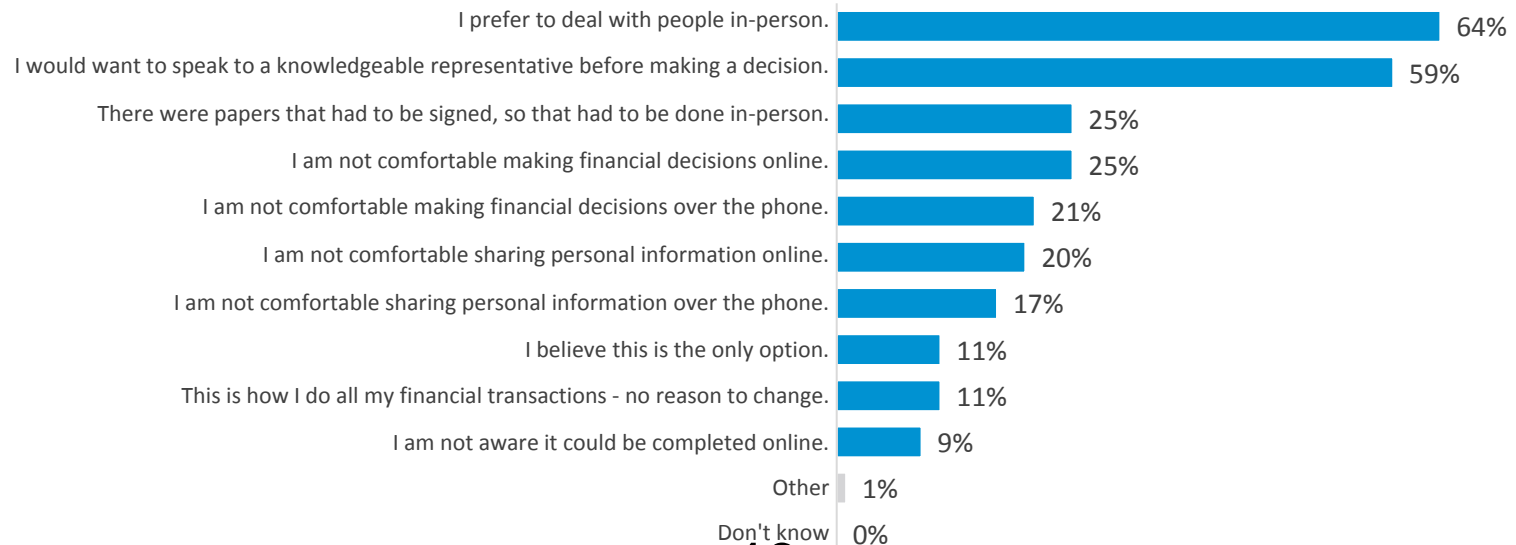
PREFERRED METHOD OF SUBMITTING CLAIMS



Those who want in-person meetings say this is the way they like to do business

- Almost two-thirds of those who want to conduct financial transactions such as arranging for loans or buying CPI with an in-person meeting simply say this is the way they like to deal with people. While this is particularly true among those 55 and older (73%), the majority of all age groups feel the same. More than half simply like to speak to a knowledgeable representative before making a decision.
- There are, however, one-quarter who do not see how papers could be signed virtually, and one-fifth that do not feel comfortable with virtual methods.

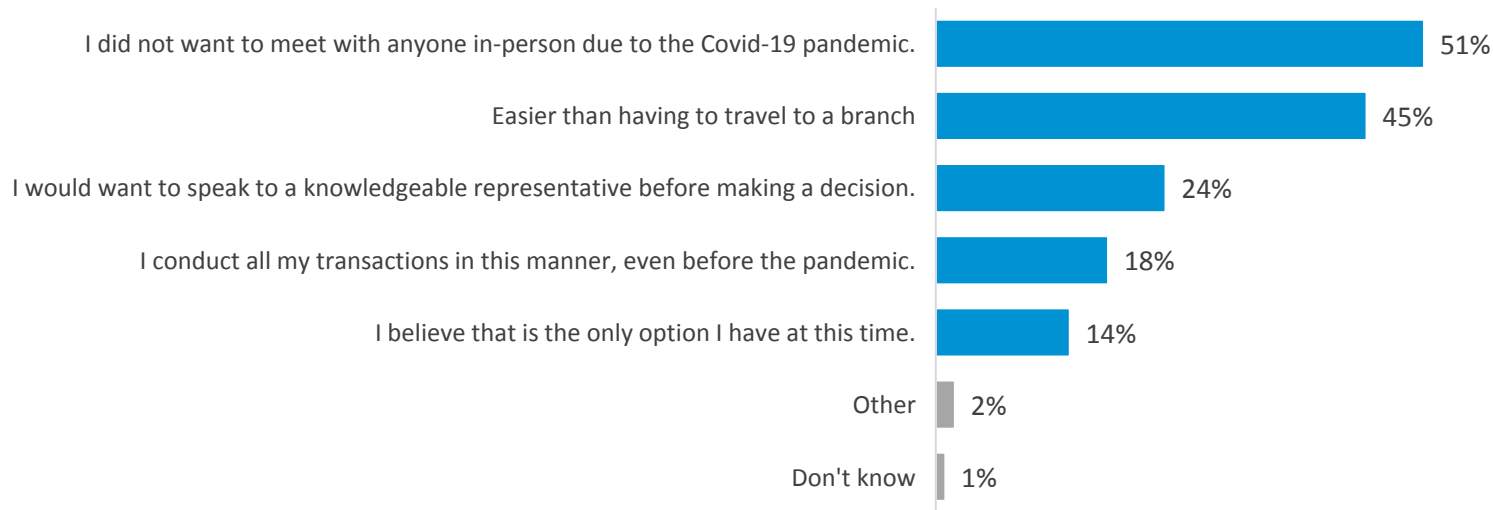
REASONS TO CONDUCT FINANCIAL TRANSACTIONS WITH AN IN-PERSON MEETING



While COVID is the main reason for virtual communication, some find it more convenience than travelling

- The main reason for not wanting an in-person meetings is the COVID-19 pandemic (51%). However, more than two-fifths find virtual methods of communication to be easier than travelling to a branch (45%) and 18% said they did this before the pandemic.

REASONS TO CONDUCT FINANCIAL TRANSACTIONS WITH NO IN-PERSON MEETING

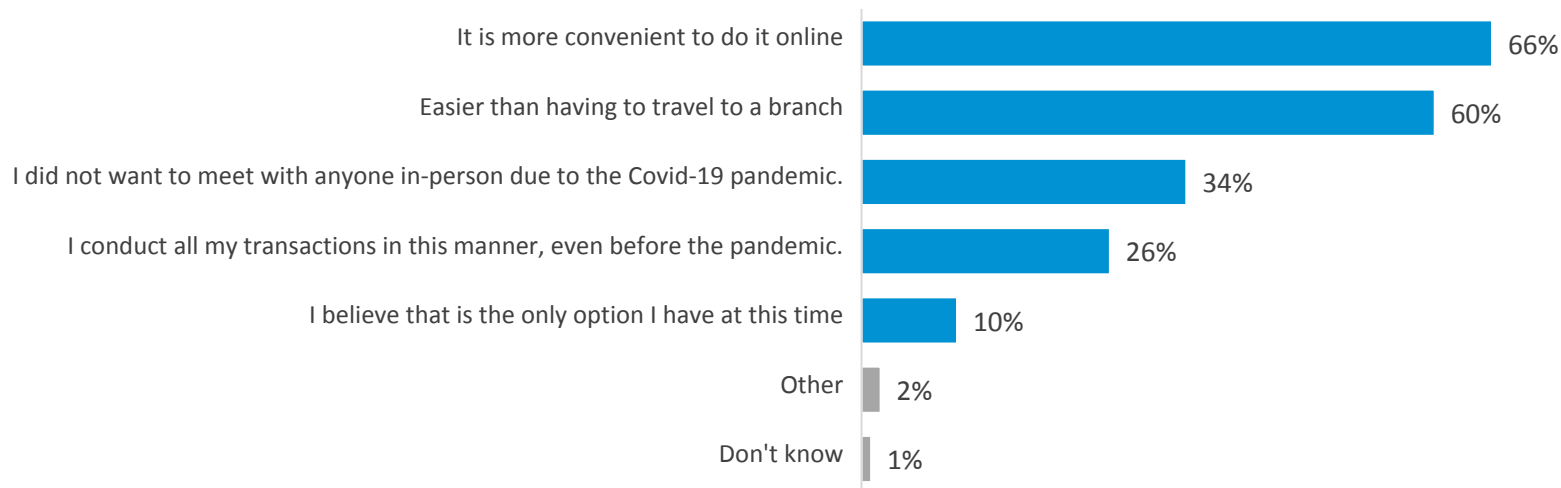


50

Convenience is the reason for applying for CPI online

- Those who would like to apply for CPI using a self-serve method find this to be convenient overall (66%) and easier than travelling to a branch (60%).

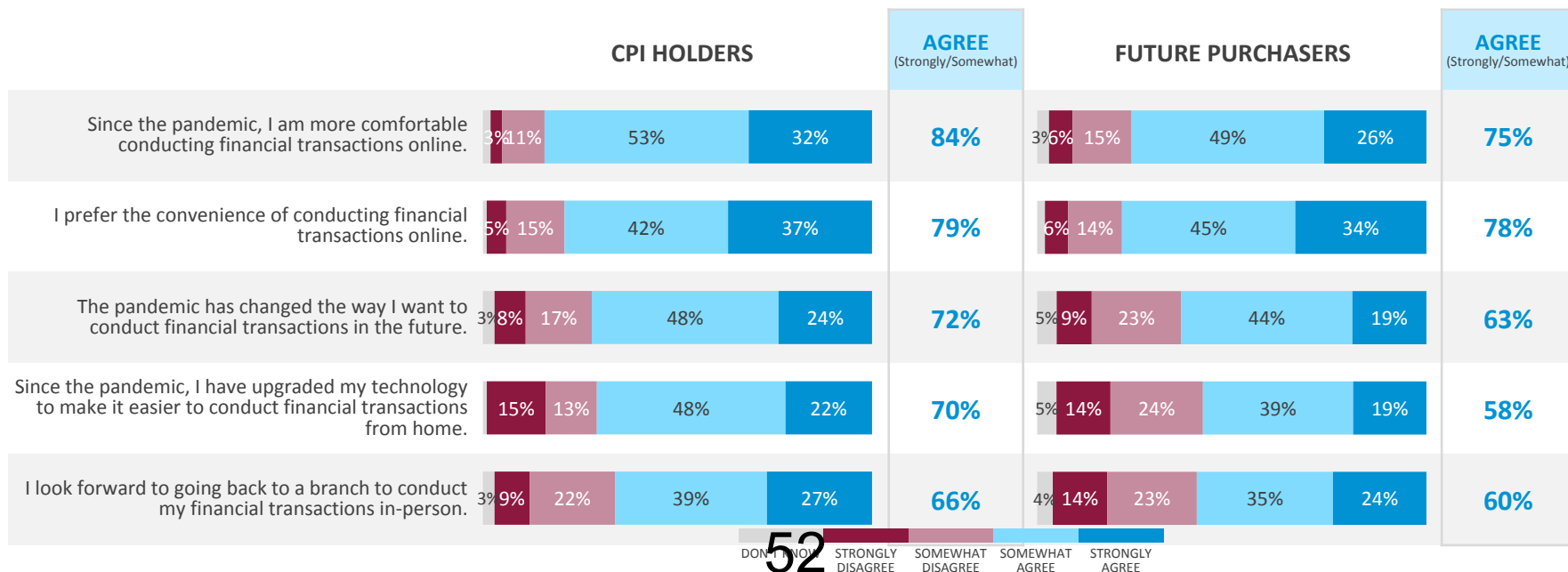
REASONS TO APPLY FOR CREDIT PROTECTION INSURANCE THROUGH THE FINANCIAL INSTITUTION'S WEBSITE, WEB-BASED PLATFORM OR MOBILE APP



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Consumers feel the pandemic has changed the way they do business, particularly among CPI holders

- Four-fifths of CPI holders and three-quarters of future holders agree that they are now at least somewhat more comfortable with online financial transactions and more than three-quarter now prefer the convenience. Seven-in-ten CPI holders have upgraded their technology. While this is less common among those who not yet gone through the process, still 58% say the same.
- In looking to the future, the majority say the pandemic has changed the way they want to conduct financial transactions in the future, however a similar proportion are looking forward to being able to go back to a branch.

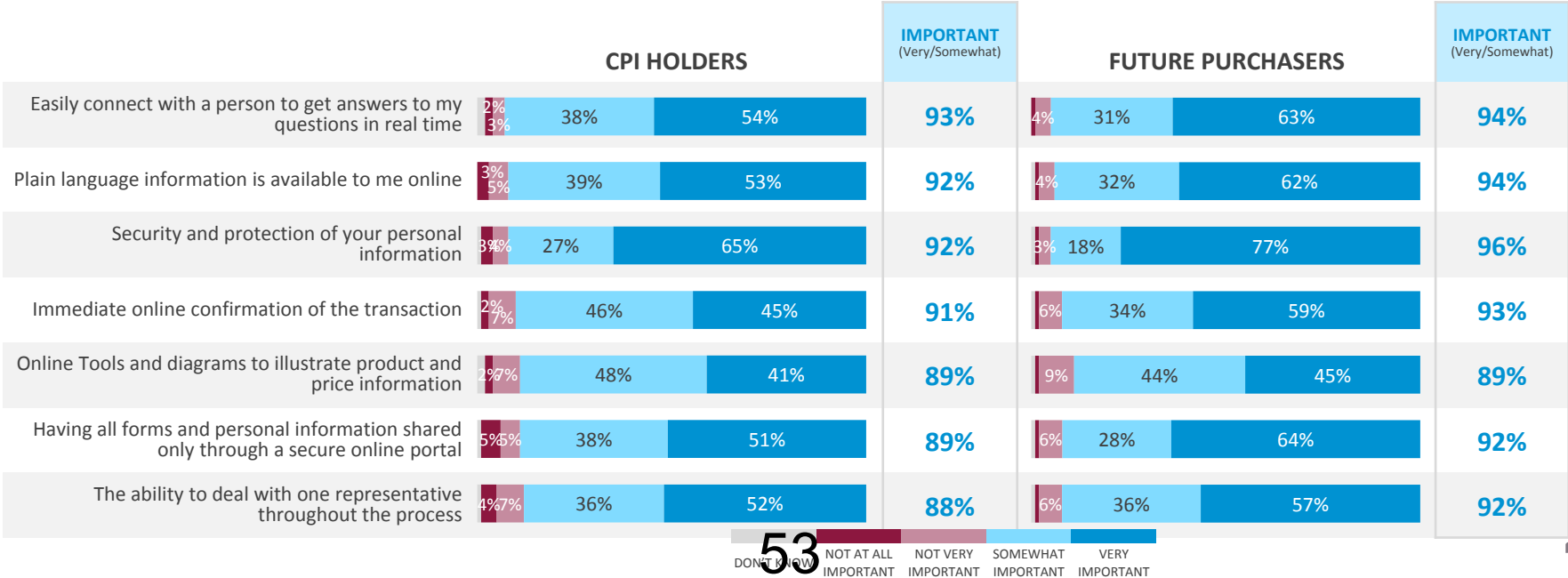


A18. To what extent do you agree or disagree with the following statements? Base: Credit protection insurance holders (N=197)

B11. To what extent do you agree or disagree with the following statements? Base: Future Purchasers (N=805)

Customers believe it is important for financial institutions to take a number of steps to make them comfortable with online transactions

- In order to conduct transactions online, customers expect financial institutions to take a number of steps to help them feel comfortable.
- Protection of information is most important with more than nine-in-ten thinking it is important overall and two-thirds of CPI holders and three-quarters of future holders finding this very important.
- Online tools to illustrate product and price are important to most but less so, with less than half saying this is very important. Less than half of CPI holders (45% vs. 59% of future holders) also consider immediate confirmation of transactions to be very important



A16. How important is it to you that a financial institution offers each of the following when conducting transactions online? Base: Credit protection insurance holders (N=197)

B9. How important is it to you that a financial institution offers each of the following when conducting transactions online? Base: Future Purchasers (N=805)



