

**CAFII Executive Operations Committee Meeting Agenda**

**Date:** Tuesday, January 23, 2023  
**Chair:** R. Dobbins  
**Location:** [Virtual MS Teams Meeting](#)

**Time:** 2:00 – 4:00 p.m. EST  
**Dial-In:** 437-703-4263  
**Phone Conference ID:** 899 984 739#

1. Call to Order, Welcome, and Priority Matters	2