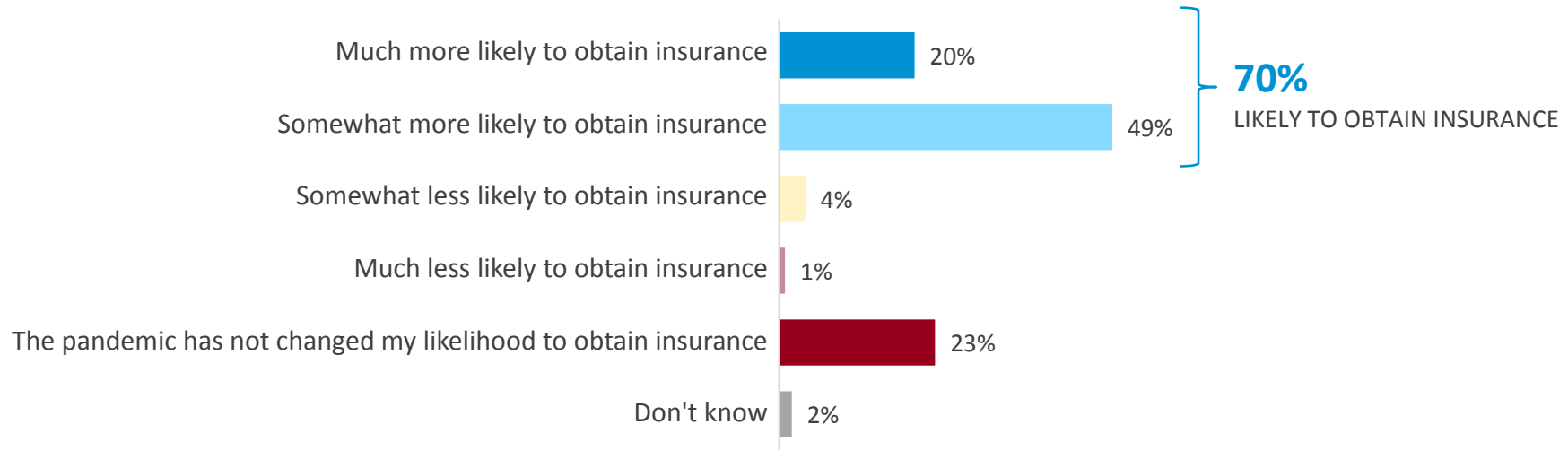
Obtaining Credit Protection Insurance During the Pandemic



COVID-19 has made Canadians more likely to consider insurance

- For seven-in-ten Canadians, COVID has increased the likelihood that they would consider obtaining insurance, with 20% being much more likely to and 49% somewhat more likely.
- While few say the pandemic would discourage them (5%), 23% say it has had no impact.
- Those in Quebec are least likely to consider insurance now (58%), with 36% saying it has had no impact.

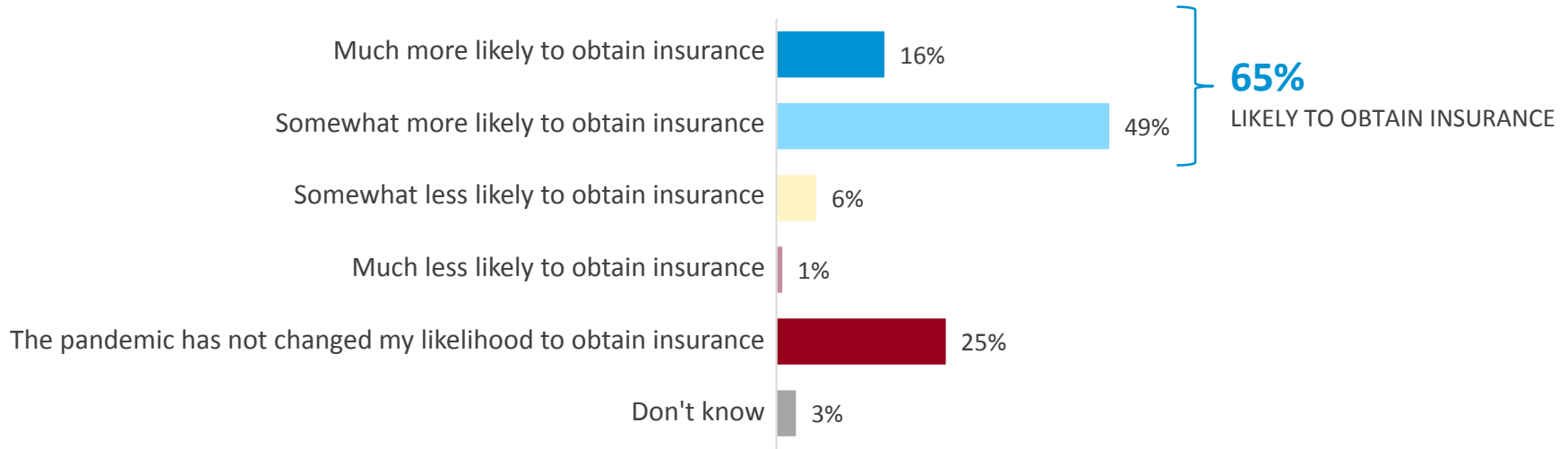
COVID IMPACT ON OBTAINING INSURANCE TO PROTECT IN CASE OF UNFORESEEN EVENTS



Similarly, more than two-thirds are likely to consider obtaining CPI due to the pandemic

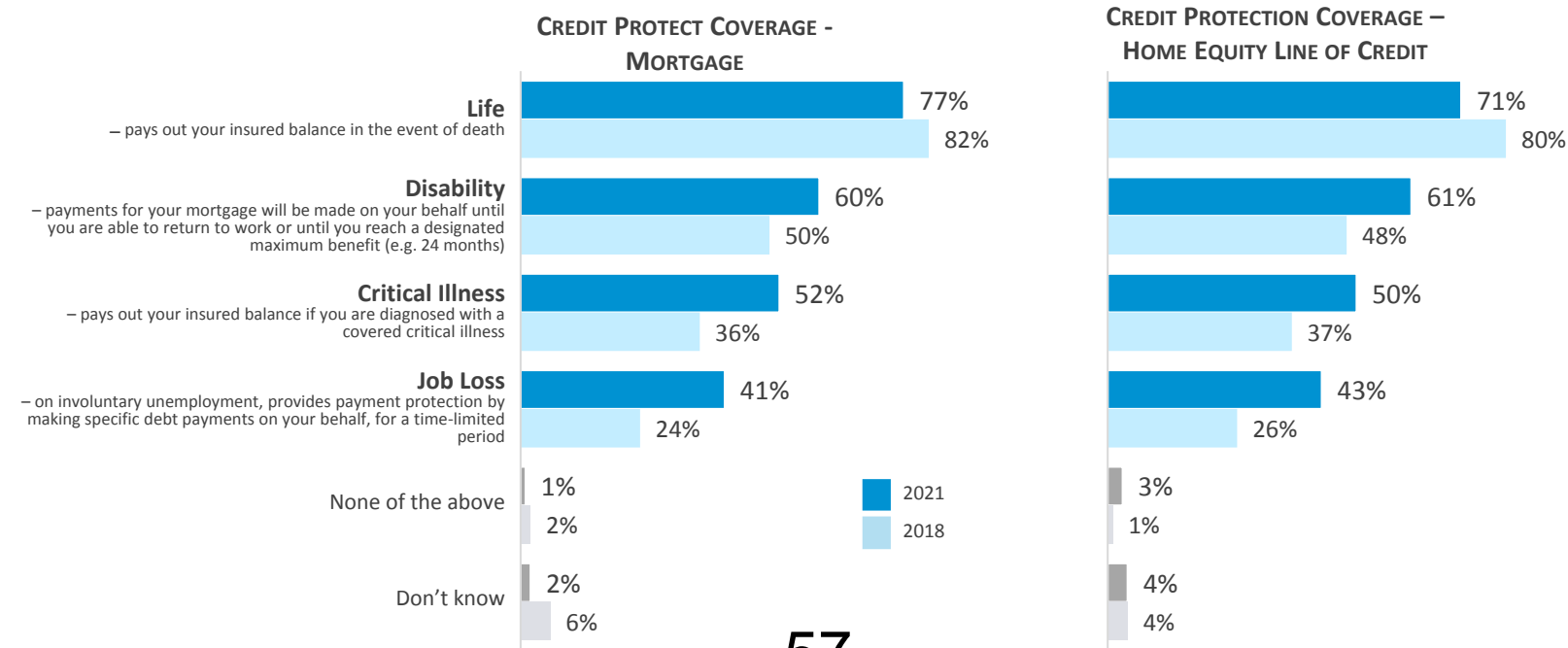
- As Canadians are more likely to consider obtaining insurance, it is not surprising that 65% are also more likely to consider obtaining Credit Protection Insurance with few saying the pandemic has discouraged this and 25% saying it has had no impact.
- Again, Quebec residents are least likely to be considering this insurance due to COVID (53% more likely to consider, 38% no impact).

COVID IMPACT ON OBTAINING INSURANCE FOR MORTGAGE OR LINE OF CREDIT



Incidence of Disability, Critical Illness and Job Loss coverage has increased since 2018

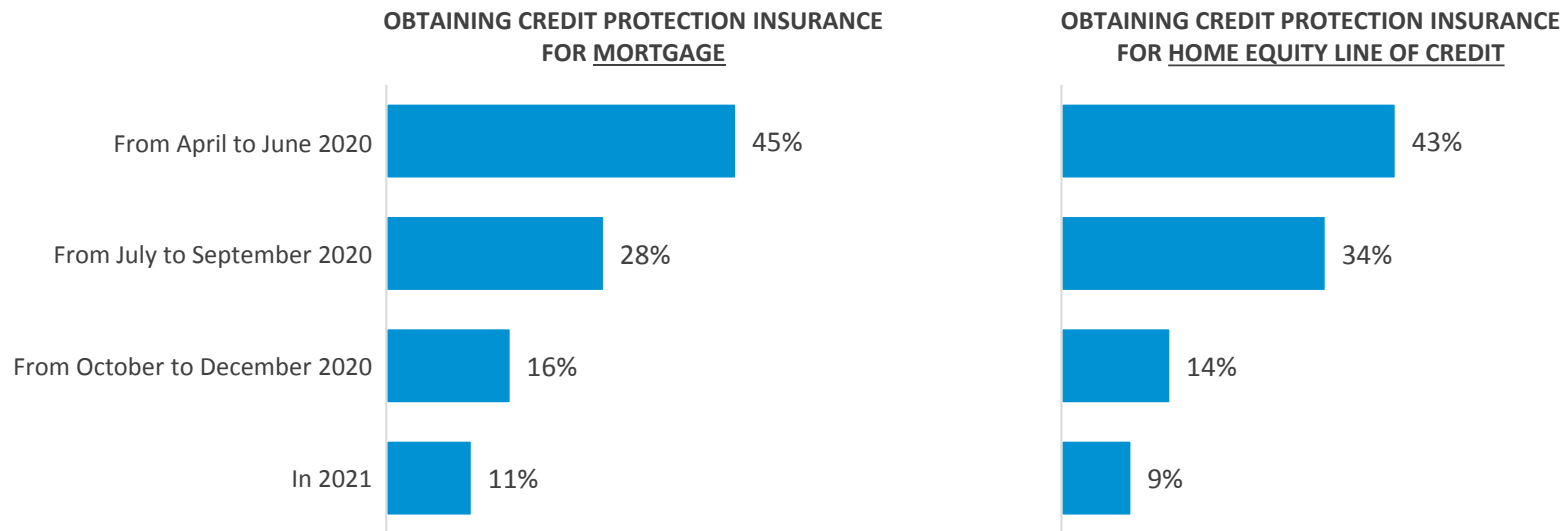
- While Life is the most common coverage, more than half of CPI holders also have Disability and Critical Illness coverage, with two-fifths having job loss.
- Compared to 2018 findings, the incidence of having Life coverage has declined somewhat particularly among HELOC holders (2018 Life coverage: Mortgage 82%, HELOC 80%). However, all other types of coverage has increased



Q4. And what does the credit protection insurance cover you for? Base: Obtain CPI mortgage (N=170)
Q7. And what does the credit protection insurance cover you for? Base: Obtain CPI for HELOC (N=112)

CPI Holders are most likely to have obtained coverage at the beginning of the pandemic

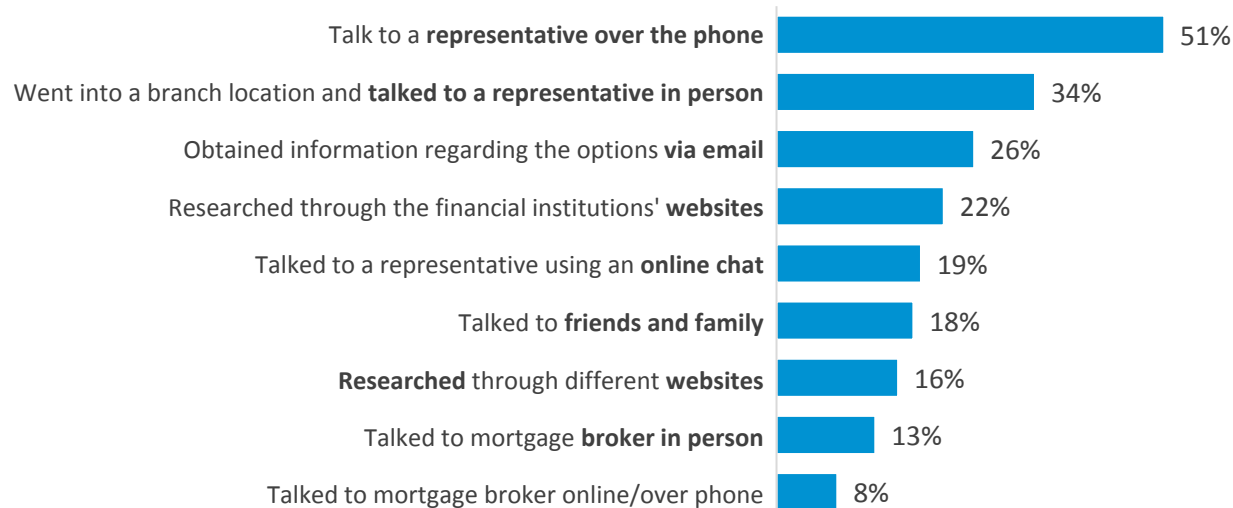
- Of those who obtained CPI during the pandemic, this was most likely to have happened at the beginning, with only one-in-ten having done so in 2021.



When researching CPI during the pandemic, most talked to their representative over the phone, while one-third still did so in person

- Those who had obtained CPI since April 2020 are most likely to have researched it by talking to their representative on the phone (51%), while one-quarter (26%) did so via email and one-fifth (22%) through the website. One-fifth also relied on online chat (19%).
- Despite this research being done during the pandemic, still one-third (34%) talked to the representative in person.

METHODS USED WHEN RESEARCHING FOR MORTGAGE/HOME EQUITY LINE OF CREDIT - CPI HOLDERS

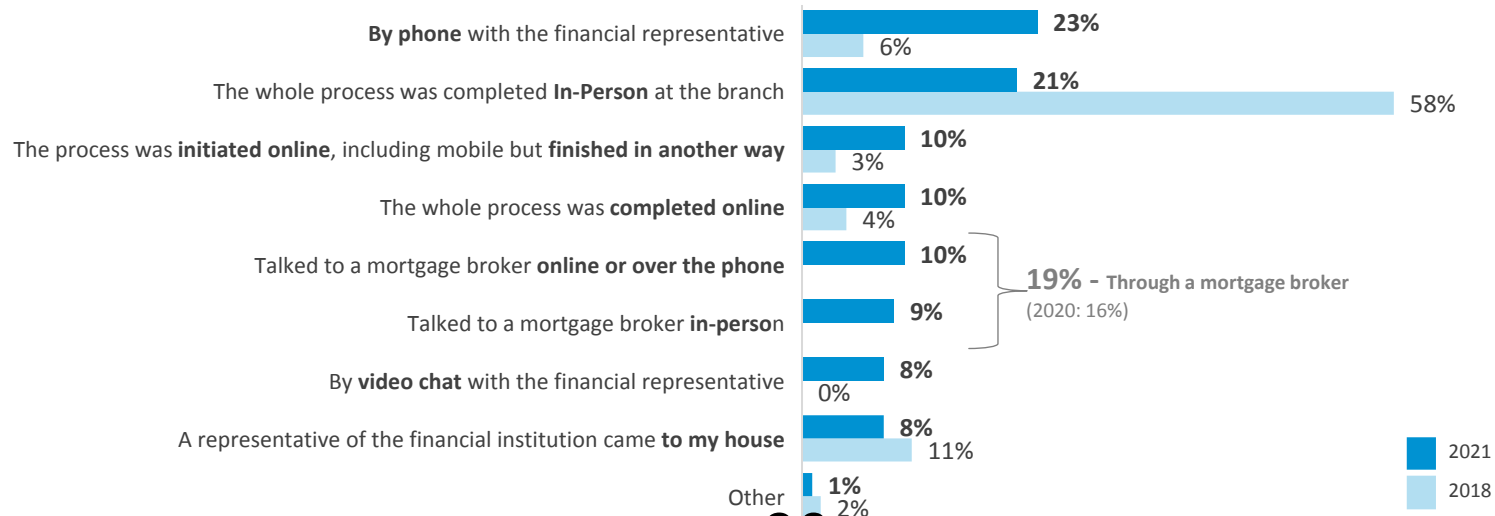


59

The process of obtaining CPI is split between in-person and virtual methods

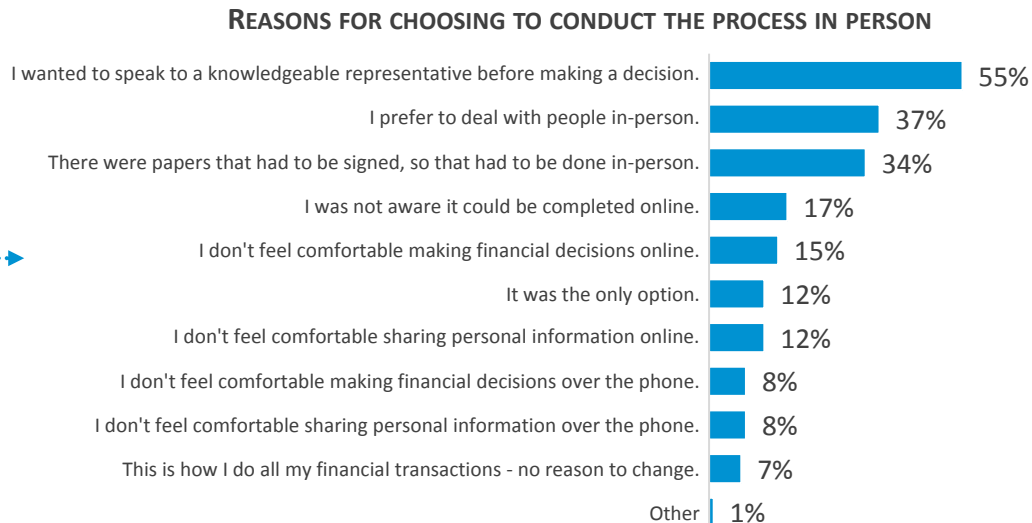
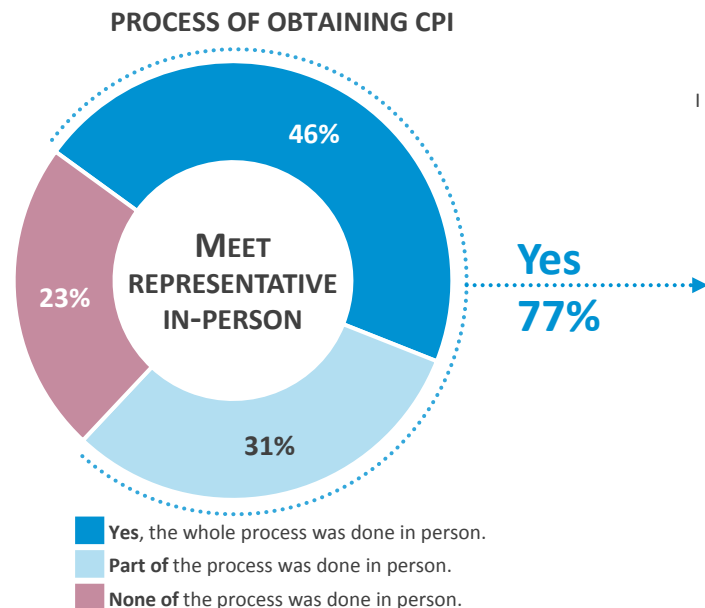
- In 2018, the majority of CPI was obtained in-person meeting, either at the branch (58%) or at their home (11%). This year, half (51%) conducted the process virtually (most likely over the phone with a representative 23% or broker 10%), while one-third (34%) did so in person.
- Those who obtained the CPI at the beginning of the pandemic (from April to June) were split on whether they got it virtually (49%) or in-person (42%). In the middle of the pandemic (July to September) the process moved more virtual (58%) than in-person (30%). However, since October, the process has once again become split (41% virtual, 47% in-person).
- One-in-ten completed the process online or initiated it online but completed it in another manner.

METHOD USED TO OBTAIN CPI DURING PANDEMIC



The majority of customers met with a representative in-person at some point in the purchase process, with some not realizing there was another choice

- Three-quarters of those who had purchased CPI during the pandemic had met a representative in-person for at least some of the process, with only 23% saying it was all done virtually. Results are similar, regardless of when in the pandemic the insurance was obtained
- Half said they met in person because they wanted to speak to someone (55%), one-third (37%) because this is their preferred method and 15% because they do not feel comfortable doing it online. One-third (34%) did so to sign the paperwork, 17% because they didn't know they could do it online, and 12% because it was the only option. One-third (34%) did so to sign the paperwork, 17% because they didn't know they could do it online, and 12% because it was the only option.



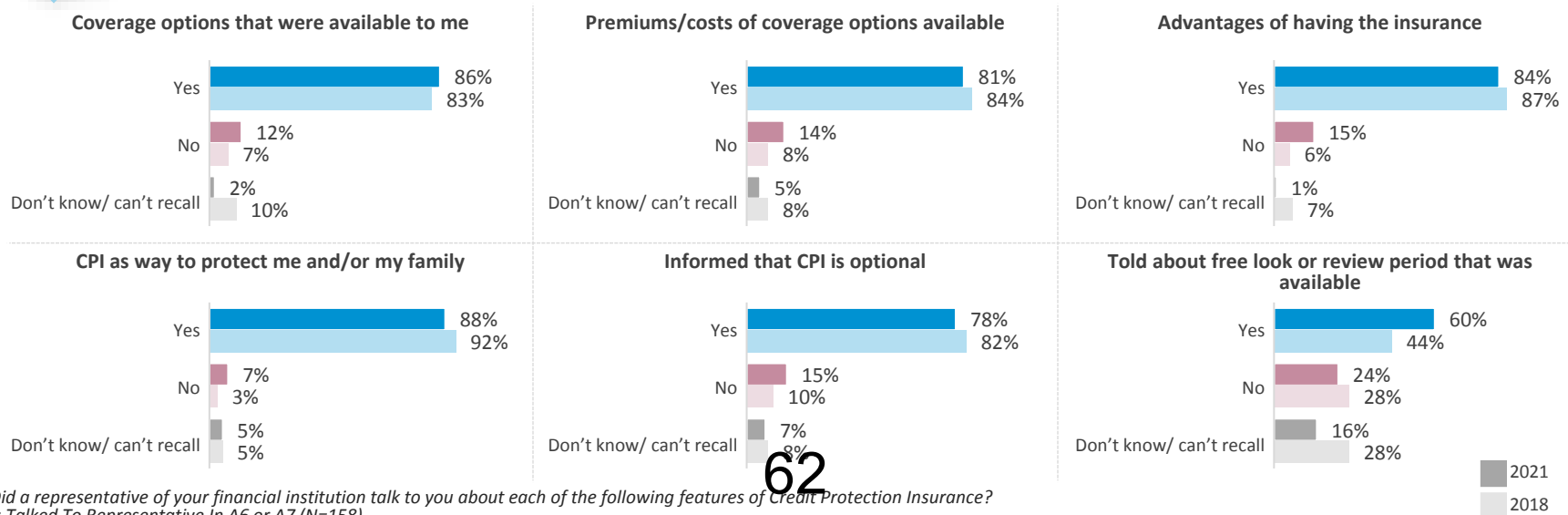
A13. At any point in the process of obtaining Credit Protection Insurance for your [mortgage/home equity line of credit], did you meet with a representative of the bank, financial institution or mortgage brokerage in-person? | **A14.** Why did you choose to conduct all or part of the process in person?
Base: Credit Protection Insurance Holders (N=197)

Different methods of communication have had little impact on the CPI topics covered

- In total, 79% of those obtaining a mortgage/HELOC talked to a representative about CPI – up slightly from 75% in 2018. Of the four-fifths who talked to a financial representative about CPI, the vast majority were told about the coverage options, the premiums, the advantages of the insurance and that it is optional. Three-in-five were also told about the review period.
- When comparing this to results of 2018, representatives are continuing to have the in-depth conversations about all relevant topics. The only difference is seen in the conversations about the review period, which is being discussed significantly more now (60%) than it was in 2018 (44%).

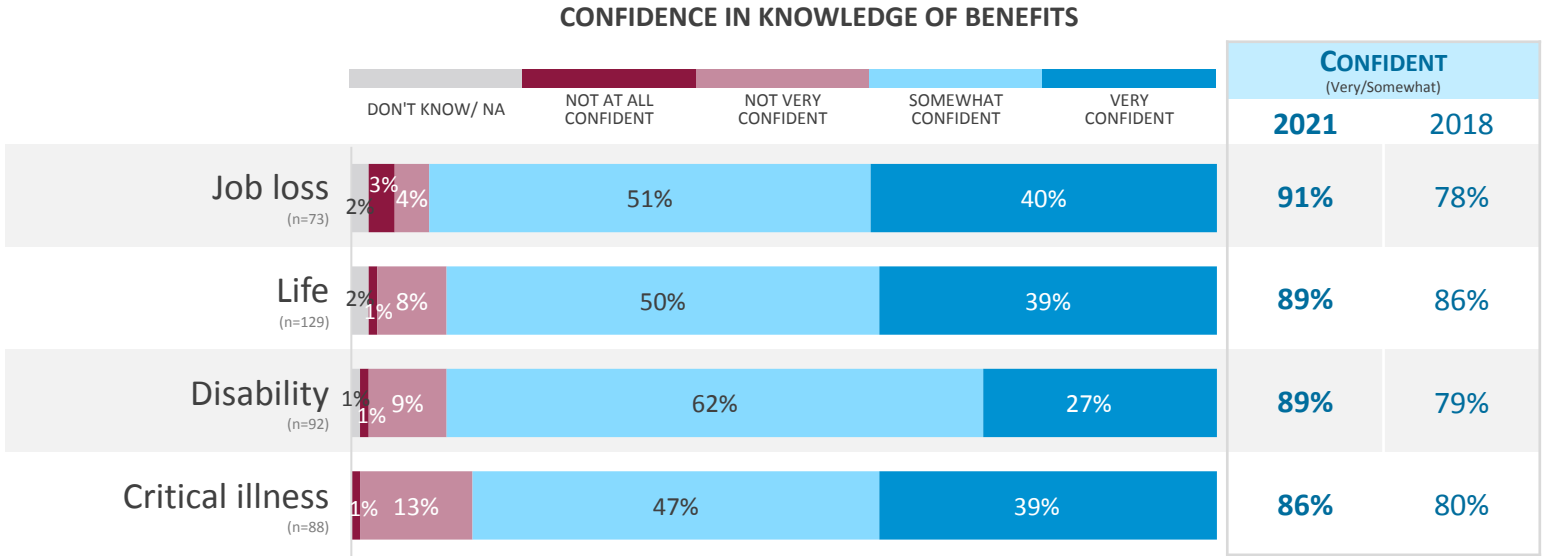
79% Talked To Representative

2018 75% TALKED TO REPRESENTATIVE



Confidence in knowledge of benefits is high across all insurance types, and up from 2018

- Those who have obtained CPI during the pandemic feel confident that they know what they will get if they make a claim on their insurance, with nine-in-ten saying they are at least somewhat confident with each insurance type.
- Confidence in this knowledge has increased across all insurance types compared to 2018 findings. The greatest increase was seen in that of job loss insurance, with 91% being confident now, compared to 78% having that same level of confidence in 2018. Confidence in disability insurance has also increased by 10%, while confidence in critical illness benefits is up by 6% and life insurance benefits is up by 3%.



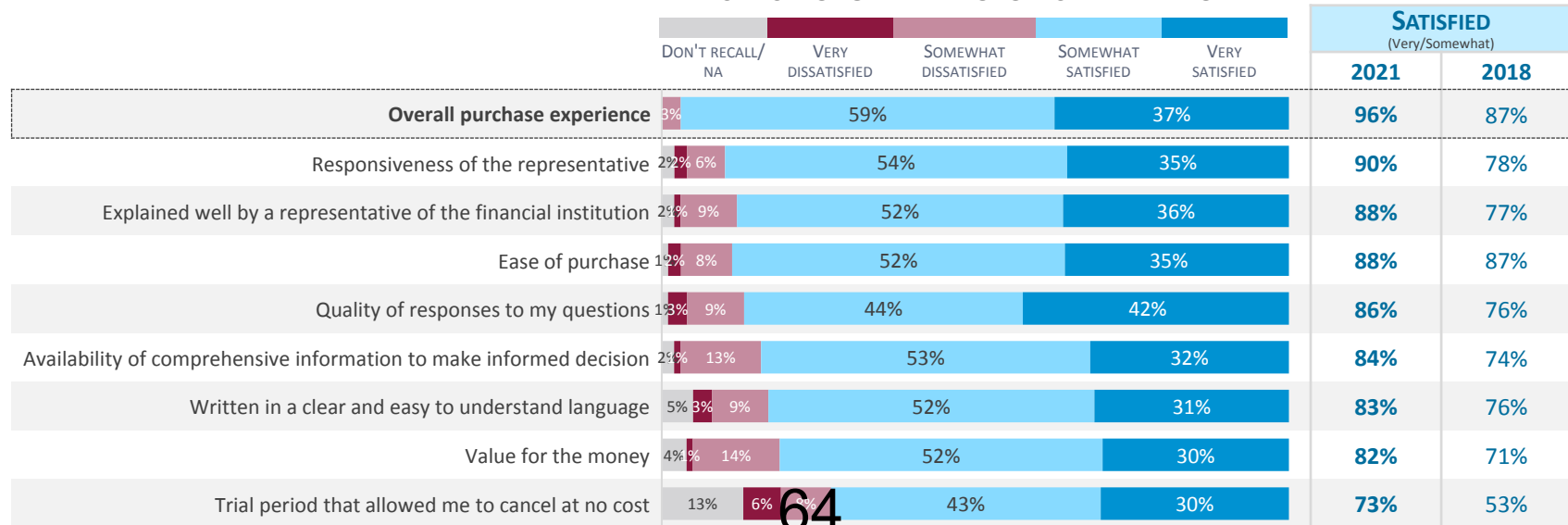
63

A9. How confident are you that you know how much of your mortgage balance or mortgage payment will be paid with each of the types of coverage that you have?
Base: Credit Protection Insurance Holders (N=197)

Satisfaction with CPI purchase experience is high and has increased since 2018.

- Almost all CPI holders were at least somewhat satisfied with the CPI purchase experience (96%), with more than one-third being very satisfied. Overall satisfaction has increased significantly from 2018 (87% up 9%) although the proportion who are very satisfied remained the same (37%).
- Satisfaction with specific aspects of the purchase experience are also very high (with more than four-fifths expressing satisfaction with most) and has increased by about 10% since 2018. Generally, customers feel their representatives are more responsive, and give more detailed yet clear and easy to understand information.
- While satisfaction with ease of purchase is high (88% satisfied), this is similar to the findings of 2018 (87%).
- While the majority are satisfied with the trial period, this is lower than satisfaction with other factors (73%). However, satisfaction with this has seen the largest increase compared to 2018 findings (up 20%).

SATISFACTION WITH PURCHASE EXPERIENCE



A11. Overall, how would you rate your level of satisfaction with the purchase experience, when you purchased your Credit Protection Insurance for your [mortgage/home equity line of credit]?

A12. More specifically, how satisfied were you with the following elements of the purchase process? Base: Credit Protection Insurance Holders (N=197)



Lesli Martin, Vice President

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strategic insights
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Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 4(b) Committee Updates—Media Advocacy

Purpose of this Agenda Item – *Update*

An update on initiatives around media advocacy.

Background Information

CAFII has now begun implementing its 2021 website initiatives, starting with the creation of a new blog icon (to be called “Insights”) and two initial blog entries to be posted.

CAFII will be seeking Board approval for posting the highlights of the consumer research by Pollara on consumers’ digitization preferences on the CAFII website, and issuing a press release.

The intention is to post a recording of the 28 April, 2021 webinar with FSRA’s Executive Vice-President Glen Padasserry on the website.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 4(c) Committee Updates—Market Conduct & Licensing

Purpose of this Agenda Item – *Update*

An update on initiatives by the Market Conduct & Licensing Committee.

Background Information

The Market Conduct & Licensing Committee is working on a response to some questions that have been asked of CAFII by FSRA around its new UDAP Rule.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

**CAFII EOC Meeting 27 April, 2021—Agenda Item 4(d)
Committee Updates—Travel Insurance Experts**

Purpose of this Agenda Item – *Update*

An update on initiatives of the Travel Insurance Experts Working Group.

Background Information

A Travel Insurance Experts Working Group update will be shared.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 4(e) Committee Updates—Networking & Events

Purpose of this Agenda Item – *Update*

An update on the upcoming CAFII webinar with Glen Padassery, Executive Vice-President, FSRA.

Background Information

CAFII will be holding a webinar with Glen Padassery on 28 April, 2021. There are already close to 100 registrants. The intention is to record the session and post it on the CAFII website.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

One attachment.

Agenda Item 4(e)(i)
April 27/21 EOC Meeting

CAFII Engagement With Glen Padassery, EVP and Chief Consumer Officer, FSRA, in Preparation for April 28/21 CAFII Webinar

From: Glen Padassery <Glen.Padassery@fsrao.ca>

Sent: April-19-21 4:26 PM

To: Brendan Wycks <brendan.wycks@cafii.com>; Vicki Lam <Vicki.Lam@fsrao.ca>; Benny Cheung <Benny.Cheung@fsrao.ca>

Cc: Diba Kohandani <Diba.Kohandani@fsrao.ca>; Keith Martin <Keith.Martin@cafii.com>; Albert Lin <albert.lin@cafii.com>; Meighan Pears <info@cafii.com>

Subject: RE: Preliminary Draft Of Fireside Chat Questions For Glen Padassery, FSRA In April 28/21 Webinar With Keith Martin, CAFII

Importance: High

Hi Brendan

Hope all is well and apologies for the delayed response back to you w/ the Questions – we’ve added (or attempted to add/clarify 2 questions) to build out the discussion.

Let me know if this is helpful and/or suggested revisions.

Thanks!

Glen

**Draft CAFII Questions For Glen Padassery, Executive Vice-President, Policy & Chief Consumer Officer, Financial Services Regulatory Authority of Ontario (FSRA)
In April 28/21 Fireside Chat Webinar With Keith Martin, CAFII Co-Executive Director**

1. Can you tell us a bit about your previous career experience in governmental consumer protection roles and how it prepared you for the Chief Consumer Officer dimensions of your current role at FSRA, which includes overseeing the Authority’s Consumer Office?
2. As Executive Vice-President, Policy & Chief Consumer Officer at FSRA, do you find that you have to grapple with an inherent conflict between – or at least a delicate balancing act between – FSRA’s regulatory burden reduction efforts and the Authority’s strong focus on consumer protection?
3. Speaking of Fair Treatment of Customers or FTC, what were some of the factors that went into FSRA’s recent decision to adopt the CCIR/CISRO 2018 document “Guidance: Conduct of Insurance Business and Fair Treatment of Customers” as the standard for FTC in the insurance sector, and not to have the FSCO “Treating Financial Consumers Fairly Guidance,” which FSRA inherited, continue to apply to our sector?

4. **Comment – do we want to continue along the lines of ‘harmonization’ (add a question on work to support regulatory harmonization) – can describe work underway here to support harmonization outcomes**
5. Can you give us a high level overview of the mandate and activity to date of the Consumer Office that you oversee at FSRA?
6. In setting the mission, mandate, and strategies of the Consumer Office, were you able to look to any other regulatory authorities around the world as examples, and for models and inspiration? Or is the Consumer Office at FSRA an early pioneer and one of the first such direct consumer engagement functions at a financial services regulator anywhere?
7. One of the strategies which FSRA has stated that the Consumer Office will deploy is consumer-based research activities. Can you give us a sense of what the Consumer Office has done in that area thus far, and or any plans you have for it in the future?
8. In January 2020, you announced the creation of FSRA’s Consumer Advisory Panel and appointed nine (9) individuals as its founding membership; and on April 8, earlier this month, you issued a 2020 Annual Report from the Consumer Advisory Panel. Can you give us an overview of the Consumer Advisory Panel’s Terms of Reference; its activity to date; and how its input fits into the mandate of the Consumer Office and helps to shape **Policy** at FSRA?, which of course is another key component of your overall responsibilities as Executive Vice-President.
9. Given FSRA’s focus on consumer protection – as evidenced by many of the things we’ve talked about thus far – can you give us a sense of how the Authority seeks to achieve the right and optimal balance between consumers’ rights, on the one hand; and consumers’ responsibilities on the other hand?
10. Glen, what you’ve just shared with us about the Consumer Office and the Consumer Advisory Panel provides a nice segue to this next question. Another industry Association – Advocis, which represents financial advisors and planners, including those who deal in life and health insurance – made the following request in its November 2020 submission on FSRA’s Proposed 2021-2022 Statement of Priorities: “Given the important client-facing work our members do, we would welcome an opportunity to work with the Consumer Office whenever it crafts policies designed to improve the consumer experience.”

Do you think that that sort of industry Association request is something that the Consumer Office and FSRA is ever likely to look favourably upon?

11. Can you share with us an overview of any initiatives which FSRA has introduced or plans to introduce to enhance consumer financial literacy?; and if there might be any opportunities for industry players to support FSRA’s efforts in this area?
12. Glen, another key strategic thrust that you have responsibility for at FSRA is **Innovation**. Can you tell us about what your areas of focus are around Innovation, and what resources you have at your disposal to achieve the Authority’s innovation objectives? – perhaps starting off with internal innovation and how that is contributing to FSRA being the type of regulator that it wants to be.

13. Staying with the theme of Innovation but looking externally now, can you share with us a sense of what FSRA's objectives are with respect fostering industry innovation and any examples of the strategies that you are or will be pursuing in that area?

14. The Government recently posted draft regulations supporting exemptions under the Insurance Act to enable FSRA to operate an insurance 'regulatory sandbox' for Insurers to pilot innovative initiatives – can you describe what FSRA is doing and what we can expect to see going forward?

Transition to Q&A Session With Audience Members (For Final 10 to 15 minutes)

Briefing Note

CAFIL EOC Meeting 27 April, 2021—Agenda Item 5(a)

**Recent and Upcoming Strategic and Regulatory Initiatives—Board-Approved Next Step #1
Arising from AMF’s March 30/21 Response Letter to CAFIL’s July 7/20 Creative Solutions
Submission on Credit Card-Embedded Insurance Benefits: CAFIL Working Group on Industry
Alignment Around Compliance with AMF’s Expectations**

Purpose of this Agenda Item – *Update*

To update the EOC on one of three Board-approved CAFIL initiatives in response to the AMF response letter to CAFIL about credit card-embedded insurance benefits.

Background Information

CAFIL’s Board has approved the development of a Working Group on how CAFIL members may wish to respond to the AMF about its direction that the RADM fully applies to credit card-embedded insurance benefits. This will include what CAFIL members may feel that they can do, as well as identifying what would be problematic or challenging to do in response to the AMF’s expectations.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

Agenda Item 5(a)
April 27/21 EOC Meeting

Board-Approved Next Step #1 Arising From AMF's March 30/21 Response Letter to CAFII's July 7/20 Creative Solutions Submission on Credit Card-Embedded Insurance Benefits: CAFII Working Group On Industry Alignment Around Compliance With AMF's Expectations Re RADM's Applicability To Credit Card-Embedded Insurance Benefits

Draft Terms of Reference

Mandate

This Working Group will seek to develop an industry position on what can, and cannot, be done to meet the AMF's expectations arising from its interpretation/position that the Regulation respecting Alternative Distribution Methods (RADM) does apply to credit card-embedded insurance benefits.

Central to the rationale for this Working Group is the premise that it is optimal that the Action Plans which will be submitted to the AMF by CAFII Member insurers which underwrite credit card-embedded insurance benefits are well-aligned and do not contradict each other. Otherwise, the AMF will be in a position to choose the Action Plan it prefers and then direct all other industry participants to meet the same standards.

Process

In its 30 March, 2021 response letter to CAFII – in which it wholly rejected the creative solutions concessions proposed in CAFII's submission of 7 July, 2020 -- the AMF said it expected insurer underwriters of credit card-embedded insurance benefits to implement/ deliver the following by 17 September, 2021:

- *Disclose each product embedded in the credit cards under the DWR regime (one file per product);*
- *Make each product summary and a specimen of the policy or the insurance certificate accessible on their own website;*
- *Provide the AMF with an action plan to implement the delivery of the summary by their distributors to the clients; to train their distributors and to implement the necessary adjustments to their processes to comply with the Quebec laws and regulations.*

The Working Group will meet weekly to determine how best to meet these expectations, including what should be included in Member insurer Action Plan submissions to the AMF.

Participants

CAFII EOC and Board members will be invited to nominate representatives from their Member companies to serve on the Working Group. They will be encouraged to limit their nominees to two per company, and will be asked to include credit card expert representatives among their nominees, if possible.

The members of the previous Working Group on Creative Solutions will be invited to continue on this Working Group, but other nominees will be welcome as well.

Meetings

Initially, the Working Group will meet every Thursday from 1.00 to 2.00 p.m. via MS Teams.

Briefing Note

CAFIL EOC Meeting 27 April, 2021—Agenda Item 5(b)

**Recent and Upcoming Strategic and Regulatory Initiatives—Board-Approved Next Step #2
Arising from AMF’s March 30/21 Response Letter to CAFII’s July 7/20 Creative Solutions
Submission on Credit Card-Embedded insurance Benefits: CAFII Outreach Request To CBA That
It Engage In This Issue, Given Implications For Core Credit Card Offerings in Quebec**

Purpose of this Agenda Item – *Update*

To update the EOC on the second of three Board-approved CAFII initiatives in response to the AMF response letter to CAFII about credit card-embedded insurance benefits.

Background Information

CAFIL’s Board has approved CAFII’s writing to the CBA and requesting that it engage on the issue of the AMF’s expectations around industry complying with the RADM with respect to credit card-embedded insurance coverages. The CBA has previously said that this was not within its strategic priorities, but the Board felt that because the AMF response has potentially negative implications for banks’ core credit card offerings in Quebec, it was important for the CBA to get involved in this issue.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

One attachment.

Agenda Item 5(b)
April 27/21 EOC Meeting

Board-Approved Next Step #2 Arising From AMF's March 30/21 Response Letter to CAFII's July 7/20 Creative Solutions Submission on Credit Card-Embedded Insurance Benefits: CAFII Outreach Request To CBA That It Engage In This Issue, Given Implications For Core Credit Card Offerings in Quebec

From: Docherty, Charles <CDocherty@cba.ca>
Sent: April-21-21 11:43 AM
To: Keith Martin <Keith.Martin@cafii.com>; Ciappara, Alex <ACiappara@cba.ca>
Cc: Brendan Wycks <brendan.wycks@cafii.com>
Subject: RE: Follow-up from CAFII on AMF's Position on RADM's Applicability to Credit Card-Embedded Insurance Benefits: Potential Impact for Banks' Core Credit Card Offerings in Quebec

Thanks Keith we are reviewing internally and will get back to you.

Charles



Charles Docherty | Assistant General Counsel | Avocat en chef adjoint

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From: Keith Martin <Keith.Martin@cafii.com>
Sent: April 14, 2021 12:50 PM
To: Docherty, Charles <CDocherty@cba.ca>; Ciappara, Alex <ACiappara@cba.ca>
Cc: Brendan Wycks <brendan.wycks@cafii.com>
Subject: Follow-up from CAFII on AMF's Position on RADM's Applicability to Credit Card-Embedded Insurance Benefits: Potential Impact for Banks' Core Credit Card Offerings in Quebec

Hi, Charles and Alex.

At a CAFII Board of Directors meeting held yesterday, the Board directed Brendan and me, as CAFII management, to reach out to you – our key contacts at the CBA around market conduct, legal, and regulatory compliance issues for banks – to bring you up-to-date on recent developments on a critically important issue we are dealing with vis a vis the AMF in Quebec and credit card-embedded insurance benefits.

Our Board's view is that the AMF's now confirmed and finalized stance on the applicability of Quebec's Regulation respecting Alternative Distribution Methods (RADM) to credit card-embedded insurance benefits and its related consumer disclosures and regulatory compliance expectations as the province's financial services and insurance regulator will have disruptive and bottom-line implications not just for credit card-embedded insurance benefits – which CAFII Member bank distributors of credit protection insurance and travel insurance deal with – but for core credit card offerings in Quebec as well, which are the responsibility of CAFII members' corporate parent banks.

The key background documents which underlie this issue – including the AMF’s March 30/21 response letter to CAFII’s July 7/20 “Creative Solutions submission” on how the industry could meet the AMF half-way on its expectations arising from its position that the RADM does indeed apply to credit card-embedded insurance benefits (even though there is no “offer of insurance” with such embedded benefits) – are attached here for your review. On page 15 of the Quebec RADM you will find an example of a factsheet to be given to consumers for every imbedded insurance product, even though the factsheet contains information that is simply inaccurate for these products.

Our Board of Directors authorized us in yesterday’s meeting to pursue a number of key next steps on this issue -- given the response set out in the AMF’s March 30/21 letter – and we would like to arrange a virtual meeting opportunity to share with you what those next steps are.

One of those key next step directives is to engage with you at the CBA, and to outline our Board’s view that given the current status of this issue – and the damage that the AMF’s position will potentially cause to a core bank product – it is important that the CBA become engaged on this issue and bring its regulatory relations, communications, and advocacy experience and resources to bear, working in alignment with CAFII, with a view to getting the AMF to change its position on this matter.

To that end, we ask that you get back to us and propose three or four date/time options within the next week when you have 45 minutes to an hour available for a Zoom or MSTeams meeting with Brendan and me on this matter. We will send out a Meeting Invitation once we’ve settled on the date/time.

Thanks and best regards,

Keith Martin

Co-Executive Director / Co-Directeur général

Canadian Association of Financial Institutions in Insurance

L’association canadienne des institutions financières en assurance

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Briefing Note

CAFIL EOC Meeting 27 April, 2021—Agenda Item 5(c)

**Recent and Upcoming Strategic and Regulatory Initiatives—Board-Approved Next Step #2
Arising from AMF’s March 30/21 Response Letter to CAFII’s July 7/20 Creative Solutions
Submission on Credit Card-Embedded insurance Benefits: CAFII Outreach to Norton Rose
Around Furtherance of Legal Arguments/Opinion Opposed to AMF’s Interpretation on RADM’s
Applicability and Resulting Regulatory Expectations**

Purpose of this Agenda Item – *Update*

To update the EOC on the third of three Board-approved CAFII initiatives in response to the AMF response letter to CAFII about credit card-embedded insurance benefits.

Background Information

CAFIL’s Board has approved CAFII’s engaging Marc Duquette and his colleagues at Norton Rose on the issue of the AMF’s expectations around credit card-embedded insurance coverages. Similar to the approach taken for the spousal insurance issue, the intention is to ask Norton Rose to develop the legal arguments for why the AMF’s regulatory interpretation and resulting expectations of the industry are legally incorrect/flawed, and to then present these arguments to the AMF, either verbally or through a written submission.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

One attachment.

*Agenda Item 5(c)
April 27/21 EOC Meeting*

Board-Approved Next Step #3 Arising From AMF's March 30/21 Response Letter to CAFII's July 7/20 Creative Solutions Submission on Credit Card-Embedded Insurance Benefits: CAFII Outreach to Norton Rose Around Furtherance of Legal Arguments/Opinion Opposed to AMF's Interpretation on RADM's Applicability and Resulting Regulatory Expectations

From: Keith Martin <Keith.Martin@cafii.com>
Sent: April-14-21 11:22 AM
To: Brendan Wycks <brendan.wycks@cafii.com>
Subject: Follow Up From CAFII on Credit Card-Embedded insurance Coverages

Bonjour Marc,

BACKGROUND

It has been a long time since we have spoken, I trust all is well with your and your family, and the same with Dominic.

More than eight long months ago, CAFII wrote the AMF (7 July 2020) about our views that credit card-embedded insurance coverages were not subject to the RADM; if they were, we tried to propose ways that we could comply as best we could.

CAFII has now received a response to its 7 July, 2020 letter to the AMF on credit card-embedded insurance benefits.

CAFII created a Working Group on "Creative Solutions" on this file, and tried to meet the AMF half-way, but the AMF in its response is unyielding, saying:

*"The AMF takes note of your concerns but cannot grant any exemption under its regulations" and adds:
"Therefore, the AMF expects insurers to prepare product summaries that fully comply with the Regulation respecting alternative distribution methods (the « RADM »). These summaries must be given to consumers when they choose their credit card. We also expect insurers to complete an initial disclosure in accordance with section 20 of the RADM."*

The AMF further adds that the requirement to give consumers the Fact Sheet, which we indicated could confuse consumers, continued to be a requirement. As an indication of the importance of presenting a united front to regulators, the AMF states on this particular matter that *"There are insurers offering credit card-embedded insurance products that have these documents delivered by distributors and to date, no issues have been brought to our attention by these insurers nor did we receive any complaint from consumers confused by the approach."*

The AMF has given our members until **17 September, 2021** to comply with its expectations, specifically the AMF states:

The AMF therefore expects that the insurers will fulfill the following before September 17, 2021:

- *Disclose each product embedded in the credit cards under the DWR regime (one file per product);*
- *Make each product summary and a specimen of the policy or the insurance certificate accessible on their own website;*
- *Provide the AMF with an action plan to implement the delivery of the summary by their distributors to the clients, to train their distributors and to implement the necessary adjustments to their processes to comply with the Quebec laws and regulations.*

REQUEST

CAFII's Board met yesterday 13 April 2021 and this item was discussed. There are several next steps that we will take, including striking a Working Group that will look at how industry might best respond to the expectations of the AMF.

There is also a desire to develop our "legal arguments." You had previously developed for us the legal options if we wished to legally challenge the AMF on this file—thank you. However, that approach is slightly different from what the Board is currently asking. While we will keep the option of legal action open, the Board is more focussed on the approach we took with the Spousal Insurance file—that is to say, develop the arguments on our position, with the possibility of submitting them in writing or verbally sharing them with the AMF.

Are you available and interested in taking on such an effort? If so, I believe the next steps are:

- 30 minute meeting with Brendan Wycks and myself to discuss the file in more detail;
- High level overview plan and quote from Norton Rose;
- CAFII will share all relevant documents and set up a 1 hour virtual meeting with the Working Group on this file, and invite members' legal counsel to also participate in that meeting to share their input and thoughts;
- Norton Rose to develop the legal arguments document;
- 1 hour web meeting with the Board (and other CAFII members) to review your findings and discuss next steps.

Marc, let me thoughts on this and I look forward to hearing back from you.

Thank you,

--Keith

Keith Martin

Co-Executive Director / Co-Directeur général
Canadian Association of Financial Institutions in Insurance

Briefing Note

CAFIL EOC Meeting 27 April, 2021—Agenda Item 5(d)

Recent and Upcoming Strategic and Regulatory Initiatives—Board-Approved CAFIL Working Group on Industry Alignment Re Interpretation of FCAC’s Appropriateness Guideline’s Application to Authorized Insurance Products/CPI; and Potential Approaches to Compliance

Purpose of this Agenda Item – *Update*

To update the EOC on the direction from the Board around the FCAC’s efforts to develop an Appropriateness Guideline around financial products and services offered by federally regulated financial institutions (FRFIs).

Background Information

CAFIL’s Board has approved the launch of a Working Group on the FCAC’s Appropriateness Guideline. The Working Group will attempt to develop industry-level alignment around a response to and compliance approaches to the FCAC’s in-development Appropriateness Guideline.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

One attachment.

Agenda Item 5(d)
April 27/21 EOC Meeting

Board-Approved CAFII Working Group On Industry Alignment Re Interpretation of FCAC's FCAC Appropriateness Guideline's Application To Authorized Insurance Products/CPI; and Potential Approaches to Compliance

Draft Terms of Reference

Mandate

This Working Group will seek to develop a shared understanding of the application of the FCAC's Appropriateness Guideline to Authorized Insurance Products/Credit Protection Insurance as well as an industry level position on what would be an acceptable and implementable approach to industry compliance, from the perspective of the federal Financial Consumer Protection Framework (FCPF) and the provincial insurance regulatory framework, including Fair Treatment of Consumers principles.

Process

Based on the federal Financial Consumer Protection Framework (FCPF), the provincial insurance regulatory framework, including Fair Treatment of Consumers principles, and emerging regulatory developments, this CAFII Working Group will seek to

- Explore what would constitute an “appropriate” or “inappropriate” enrolment in CPI;
- Consider the information that would be required to determine whether a CPI enrolment was appropriate;
- Consider the changes required to current enrolment processes to account for the FCAC's appropriateness standard for CPI products; and
- Consider whether other CPI processes (i.e., outside of the enrolment) could be impacted by an FCAC appropriateness standard.

As the Working Group will launch at a time when the FCAC Appropriateness Guideline is not available to CAFII, the work outlined above is expected to be completed without reference to it. When a copy of the FCAC's Appropriateness Guideline is publicly available, the Working Group can then cross-reference its work against that document.

Participants

Martin Boyle (BMO Insurance) will serve as the Chair of the Working Group.

CAFII EOC and Board members will be invited to nominate up to two representatives per Member company to serve on the Working Group.

Meetings

Initially the Working Group will meet every second Wednesday from 2:30 to 3:30 p.m. via MS Teams.

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 5(e)

**Recent and Upcoming Strategic and Regulatory Initiatives—Insights Gained from
CAFII/CLHIA/THIA Weekly Calls Re Impact Of COVID-19 On Travel Insurance Industry**

Purpose of this Agenda Item – *Update*

To update the EOC on the insights gained from the weekly CAFII, CLHIA, and THIA calls on the impact of COVID-19 upon the travel insurance industry.

Background Information

CAFII, CLHIA, and THIA have a weekly call to discuss travel medical industry in light of the COVID-19 pandemic the impact of COVID-19 upon the travel insurance industry.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFIL EOC Meeting 27 April, 2021—Agenda Item 6(a)

Governance Matters—CAFIL Board Confirmation of Tweaks/Amendments to Three-to-Five Year CAFIL Strategic Plan

Purpose of this Agenda Item – *Update*

To update the EOC on the modifications to the CAFIL Three-to-Five Year Strategic Plan which were confirmed/approved by the CAFIL Board at its 13 April, 2021 meeting.

Background Information

The CAFIL Board held a Special Purpose Meeting on 11 February, 2021 to review the CAFIL Three-to-Five Year Strategic Plan. The general feedback was that CAFIL was moving in the right direction, but there were some modifications around emphasis and priorities around certain elements of the Plan that the Board recommended. These were captured in a Powerpoint that was presented to the Board at its regularly scheduled 13 April, 2021 meeting, and those changes were approved by the Board at that meeting.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

One attachment.

***Recap of CAFII Board's
February 11/21 Input and Feedback
On Updates Needed To CAFII
Three-to-Five Year Strategic Plan,
For Board Confirmation and Approval***

Approved at the 13 April, 2021 Board Meeting

The Slides That Follow Relate to Board Feedback on Adjustments to the Strategic Plan

2



CAFII Core Strategic Prioritization Statement

Core Statement—CAFII’s Mission Statement

CAFII represents, communicates about, and advocates for financial institutions in insurance, their insurer partners, and affiliated organizations by promoting their commitment to the fair treatment of customers and related policies and practices. CAFII strives to foster an open and flexible marketplace that is efficient and effective and allows consumers an expanded choice in the purchase of insurance products and services. CAFII works with other industry associations, where appropriate, to ensure public policy supports a legislative and regulatory environment that is healthy for future growth.

In support of this mission, CAFII’s fundamental strategic priority is to develop outstanding relationships and communications with insurance regulators and policy-makers across Canada. To promote this objective, we will meet in-person with representatives of these groups at least once every 18 months.

We will deepen these relationships by continuing to invest in a significant research program that will provide us with interesting and relevant content to share, and which can gain us public profile. Our research program will dovetail with a proactive element to our regulatory focus through which we will seek to educate and influence key constituents about our long-term objectives.

Our research findings and our regulatory expertise will also continue to serve as the foundation for an assertive communications and networking strategy through which we will meet on an ongoing basis with key influencers including policy-makers, senior bureaucrats, politicians, thought leaders, Association leaders, academics and others with whom we will share our research insights and key messages. As part of our efforts to increase our focus on and relevance to consumers and to heighten our public profile, we will continue to invest in the CAFII website and continue to expand and enhance our media profile.

In addition to these strategic priorities there are other initiatives that CAFII will continue to promote, but as lower priorities. We will keep a watching brief on Insurtech, Technology Developments, Digitization, and Innovation, and on increasing our thought leadership through additional meetings and presentations in our areas of expertise. We will leverage our regulatory expertise and research with presentations to internal audiences within our membership; and we will explore ways to enhance the value proposition of being an Associate, with the objective of attracting more to join CAFII.

Maintain CAFII's Core Focus on Regulatory Relationships

The Board felt that the general regulatory approach taken by CAFII was effective and should continue.

The Board supported adding FCAC as a key regulatory to include in CAFII's regulatory priorities going forward.

CAFII should continue to explore ways to proactively, and not just reactively, influence regulators and policy-makers on CAFII members' key priorities.



Webinars are Effective and Should Continue, Even When In-Person Visits Are Back

The Board supported adding webinars to CAFII's regulatory toolkit to build relationships and get our key messages to regulators and policy-makers.

They should not replace in-person visits, but should supplement them, even after the COVID-19 pandemic subsides and in-person visits are possible again.

These webinars complement in-person meetings, and provide opportunities to connect with more regulators—including both those who are on the panels as well as those who attend the sessions as observers.



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The Canadian Association of
Financial Institutions in Insurance

L'association canadienne des
institutions financières en assurance

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

Continue with New Priority around RSM Canada⁶ Benchmarking Study

CAFII took over a discontinued CBA benchmarking study on credit protection insurance in 2020, and has allocated \$67K annually for four quarterly studies. The Board supported this initiative as well as trying to improve the data quality and comparability of the study going forward.

The Board was asked if CAFII should build on the RSM Canada study and make the collection and sharing of CPI industry data statistics a new strategic priority, much like CLHIA has done through its annual “Canadian Life & Health Insurance Facts.” Board members did not indicate a desire to move in this direction at this time.



The Board Supported Continued Attention around Understanding International Trends

Canada's insurance regulators and policy-makers are increasingly reviewing what other jurisdictions are doing, including in the US, UK, Singapore, and Australia, and considering whether these initiatives are relevant in the Canadian context.

The Board was asked if CAFII should make the sharing with members of international insurance policy and intelligence about regulatory developments and trends a new strategic priority? An example of CAFII doing this was the visit by Australian bancassurance executive Helen Troup in February 2019.

Board members noted that CAFII does have its antennae out on international developments, so this is not really a new focus; rather, it is validating the importance to continue to look at international developments, as they have the potential to influence Canadian regulators and policy-makers.



The Board Did Not Feel that More Speaking Opportunities Should be a New Strategic Priority

CAFII has developed its profile in recent years and has had more media coverage. Should CAFII look for more speaking opportunities for CAFII management to promote our message and our Members' commitment to the Fair Treatment of Customers?



The Board felt that speaking events were in response to opportunities, and where appropriate CAFII should engage in these events. But the Board did not see the need to proactively explore opportunities for engaging in more of these events.

Digitization is Worthy Of Being A New Strategic Priority Focus⁹

CAFII members have observed a dramatic increase in consumers' willingness to engage with companies digitally during the pandemic.

CAFII is sponsoring a Pollara consumer research study to see if this trend is likely to become a permanent reality.

The Board felt that digital trends will be an important future reality for the industry. The Board did not feel that this was a new strategic priority, in that it is already woven into the research and monitoring elements of CAFII's mission. But the Board did feel it should be a more central focus for CAFII going forward.



Thank You

Briefing Note

CAFIL EOC Meeting 27 April, 2021—Agenda Item 6(b)

Governance Matters—CAFIL Board Input Around Planning For Return to In-Person Meetings: (i) October 5/21 Board Meeting and Linked “Industry Issues Dialogue Session” with AMF Staff Executives; (ii) December 7/21 Board Meeting and Immediately Ensuing Holiday Season/Year-End Reception; (iii) General Need To Deliver An Enhanced Experience For Virtual/Remote Attendees

Purpose of this Agenda Item – *Update*

To update the EOC on the feedback from the Board on when in-person CAFIL meetings can resume.

Background Information

At its 13 April, 2021 meeting, the CAFIL Board expressed caution around when in-person Board meetings can resume. Even if in-person meetings are allowed when the pandemic recedes, there will be pent-up requirements to be met for internal company in-person meetings which must take precedence over industry Association in-person meetings.

As well, it was felt that post-pandemic, in-person meetings will not be entirely in-person, but that a hybrid model will likely be dominant for a while, where some people will attend in-person and others will attend remotely. There needs to be a commitment to making the experience for remote attendees as effective and seamless as possible.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 6(c)

Governance Matters—Results and Next Steps Arising From CAFII Outreach to EOC Members Re Creating Better Engagement and Succession Pipeline of CAFII Committee Chairs and Other Volunteer Leadership Roles; and Need to Secure Near-Term Successor Chairs for Two CAFII Committees

Purpose of this Agenda Item – *Update/Discussion*

To update and engage in a discussion with the EOC on a new plan for CAFII Committees.

Background Information

At its 30 March, 2021 meeting, the EOC supported a CAFII initiative to identify and nominate Vice-chairs for CAFII Committees. This will allow CAFII Chairs to have a back-up if they cannot attend a meeting, and will provide the Vice-Chairs with understudy experience with respect to the role of Chair so that when they step into that role they are fully prepared to do so.

CAFII also needs to identify successors for the roles of Chair of the Media Advocacy Committee and Chair of Travel Insurance Experts Working Group in the near future.

Recommendation / Direction Sought – *Update/Discussion*

This is an Update and Discussion item.

Attachments Included with this Agenda Item

1 attachment.

Agenda Item 6(c)
April 27/21 EOC Meeting

Results and Next Steps Arising From CAFII Outreach to EOC Members Re Creating Better Engagement and A Succession Pipeline of CAFII Committee Chairs and Other Volunteer Leadership Roles; and Need To Secure Near-Term Successor Chairs for Two CAFII Committees

From: Brendan Wycks

Sent: April-14-21 5:14 PM

To: EOC Members

Subject: Follow-Up Re Proposed Mechanisms For Creating Better Engagement/Succession Pipeline of CAFII Committee Chairs and Other Volunteer Leadership Roles

CAFII EOC Members:

In follow-up to the EOC's discussion of this matter at its March 30/21 meeting, please find attached an updated CAFII Committees Directory as at April 2021, which sets out who currently sits on each of our Association's committees by name and company affiliation.

Also, below, just above my signature block, you'll find a short description of each committee's area of focus/mandate.

Please be reminded that we are currently seeking nominees/expressions of interest for

- a new Chair of the Travel Medical Insurance Experts Working Group (given Afzal Baig's recent vacating of this position, having just transitioned into a new position at TD Insurance);
- a new Chair of the Media Advocacy Committee, given Charles Blaquiere's expressed intention to step down from that role in the near future;
- a Vice-Chair of the Executive Operations Committee;
- a Vice-Chair of the Market Conduct & Licensing Committee;
- a Vice-Chair of the Research & Education Committee;
- a Vice-Chair of the Media Advocacy Committee;
- a Vice-Chair of the Travel Insurance Experts Working Group;
- a Vice-Chair of the Networking & Events Committee; and
- new/additional members for each of

-Networking & Events Committee;
-Market Conduct & Licensing Committee;
-Research & Education Committee;
-Media Advocacy Committee; and
-Travel Insurance Experts Working Group.

Please consider this opportunity; consult with others within your member organization; consult with your CAFII Board member, as appropriate; and respond to Keith Martin and me by Thursday, April 22 at 4:00 p.m. with the name(s) and contact information for any nominee(s) that you would like to bring forward.

Self-nominations are permissible and acceptable.

The Market Conduct & Licensing Committee advises CAFII management on strategy and content input for the Association's written submissions to and preparation for meetings with insurance regulators and policy-makers; and other regulatory and governmental authorities.

Ideal participant: compliance / legal officers involved in regulatory oversight

The Research & Education Committee determines how CAFII should invest/spend its annual research budget; and after that is decided, it oversees the specifics of how the research is designed and executed

Ideal participant: strategists / people involved in research / business line individual with an interest in key messages to share publicly

The Media Advocacy Committee is responsible for determining and overseeing how CAFII should invest/spend its annual website enhancements budget, and also formulates the Association's media relations strategy

Ideal participant: media spokespersons at CAFII members / staff executives interested in media strategy / website strategists

The Travel Insurance Experts Working Group reviews, monitors, and advises CAFII management on industry issues related to travel insurance

Ideal participant: knowledgeable experts on travel insurance (travel medical; trip cancellation, etc.)

The Networking & Events Committee advises CAFII management on desirable content/subject matter and potential speakers and panelists for CAFII Receptions, Webinars, and the Annual Members' and Associates' Luncheon

Ideal participant: staff executives with experience and/or keen interest in industry insights/intelligence, events, webinars, and compelling speaker/panelist prospects

Thanks and best regards,

Brendan Wycks, BA, MBA, CAE

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

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Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 6(d)

Governance Matters: New CAFII Initiation Membership Applicant: Canadian Tire Bank (CTB)

Purpose of this Agenda Item – *Update*

Update.

Background Information

This is a brief update on a recently received application from Canadian Tire Bank (CTB) for CAFII Initiation Membership. The CAFII Membership Applicant Review Committee process is currently underway.

Recommendation / Direction Sought – *Update*

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 6(e)

Governance Matters: Draft Minutes of March 30/21 EOC Meeting

Purpose of this Agenda Item

Approval.

Background Information

The EOC is being asked to approve the minutes of the 30 March, 2021 EOC meeting.

Recommendation / Direction Sought – *Approval*

Approval.

Attachments Included with this Agenda Item

1 attachment.

CAFII Executive Operations Committee Virtual Meeting

Tuesday, March 30, 2021

Minutes

EOC Present:

Rob Dobbins, Assurant (Chair)
Tony Pergola, ScotiaLife Financial (Treasurer)
Carmelina Manno, ManuLife
Scott Kirby, TD Insurance
Anaar Jessa, Sun Life
Anu Bains, CIBC Insurance
Ben Gray, CIBC Insurance
Martin Boyle, BMO Insurance
Monika Spudas, Manulife
Dana Easthope, Canadian Premier Life Insurance
Edward Kuo, Sun Life
Michelle Costello, CUMIS Services Inc.
Sharon Apt, Canada Life Assurance
Emily Brown, Sun Life
Fernando Heleno, RBC Insurance
Pete Thorn, TD Insurance
Isabelle Choquette, Desjardins Insurance
Karyn Kasperski, RBC Insurance
Moira Gill, TD Insurance
Afzal Baig, TD Insurance
Anita Mukherjee, RBC Insurance
Andrea Stuska, TD Insurance
Aanchal Gulia, Sun Life
Penny Cordogiannis, RBC Insurance

Also Present:

Brendan Wycks, *Co-Executive Director*
Keith Martin, *Co-Executive Director*
Albert Lin, CAFII/Managing Matters

1. Welcome, Call to Order, and Priority Matters

1.a. Call to Order

EOC Chair and Board Secretary R. Dobbins called the meeting to order at 2:02 p.m.

1.b. Welcome to New EOC Member: Fernando Heleno, RBC Insurance

R. Dobbins welcomed new EOC member F. Heleno from RBC Insurance, following which Mr. Heleno provided a self-introduction.

2. Consent Items

The following Consent Items that do not require any discussion or decision were tabled:

- a. Consultations/Submissions Timetable
- b. Regulatory Update
- c. Regulator and Policy-Maker Visit Plan
- d. Summary of Board and EOC Action Items
- e. Board-Approved Schedule Of CAFII 2021 Meetings And Events

3. Financial Management Matters

3.a. CAFII Financial Statements as at February 28/21

CAFII Treasurer T. Pergola highlighted from the Association's financial statements as at 28 February, 2021. He noted that for the year-to-date, revenues were \$155K, and expenses were \$98K, producing to a year-to-date surplus of \$57K. This relatively high level of surplus was partly due to timing issues around expenses, along with additional unbudgeted revenues due to both a higher retention of 2020 Associates than anticipated, along with CAFII attracting three new Associates.

3.b. Forecast for CAFII 2021 Fiscal Year as at February 28/21

CAFII Treasurer T. Pergola reported that CAFII's forecasted revenue for 2021, with two months of the fiscal year completed, was higher than in the budget, at \$933K versus budgeted revenue of \$918K. The Association's finances are in strong shape, he indicated, with forecasted year-end financial reserves of 53% of annual operating expenses, which is above the target range of 25 to 50% of annual operating expenses.

3.c. Update on KPMG Audit of CAFII 2020 Fiscal Year Financial Statements

B. Wycks noted that the CAFII's 2020 audited financial statements process was proceeding smoothly -- with a targeted approval by the Board of Directors at its 13 April, 2021 meeting followed by formal adoption at the 9 June, 2021 Annual Meeting of Members.

4. Committee Updates

4.a. Research & Education

4.a.i. CAFII 2020-21 Consumer Research Project With Pollara Strategic Insights On Consumers' Digitization Preferences: Progress Report

Research & Education Committee Chair A. Stuska and K. Martin updated the EOC on progress around the consumers' digitization preferences research project being undertaken by Pollara Strategic Insights. The project has gone to field and the draft report should be ready within the next few weeks. When the report is in, arrangements will be made to share results with the EOC.

4.b. Media Advocacy

4.b.i. Finalization/Launch of CAFII Motion Graphic Website Video On Credit Protection Critical Illness Insurance and Credit Protection Disability Insurance; Media Release; and Sharing of This News with Insurance Regulators and Policy-Makers Across Canada

On behalf of Media Advocacy Committee Chair C. Blaquiére, who was unable to attend the meeting, K. Martin reported that the CAFII motion graphic video has been completed and posted on the Association's website. A media release has also been issued, and posted on the website. CAFII shared the news of the posting of the video with over 200 regulators and policy-makers across Canada, and received 10 positive and supportive responses.

4.b.ii. Proposed Website Blog As An Ongoing CAFII Initiative (Visitor: D. Moorcroft, CAFII Media Consultant)

CAFII's media consultant D. Moorcroft shared details around a proposal to create a blog on the CAFII website, and to post eight to 10 new entries there annually. In response to some concerns that this was a less current way to communicate with consumers than utilizing social media would be, B. Wycks recalled that the Board desired an incremental, cautious approach to public communications, and as a highly controlled communication method, a blog made sense as the next step in this strategy. The EOC supported the development of a blog on the website; and approved this initiative for recommendation to the CAFII Board.

4.c. Market Conduct & Licensing

B. Wycks and K. Martin provided a high level update on current market conduct-related regulatory consultations, with much of the detail deferred to specific agenda items on these consultations later in the meeting.

4.d. Travel Insurance Experts

A. Baig provided a high level update on new travel insurance-related data points which the CCIR Travel Insurance Working Group would like to see included in the Annual Statement on Market Conduct (AMSC) in future years.

4.e. Networking & Events

4.e.i. Cancellation of Planned CAFII Fireside Chat Webinar with Helen Troup

R. Dobbins provided background context and explanation as to why a decision had been taken to cancel a planned CAFII webinar in which H. Troup from Australia would have been the fireside chat discussant. It was noted that there were some Board members who were concerned that some might interpret CAFII's organization of this webinar as suggesting that the situation around credit protection insurance in Australia was similar to what exists in Canada, when that is not the case.

4.e.ii. Plans For CAFII 2021 Webinars:

An update was provided on the current slate of proposed CAFII webinars for 2021, as follows:

- Glen Padassery, EVP and Chief Consumer Officer, FSRA;
- RIA Regimes in Canada;
- The Future of Travel Insurance As The World Emerges From COVID-19;
- Lesli Martin, Pollara Strategic Insights, On Results Of CAFII 2020-21 Consumer Research On Consumers' Digitization Preferences: (i) Webinar 1 For CAFII Board, EOC, and Other Member Representatives; (ii) Webinar 2 For Allied Industry Association Representatives; (iii) Webinar 3 For Insurance Regulators and Policy-Makers
- Two Relatively New Superintendents of Insurance (Alberta and Newfoundland) and Their Priorities;
- BCFSA and Its Priorities (Introduction To/Profile-Raising of Blair Morrison and Peta Wale);
- Consumer-Focused Innovation In The Life and Health Insurance Industry.

5. Recent and Upcoming Strategic and Regulatory Initiatives

5.a. New Brunswick's "An Act To Amend The Insurance Act," Tabled March 17/21

B. Wycks provided an update on the Financial and Consumer Services Commission of New Brunswick's communique which advised that "An Act To Amend The Insurance Act" had been tabled in the province's legislature on March 17/21; and that the FCNB would be releasing a related Rule for consultation later in 2021. He noted that David Weir of FCNB has agreed to CAFII's request for a dialogue meeting on these latest developments and the FCNB's plans for the in-development Rule. While B. Wycks suggested that it might be best to take part in this meeting when a draft of the coming Rule was available, EOC members recommended meeting with FCNB in the near future – in order to have an opportunity to influence the in-development Rule -- and then again, after the Rule is released for consultation.

[Action Item: Organize a virtual meeting for CAFII with David Weir, FCNB around the in-development Rule and its provisions addressing the creation of a Restricted Insurance Agent licensing regime in New Brunswick; B. Wycks, May 15, 2021.]

5.b. AMF's Recently Confirmed Distribution Act Interpretation Which Requires That A Licensed Insurer Representative Be Involved In The Sale/Distribution of A Group Policy to The Distributor, Including Auto Dealers; and Industry Monitoring of/Intervention on This Issue Under CLHIA

R. and M. Costello spoke to some recent interpretations from the AMF that are particularly relevant to those involved in credit protection insurance that is distributed by auto dealers. There is ongoing work to better understand the subtleties of the AMF's position, it was noted.

5.c. Updates Arising From CAFII's and Members' Monitoring of Developments Around FCAC's "Appropriateness Guideline" Initiative

EOC members were reminded of the Board's desire that CAFII members who are working on internal initiatives around the FCAC's Appropriateness Guideline share their insights with CAFII management, so that this information can be aggregated and anonymously shared with the members.

5.c.i. Proposed CAFII Working Group on Industry Alignment Re Interpretation of FCAC's Appropriateness Guideline's Application to Authorized Insurance Products/CPI; and Potential Approaches to Compliance

M. Boyle presented a recommendation that a CAFII Working Group be struck to develop an industry position on how best to respond to future FCAC's requirements that the credit protection insurance sector be subject to an Appropriateness Guideline.

EOC discussion of this proposal focused on the challenges around members not being permitted to offer advice to consumers with respect to CPI products.

It was agreed that this proposal had merit, but that it should be referred to the Board of Directors for deliberation at its upcoming 13 April, 2021 meeting.

5.d. Outcomes of March 24/21 Special FSRA-Called Meeting with CLHIA and CAFII Around Concerns Raised By Group Insurance/Employee Benefits Advisors Related To How Section 7 (Incentives) of Proposed UDAP Rule Would Apply To Their Sector Within Life and Health Insurance

B. Wycks and K. Martin provided an overview of the March 24/21 meeting which CAFII and CLHIA had with FSRA around its draft Unfair and Deceptive Acts or Practices (UDAP) Rule, with an emphasis on some challenging questions FSRA had posed. CAFII will be working with the Market Conduct & Licensing Committee on a response to the two specific questions which FSRA had raised for our Association.

[Action Item: Working with the Market Conduct & Licensing Committee, prepare a CAFII response to FSRA's two UDAP Rule-related follow-up questions; B. Wycks, K. Martin, April 30, 2021.]

5.e. CAFII Data Improvements Working Group With RSM Canada Around Quarterly CPI Benchmarking Study: Progress Report

K. Martin reported that a Working Group had been developed with RSM Canada and the members participating in the Quarterly CPI Benchmarking Study, to pursue improvements to the data quality and comparability of the study.

[Action Item: Present report to EOC and Board on outcomes of the efforts of the Working Group on Data Improvements to the Quarterly CPI Benchmarking Study; K. Martin, Q3/Q4 2021.]

5.f. Insights Gained From CAFII/CLHIA/THIA Weekly Calls Re Impact Of COVID-19 On Travel Insurance Industry

B. Wycks provided an overview of recent insights gained in the weekly calls on COVID-19's impact upon the travel insurance industry which involve CAFII, CLHIA, and THIA. He noted that there continued to be an expectation that the Canada-US land border would remain closed for the foreseeable future.

6. Governance Matters

6.a. Proposed Mechanisms for Creating Better Engagement/Succession Pipeline of CAFII Committee Chairs and Other Volunteer Leadership Roles; and Need To Secure Near-Term Successor Chairs for Two CAFII Committees

R. Dobbins and M. Gill presented a well-received proposal to secure nominees for Vice-Chairs for all CAFII Committees, so that each Committee would have a Chair successor in line who would learn the ropes prior to taking on the Chair role. The EOC supported moving forward with this initiative. The EOC was also informed that CAFII was looking for a new Chair of the Media Advocacy Committee, and a new Chair of the Travel Insurance Experts Working Group.

[Action Item: Share outcomes of new Committee Vice-Chair Initiative with the EOC; B. Wycks, K. Martin, April 27, 2021.]

6.b. Application Review and Admission of RSA as a New CAFII Associate

The EOC approved the admission of RSA as a new CAFII Associate.

6.c. Draft Minutes of February 11/21 Special Purpose Board Meeting

The EOC endorsed the draft minutes of the 11 February, 2021 CAFII Board Special Purpose Meeting, and recommended them to the Board for its approval.

6.d. Draft Minutes of February 23/21 EOC Meeting

The draft minutes of the 23 February, 2021 EOC meeting were approved.

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 6(f)

Governance Matters: Draft Minutes of April 13/21 Board Meeting

Purpose of this Agenda Item

Approval.

Background Information

The EOC is being asked to recommend to the Board the approval of the draft minutes of its 13 April, 2021 meeting.

Recommendation / Direction Sought – *Endorsement*

Endorsement for recommendation to the Board for approval.

Attachments Included with this Agenda Item

1 attachment.

BOARD TELECONFERENCE MEETING
CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE
Tuesday, April 13, 2020
MINUTES

Board Present:	Chris Lobbezoo	RBC Insurance, <i>Chair</i>
	Paul Cosgrove	Assurant Canada
	Janice Farrell-Jones	TD Insurance
	Zack Fuerstenberg	ScotiaLife Financial
	Andre Langlois	Desjardins Insurance
	Peter McCarthy	BMO Insurance
	Sophie Ouellet	Sun Life
	Mica Sweet	CIBC Insurance
	Wally Thompson	Manulife Financial
	Peter Thompson	National Bank Insurance
	Louie Georgakis	The Canada Life Assurance Company
Regrets:	Kelly Tryon	CUMIS/The Co-operators
	Rob Robinson	Canadian Premier Life Insurance Company
	Nicole Benson	Valeyo
Also Present:	Rob Dobbins	Assurant Canada, <i>Board Secretary and EOC Chair</i>
	Tony Pergola	ScotiaLife Financial, <i>Treasurer</i>
	Keith Martin	CAFII Co-Executive Director
	Brendan Wycks	CAFII Co-Executive Director
	Albert Lin	Managing Matters

1. Call to Order and Meeting Confirmation

C. Lobbezoo welcomed all to this meeting of the CAFII Board of Directors, which was held virtually on the Microsoft Teams platform, and called the meeting to order at 2:02 p.m. Albert Lin acted as Recording Secretary.

Rob Dobbins, Board Secretary, confirmed that notice of the meeting had been sent to all Directors in accordance with the Association's By-Law; and that a quorum of Directors was present.

C. Lobbezoo declared this meeting of the Board of Directors of the Canadian Association of Financial Institutions in Insurance duly convened and properly constituted for the transaction of business.

1.a Approval of Agenda

C. Lobbezoo noted that the agenda for this meeting included a "Read Only" section of update and background materials which members were expected to have read, but which would not require discussion in the meeting. Combined with the "Consent Items" section, those classifications of certain items would allow the meeting itself to focus on items which required Board discussion or decision-making.

On a motion duly made, seconded and unanimously carried

IT WAS RESOLVED that the meeting Agenda be and is approved as presented.

2. Consent Items

- Draft Board Meeting Minutes, December 1, 2020
- Draft Board Meeting Minutes, February 11, 2021
- Summary of Board and EOC Action Items
- Regulatory Update
- Consultations/Submissions Timetable
- Regulator and Policy-Maker Visit Plan
- Board-Approved CAFII 2021 Schedule of Meetings and Events

On a motion duly made, seconded and unanimously carried

IT WAS RESOLVED that the Consent Agenda items be and are approved or received for the record, as indicated in the Action column in the Consent section of the agenda.

And further, IT WAS RESOLVED that the minutes of the CAFII Board of Directors meeting held December 1, 2020 be and are adopted in the form presented, and that a copy of these minutes be signed and placed in the minute book of the Corporation.

And further, IT WAS RESOLVED that the minutes of the CAFII Board of Directors meeting held February 11, 2021 be and are adopted in the form presented, and that a copy of these minutes be signed and placed in the minute book of the Corporation.

3. Governance Matters

3.a. Tentative Plan For Return To In-Person CAFII Board Meetings: December 7, 2021 CAFII Board Meeting and Immediately Ensuing Holiday Season Reception

B. Wycks reported that CAFII was exploring the possibility of returning to in-person Board meetings in December 2021, and also looking into whether it made sense to have a contingency plan in place in case travel and in-person meetings were allowed again by the time of the scheduled October 8, 2021 Board meeting.

Board members felt that exploring that possibility was not a problem, but there was skepticism that in-person meetings could actually happen as early as October 5, 2021. When in-person meetings do happen again, CAFII members will have internal corporate in-person meetings to attend as a priority. There also will likely be a mix of in-person and remote participants at meetings for the foreseeable future; and, as such, the experience for remote users needs to be better than it was prior to the pandemic; the expectations for remote participants has risen considerably.

3.b New CAFII Associates Secured and Admitted in 2021

B. Wycks reported that three new CAFII Associates had been secured in 2021: Stikeman Elliott; Dog and Pony Studios; and RSA; and there also had been no loss of existing Associates in 2021. He attributed these recent successes to the fact that a new value proposition for Associates had been developed, with the Board's approval and support, which included giving Associates access to CAFII's monthly Regulatory Updates and to the Weekly Digests, and the feedback has been very positive.

Mr. Wycks further reported that CAFII expected to receive imminently an application for CAFII Initiation Membership from Canadian Tire Bank (CTB); and, if that prospect came to fruition, CAFII's Membership Applicant Review Process would then unfold, before the outcome was elevated to the Board for a decision.

4. Financial Management Matters

4.a. CAFII Financial Statements as at March 31/21

CAFII Treasurer Tony Pergola reported that the CAFII's financial statements as at March 31/21 indicated that the Association was in sound financial shape, with \$234K in revenue, \$169 in expenses, producing to a \$65K surplus. The favourable variance in expenses compared to the budget was largely due to timing, he noted.

On a motion duly made, seconded and unanimously carried

IT WAS RESOLVED that CAFII Financial Statements as at March 31, 2020 be and are approved in the form presented.

4.b. Forecast for CAFII 2021 Fiscal Year as at March 31/21

CAFII Treasurer Tony Pergola reported that the Association's forecast for the 2021 fiscal year as at the end of the first quarter called for \$938K in revenue and \$837K in expenses, resulting in a surplus of \$101K. Revenues would be higher at \$938K than the budgeted \$919K due to a combination of having budgeted for the attrition of some Associates -- which did not happen -- and due to the landing of three new Associates which conservatively had not been included in the budget. The Association's financial reserves were forecasted to be at 54% of annual operating expenses at the end of 2021, which would be slightly higher than the target range of 25 to 50% of annual operating expenses.

4.c. Draft 2020 CAFII Audited Financial Statements

Hudson Lopez, KPMG partner in charge of CAFII's annual audit, reported that his firm's audit of CAFII's 2020 financial statements had been standard and routine, resulting in a clean, unqualified audit opinion. He indicated that KPMG's audit team appreciated the full co-operation it had received from the CAFII management and administrative team.

On a motion duly made, seconded and unanimously carried

IT WAS RESOLVED that CAFII's 2020 Audited Financial Statements, as prepared and presented by KPMG, be approved for presentation to the Membership at the 8 June, 2021 Annual Meeting of Members.

4.d. Timelines for Board and Membership Approval of CAFII 2020 Audited Financial Statements

B. Wycks reported that CAFII was now on track to meet its Critical Path timelines for the 2020 audited financial statements, which would culminate with their presentation to the Membership for adoption at the 8 June, 2021 Annual Meeting of Members.

5. Strategic and Regulatory Matters

5.a. Recap of CAFII Board's February 11/21 Input On Updates Needed To CAFII Three-to-Five Year Strategic Plan, For Board Confirmation/Approval

K. Martin reported that the general feedback from the 11 February, 2021 Special Purpose CAFII Board Meeting on the CAFII Three-to-Five Year Strategic Plan was that the Association was largely moving in the right direction, with some modifications and tweaks to the Plan being warranted in order to emphasize certain elements more.

Mr. Martin then briefly highlighted from a Powerpoint deck which captured the Board's feedback on the Strategic Plan. In Board discussion, the Board agreed that the Powerpoint deck captured the desired updates to the Strategic Plan accurately.

Zack Fuerstenberg noted that due to time constraints on 11 February, 2021, there were some additional elements which he would have liked to have seen discussed. Board Chair Chris Lobbezoo acknowledged Mr. Fuerstenberg's desire for continued opportunities for Association strategy-level discussions, noting that the Strategic Plan was a living, breathing document which would need to be reviewed periodically, either in the open portion of Board meetings and/or in Board *in camera* discussions.

On a motion duly made, seconded and unanimously carried

IT WAS RESOLVED that the Powerpoint deck on the proposed changes to the CAFII Three-to-Five Year Strategic Plan, as presented in this meeting by Keith Martin, be approved and adopted, and that based on that document, the Strategic Plan be modified accordingly.

5.b. Market Conduct & Licensing Committee

5.b.i. AMF Response Letter to CAFII's July 7/20 Creative Solutions Submission on Credit Card-Embedded Insurance Benefits; and CAFII's Next Steps, If Any

A fulsome Board discussion occurred on the AMF's 30 March, 2021 response letter to CAFII's 7 July, 2020 creative solutions submission to the regulator on credit card-embedded insurance benefits.

Mr. Martin reminded the Board that CAFII had met with AMF officials in-person on 11 February, 2020 to discuss this file; and at that meeting, Mario Beaudoin of the AMF himself asked CAFII to propose creative solutions on how credit card-embedded insurance benefits could fit within the regulatory regime created by the Regulation respecting Alternative Distribution Methods (RADM); and with CAFII's having done precisely that, the AMF subsequently, after an eight-month delay, rejected all the proposed solutions.

The Board felt that the AMF's decision to wholly reject the industry's proposed solutions would have a negative impact not just on credit card-embedded insurance benefits, but potentially on core credit card offerings in Quebec as well. Given the seriousness of the situation, the Board directed CAFII management to undertake the following three initiatives:

#1: Develop a CAFII Working Group on Industry Alignment Around Compliance with the AMF's Expectations Arising From Its Interpretation That the RADM Does Apply To Credit Card-Embedded Insurance Benefits;

#2: CAFII to reach out to the CBA and ask it to engage in this issue, given its implications for core credit card offerings in Quebec; and

#3: CAFII to reach out to Marc Duquette and his associates at Norton Rose Fulbright and ask them to develop the legal arguments supporting CAFII's position, with the possibility of presenting those verbally or in writing to the AMF.

5.b.ii. Proposed CAFII Working Group on Industry Alignment Re Interpretation of FCAC's Appropriateness Guideline's Application to Authorized Insurance Products/CPI; and Potential Approaches to Compliance

Martin Boyle presented a proposal from BMO Insurance that a CAFII Working Group be created to examine how CAFII members could comply with the expectations of the FCAC around how credit protection insurance should be subject to the provisions of its in-development Appropriateness Guideline.

The Board supported this proposal, so long as this Working Group initiative did not at this time involve CAFII's communicating directly with the FCAC about its Appropriateness Guideline. It was noted that the draft Appropriateness Guideline – which the FCAC was currently consulting with some industry representatives and the CBA on -- is not available to CAFII; and it was agreed that the Working Group would need to conduct its work without direct reference to the document at this time.

5.b.iii. Outcomes of March 24/21 Special FSRA-Called Meeting with CLHIA and CAFII Around Concerns Raised by Group Insurance/Employee Benefits Advisors Related To How Section 7 (Incentives) of Proposed UDAP Rule Would Apply to Their Sector Within Life and Health Insurance

Brendan Wycks and Keith Martin reported that a CAFII and CLHIA joint meeting with FSRA around the use of incentives and the UDAP Rule which FSRA is developing included some concerning hypothetical scenario-related questions from FSRA. Those questions were subsequently posed in writing to CAFII and the Market Conduct Committee is working on a written response to FSRA.

5.c. Research & Education Committee

5.c.i. Preliminary Results Highlights from CAFII 2020-21 Consumer Research Project on CPI Consumers' Digitization Preferences

Lesli Martin, Vice-President, Pollara Strategic Insights, provided for the Board a high-level overview of the results of the recently completed CAFII consumer research project on consumers' digitization preferences with respect to credit protection insurance. She noted that while there was a significant increase in the number of customers comfortable conducting their CPI interactions digitally, after the pandemic was over there would be a portion of customers who would still want to return to in-person transactions.

It was noted that Ms. Martin would be making a one-hour virtual presentation shortly to CAFII members on the detailed findings of the research project.

5.c.ii. Proposed Supplementary CAFII Research Project on Digitization in Insurance

Keith Martin reported that at the Special Purpose CAFII Board Meeting on 11 February, 2021, there was support for continuing research efforts on digitization. One specific idea proposed was to conduct research on the best way to deliver a digital experience for consumers.

The Board supported continuing to examine this option and requested that a more detailed research plan for this project be presented to the Board at its next meeting.

5.d. Media Advocacy Committee

5.d.i. EOC-Endorsed CAFII Website Blog As Ongoing CAFII Website Initiative

The Board was informed that the EOC has recommended the development of a new blog section on the CAFII website, to be called "Insights," with would have eight to 10 annual postings. The Board supported this initiative.

5.e. Networking and Events Committee

Scott Kirby, Chair of the Networking & Events Committee, provided an update on the CAFII webinars planned for 2021, including a 28 April, 2021 fireside chat with Glen Padasserry, Executive Vice-President & Chief Consumer Officer at FSRA.

5.f. Travel Insurance Experts Working Group

5.f.i. Insights Gained From CAFII/CLHIA/THIA Weekly Calls Re Impact of COVID-19 on Travel Insurance Industry

Brendan Wycks provided an update on the insights gained from CAFII's recent weekly meetings with CLHIA and THIA on COVID-19's impact upon the travel insurance industry, including the expectation that the Canada-US land border would continue to be closed for the foreseeable future.

6. Meeting Termination and Adjournment

There being no further business,

On a motion duly made, seconded and unanimously carried

IT WAS RESOLVED that the meeting be adjourned at 3:41 p.m.

The Board then transitioned into its in camera session.

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 7(a)

Read Only Items: CAFII Data Improvements Working Group With RSM Canada Around Quarterly CPI Benchmarking Study: Progress Report

Purpose of this Agenda Item – *Read-Only Update*

Update only.

Background Information

The RSM Canada CAFII Quarterly CPI Benchmarking Study has now been in production for over a year, and the time has come to see what can be done to bring the data quality and comparability to the next level. A Working Group of participants in the study and RSM Canada is meeting to identify ways to enhance the quality of the data and its comparability.

Recommendation / Direction Sought – *Read Only Item*

This is a Read Only item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 7(b)

Read Only Items: Board Approval of Further CAFII Research on “Digitization and the Customer Experience”: Next Steps

Purpose of this Agenda Item – *Read-Only Update*

Written update only.

Background Information

The Board was supportive of a proposal that the CAFII 2021 research initiative could be on how to best deliver an excellent digital customer experience. The Research & Education Committee will take the lead on this initiative, and next steps include developing more detail on the objectives of the research and identifying which outside supplier could assist in its execution.

Recommendation / Direction Sought – *Read-Only Update*

This is a written Read Only update.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFIL EOC Meeting 27 April, 2021—Agenda Item 7(c)

Read Only Items: Board-Approved Website Blog As An Ongoing CAFIL Initiative: Next Steps

Purpose of this Agenda Item – *Read-Only Update*

Written update only.

Background Information

At its 13 April, 2021 meeting, the CAFIL Board approved an initiative to develop a blog on the CAFIL website. There will be 8-10 blog entries per year, and this will add to the content of the website as well as improve CAFIL's search engine optimization results. The first two blog entries have been created and are attached to the meeting materials for this meeting.

Recommendation / Direction Sought – *Read-Only Update*

Update.

Attachments Included with this Agenda Item

One attachment.

Agenda Item 7(c)
April 27/21 EOC Meeting

EOC-Endorsed (March 30/21 EOC Meeting) CAFII Website Blog As Ongoing CAFII Website Initiative

Benefits to CAFII Of Having A Website Blog

One of the most effective ways for CAFII to build awareness online is through blogging. A regular blog can help drive traffic to the CAFII website, reinforce CAFII as an industry authority, and ultimately create more awareness around the association and its work.

4 Key Ways Blogging Can Provide Value to CAFII:

1. SEO – Blogging can help drive Search Engine Optimization (SEO) value on a website. Essentially, SEO involves creating content around specific keywords and topics (e.g. CPI and travel insurance). When a user searches on a search engine (Google, Bing, Yahoo, etc.) about these topics, the CAFII website appears in that list of results. Blogging about topics and keywords relevant to CAFII is a good long-term strategy to drive traffic and growth to a website and association.

2. Public Engagement – Sharing knowledge and information online with the general public, media, industry employees, etc. is a great way to build engagement. Everyday, consumers are searching keywords and topics that are relevant to our industry and association; blogging gives us the opportunity to capture their attention. A blog provides people with an extra reason to visit our website and stay up to date on association news.

3. Build brand as a thought leader – Blogging about industry issues and providing the public with useful product information is a great way to further the association's reputation for thought leadership. As consumers, regulators, media, etc. discover and follow an association's blog, it helps to enhance that association's reputation as an authority on the topic. This may even help in efforts to recruit new members to CAFII.

4. Drive long-term results -- Let's say we sit down for an hour and write and publish a blog post today that nets us 100 views. We get another 50 views tomorrow as a few more people find it on social media and some of our followers get caught up on their email and RSS. But after a couple days, most of the fanfare from that post dies down and we've netted 150 views. It's not done. That blog post is now ranking in search engines -- for days, weeks, months. In fact, about 70% of the traffic each month on the average blog comes from posts that weren't published in the current month. They come from old posts. These types of blog posts are referred to as "compounding" posts and they help to build long-term search results.

How does it work?

Think about the ways people can find our website: They could type "CAFII" right in to their browser, but that's an audience we already have. They know who we are, and that doesn't help us get more traffic on top of what we are already getting. So, how can we drive more traffic? *In short: blogging, social media, and search engines.*

Think about how many pages there are on our website. Not a lot. And think about how often you update those pages. Not that often. (How often can we really update our About Us page, or our product descriptions?)

Blogging helps solve both of those problems. Every time we write a blog post, it's one more indexed page on our website, which means one more opportunity for CAFII to show up in search engines and drive traffic to our website in organic search.

Blogging also helps us to get discovered via social media. Every time we write a blog post, we're creating content that people can share on social networks -- Twitter, LinkedIn, Facebook -- which helps expose CAFII to a new audience that may not know us yet.

How often do we need to blog?

When it comes to the number of blog posts, quality is more important than quantity. So instead of letting the volume of work overwhelm us, we should start small. Say 6 to 12 blog posts a year. Each of these posts will drive extra traffic to the CAFII website, and the compounding factor of each blog will continue to add to search results long after it is first posted. Each post would have the byline of Keith Martin and/or Brendan Wycks. We could also have guest blogs from our Chair person.

Sample CAFII Blog Post #1 (470 words)

New video helps explain insurance products

By (name of CAFII executive)

CAFII recently posted a new motion-graphic video to its website and on YouTube that explains the features and benefits of critical illness credit protection insurance and disability credit protection insurance.

The two-minute video describes how these insurance products work, and how they provide protection against different types of risk.

For example, disability insurance will pay all or part of an insured person's monthly debt obligation to their bank or credit union while they are unable to work due to disability.

In contrast, critical illness insurance is not related to ability to work, and an insured person can receive a benefit regardless of their employment status. This type of insurance can pay off all or a portion of the insured debt obligations in one lump sum, thereby freeing up money for other uses.

The video is the latest in a series aimed at simplifying insurance products and services for Canadian consumers. It supplements five other educational videos already on the website that explain how popular consumer insurance products such as Mortgage Life Insurance, Travel Insurance, Travel Medical Insurance, and Credit Protection Insurance work. There is also a video that explains who CAFII is and how we are trying to make insurance simple, accessible and affordable for Canadians.

Our consumer-facing website was created in 2017 to help Canadians become more aware of the range of insurance options available in Canada and to understand more about them. Since then, we have added definitions and explanations for more than a dozen types of insurance, a series of frequently asked questions, vignettes about the benefits of various insurance products, and information with links for making an insurance claim to a CAFII member financial institution. We even have details about consumer research commissioned by CAFII, and news about the Association.

As an Association, we have made consumer education a priority because our members believe that informed consumers can make better insurance choices to fit their personal circumstances, and that they are ultimately more satisfied with their experience when they choose the right products.

That's one of the reasons we continue to add new content to our website each year. For example, we recently added some new product definitions, consumer situation example vignettes, and FAQs to the website, and we are planning to add another three new videos and some new consumer research later this year.

To date, our efforts have been well received by consumers who find surfing the web a convenient way to get information, especially during a pandemic. For example, our website attracted 28,000 visitors last year, a 34% increase over 2019.

While we're pleased that a record number of consumers came to our website last year to learn more about insurance, we hope that even more will discover us in 2021!

Sample CAFII Blog Post #2 (550 words)

What types of insurance should homebuyers consider?

By (name of CAFII executive)

Spring is the time of year when many Canadians think about buying their first home or selling and trading up to a better one. And, when they start thinking about the many issues that come with buying a house.

The first two questions potential buyers need to ask themselves is "How much house can I afford?" and "What size mortgage will I qualify for?". Luckily, most financial institutions can help answer those questions if a customer shares information about their financial situation and how much of a down payment they would like to use for the purchase.

Insurance is another topic a home buyer will want to consider, and that consideration should include at least three products; Mortgage Default Insurance, Mortgage Life Insurance, and Home Insurance. The first two of these products – Mortgage Default Insurance and Mortgage Life Insurance – are sometimes confused by consumers, especially with first-time buyers.

Mortgage Default Insurance allows borrowers to obtain a mortgage on a property with a lower down payment (as low as 5% for homes under \$500,000, and 10% for the portion up to \$1,00,000) than for a conventional mortgage. This type of insurance is required on all mortgages with down payments of less than 20% of the purchase price and is known as a high-ratio mortgage. The premium is calculated as a percentage of the mortgage, and the maximum available amortization for a high-ratio mortgage is 25 years.

This insurance provides a “safety net” for federally regulated financial institutions, such as banks, that lend money on the security of residential real estate, and increases the number of Canadians who may be able to qualify for a mortgage. Premiums for Mortgage Default Insurance are based on the amount of the mortgage and can be added to the mortgage amount and repaid over the full duration of the mortgage.

Conventional mortgages, which require a minimum down payment of 20%, do not require Mortgage Default Insurance. Any home over \$1,000,000 requires a 20% down payment.

Mortgage Life Insurance is a type of optional Credit Protection Insurance that pays out your mortgage balance (up to the maximum specified in the certificate of insurance) in the event of your death, making it affordable for your surviving spouse and/or family to remain in your home without financial duress. If your family relies on your income to make their mortgage payments, Mortgage Life Insurance is one way to protect their financial future.

Consumers who purchase Mortgage Life Insurance usually have the option to add disability, critical illness, and job loss coverage, to protect their family further against not being able to make their mortgage payments.

Home Insurance can provide valuable financial protection against incidents that can cause damage to the property you own—including fire, lightning strike, wind and hail, explosions, falling objects, vandalism, theft, and other risks or “perils.” This insurance typically covers both property damage and liability exposure, including medical payments in case someone gets hurt on your premises.

If you get a mortgage to purchase your home, your lender will require that you have Mortgage Insurance to cover these types of risk.

When contemplating the cost of buying and maintaining a home, Canadian consumers should think about whether they will need these three types of insurance or more, and what the cost will be.

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 7(d)

Read Only Items: Responses to Two FSRA Questions Arising From CAFII Submission on FSRA's Proposed Unfair and Deceptive Acts or Practices Rule

Purpose of this Agenda Item – *Read-Only Update*

Written update only.

Background Information

FSRA held a meeting with CAFII and CLHIA on 24 March, 2021 about some questions they had about incentives in relation to the Unfair or Deceptive Acts or Practices (UDAP) Rule that they are currently developing. The Market Conduct & Licensing Committee has met twice to develop answers to the two questions which FSRA has posed to CAFII.

Recommendation / Direction Sought – *Read-Only Update*

This is a Read Only update.

Attachments Included with this Agenda Item

One attachment.

Agenda Item 7(d)
April 27/21 EOC Meeting

Outcomes of March 24/21 Special FSRA-Called Meeting With CLHIA and CAFII Around Concerns Raised By Group Insurance/Employee Benefits Advisors Related To How Section 7 (Incentives) of Proposed UDAP Rule Would Apply To Their Sector Within Life and Health Insurance

From: Jennifer Chan <Jennifer.Chan@fsrao.ca>

Sent: March-25-21 1:57 PM

To: Lyne Duhaime <LDuhaime@clhia.ca>; Brent Mizzen <bmizzen@clhia.ca>; Brendan Wycks <brendan.wycks@cafii.com>; Keith Martin <Keith.Martin@cafii.com>; Justin Glinski <jglinski@clhia.ca>

Cc: Stuart Wilkinson <Stuart.Wilkinson@fsrao.ca>

Subject: Thank you / Action items - FSRA-UDAP discussion

Good afternoon everyone,

Thank you for participating in the yesterday's discussion on FSRA's Unfair or Deceptive Acts or Practices (UDAP) proposed rule. We appreciate you sharing your concerns in more detail.

There were a few actions from the meeting, in the context of section 7 Incentives:

- CAFII to bring back to members to consider and provide feedback on whether it would be appropriate for the following two situations to be an unfair or deceptive act or practice: 1) offering an inducement to a person who is ineligible, and 2) offering an inducement to someone who is outside of the target market;
- CLHIA to bring back the same situations as above to its members in its group insurance committee and credit insurance and alternative distribution committees for consideration. Additionally, two other items: 1) CLHIA to bring back the tax administration question around a rebate as taxable income to its tax colleagues. 2) CHLIA to solicit members' thoughts on how they may split the return of a rebate in a group insurance product (e.g., between the master policy holder and the certificate holder).

During the meeting, we had expressed the hope to receive this information as soon as possible – we understand this may present a challenge, and after reflecting on what we heard in our meetings with you and other groups, we think we have enough information right now to report back to our Board. We would still be happy to receive your response at a later date. Please let us know what a realistic timeline would be for your response.

Please do not hesitate to reach out if you have any questions.

Jennifer (Jenn) Chan

Senior Policy Analyst

Market Conduct Policy Division

Financial Services Regulatory Authority (FSRA)

C: 416.627.1314

E: Jennifer.Chan@fsrao.ca

Change of address

Effective February 1, 2021 our new address is:

25 Sheppard Avenue West, Suite 100, Toronto, ON M2N 6S6

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 7(e)

Read Only Items: Rationale for CAFII Decision Not to Make Submissions In Response To Recent BCFSAs Consultations on Outsourcing and Information Security

Purpose of this Agenda Item – *Read-Only Update*

Written update only.

Background Information

BCFSA has developed a Draft Guideline on outsourcing, and a Draft Guideline on information security, and posted these for comment during industry/public consultation periods which recently concluded. CAFII confirmed that these two Draft Guidelines are only applicable to BC-incorporated firms; and, as such, it was determined that these consultations were out of scope for our Association. However, we will closely monitor developments on these files and will keep in touch with the CLHIA, which has made submissions in response to the two BCFSA consultations.

Recommendation / Direction Sought – *Read-Only Update*

This is a Read Only update.

Attachments Included with this Agenda Item

One attachment.

Agenda Item 7(e)
April 27/21 EOC Meeting

Rationale for CAFII Decision Not to Make Submissions In Response To Recent BCFSA Consultations on Outsourcing and Information Security

From: Kuiper, Bradley <bradley.kuiper@scotiabank.com>
Sent: April-12-21 9:03 AM
To: Keith Martin <Keith.Martin@cafii.com>; 'Rob Dobbins' <rob.dobbins@assurant.com>
Cc: Brendan Wycks <brendan.wycks@cafii.com>
Subject: RE: [External] FW: Question from CAFII on BC Consultations on Outsourcing Guideline; and Information Security Guideline

Thanks for the update Keith.

No concerns or questions regarding the proposed approach re: not making CAFII submissions.

Regards, Brad

Brad Kuiper, CIP, CIPP/C | Senior Compliance Manager

Scotiabank | Global Compliance

From: Keith Martin <Keith.Martin@cafii.com>
Sent: April 12, 2021 8:55 AM
To: Kuiper, Bradley <bradley.kuiper@scotiabank.com>; 'Rob Dobbins' <rob.dobbins@assurant.com>
Cc: Brendan Wycks <brendan.wycks@cafii.com>
Subject: [External] FW: Question from CAFII on BC Consultations on Outsourcing Guideline; and Information Security Guideline

Hello Brad, Rob,

Upon further investigation of the two open consultations by the BCFSA on an Outsourcing Guideline; and an Information Security Guideline, Brendan and I recommend that CAFII not make a submission on these two matters, principally because they are only applicable to BC incorporated companies and as such will not apply to the vast majority of our members, and are therefore out of scope for our Association. In addition, upon careful review of the Guidelines there is nothing particularly controversial or concerning about them. The Information Security Guideline, which has focused on cyber-security, does require companies with major security breaches to inform the regulator, but that is very much the direction being taken in most jurisdictions including federally in Canada.

Furthermore, the CLHIA is making submissions to the BCFSA on these two consultations -- they have identified one key point and they will raise this with BCFSA:

"Hi Keith,

We are preparing a response to both consultations. This is being led by our Information Security Committee.

Just to note, I didn't receive a lot of feedback from members on these as they both only apply to B.C. incorporated insurance companies. But we did mention in our draft submissions that BCFSA should consider waiting until OSFI finishes its review of technology risks before implementing the guidelines."

Sarah Hobbs

Director, Policy

Direct: 416-359-2012

Cell: 416-312-7201

If you have any concerns about this recommendation or would like to discuss in a call, please let us know.

Regards,

--Keith

Keith Martin

Co-Executive Director / Co-Directeur général

Canadian Association of Financial Institutions in Insurance

From: Wright, Steven FSA:EX <Steven.Wright@bcfsa.ca>

Sent: April 9, 2021 8:17 PM

To: Keith Martin <Keith.Martin@cafii.com>

Cc: Brendan Wycks <brendan.wycks@cafii.com>; Wales, Peta FSA:EX <Peta.Wales@bcfsa.ca>; James, Harry FSA:EX <Harry.James@bcfsa.ca>; Chong, Frank FSA:EX <Frank.Chong@bcfsa.ca>; O'Brien, Rob FSA:EX <Rob.O'Brien@bcfsa.ca>; Leung, Steve FSA:EX <Steve.Leung@bcfsa.ca>

Subject: RE: Question from CAFII on BC Consultations on Outsourcing Guideline; and Information Security Guideline

Hi Keith,

Thank you for your questions.

Your assumption is correct in that the expectations communicated in the outsourcing guideline do not apply to FRFIs. While the expectations communicated in the information security guideline do not apply to FRFIs, we are considering introducing a rule that would require all insurance companies (including FRFIs that are licensed to conduct business in BC) to notify BCFSa in the event of a significant information security incident. As we begin work on the details of such a rule, we will reach out to your organization for your input.

Best regards,
Steven Wright

From: Keith Martin <Keith.Martin@cafii.com>

Sent: April 6, 2021 7:07 AM

To: Chong, Frank FSA:EX <Frank.Chong@bcfsa.ca>; James, Harry FSA:EX <Harry.James@bcfsa.ca>

Cc: Brendan Wycks <brendan.wycks@cafii.com>

Subject: Question from CAFII on BC Consultations on Outsourcing Guideline; and Information Security Guideline

Hello Frank, Harry,

I trust this note finds you both well in these trying times. CAFII is reviewing two consultation documents from BCFSa, and determining if they are in scope for our Association. As you know CAFII's members are federally regulated financial institutions (FRFIs).

The Outsourcing Guideline <https://www.bcfsa.ca/pdf/fid/BCFSaOutsourcingGuideline.pdf> states that "This Guideline sets out BCFSa's expectations for provincially regulated financial institutions incorporated in BC ("PRFIs") that outsource, or contemplate outsourcing, one or more of their business activities" and as such, I believe that this does not apply to our members?

The Information Security Guideline

<https://www.bcfsa.ca/pdf/fid/advisory/InformationSecurityGuideline20210218.pdf> is perhaps a little less clear-cut, as it says "Potential consequences of information security ("IS") breaches constitute a concern for BCFSa, consumers, and provincially incorporated financial institutions ("PRFIs")¹." The Footnote 1 then states: "1 PRFIs for the purposes of this guideline include (i) BC credit unions, (ii) insurance and trust companies incorporated or licensed to do business in BC (excluding extra provincial companies) and (iii) administrators of BC pension plans." Would the inclusion of the "or licensed" mean that our members who have operations in BC are subject to this Guideline?

Thanks for any clarification you can provide.

Regards, and stay safe,

--Keith

Keith Martin

Co-Executive Director / Co-Directeur general, CAFII

Briefing Note

CAFII EOC Meeting 27 April, 2021—Agenda Item 7(f)
Read Only Items: Plans For Future 2021 CAFII Webinars

Purpose of this Agenda Item – *Read-Only Update*

Written update only.

Background Information

Plans for 2021 CAFII webinars include the following:

- Glen Padassery, EVP and Chief Consumer Officer, FSRA (*confirmed for 28 April, 2021*);
- RIA Regimes in Canada;
- Review by Lesli Martin, Pollara Strategic Insights, of the CAFII consumer research results on digitization;
- The Future of Travel Insurance As The World Emerges From COVID-19 (panellists from CLHIA, THIA, and CAFII) (*confirmed for 9 June, 2021*);
- Two Relatively New Superintendents of Insurance (Alberta and Newfoundland) and Their Priorities;
- BCFSA and Its Priorities (Introduction To/Profile-Raising of Blair Morrison and Peta Wales);
- Consumer-Focused Innovation In The Life and Health Insurance Industry

Recommendation / Direction Sought – *Read-Only Update*

This is a Read Only update only.

Attachments Included with this Agenda Item

No attachments.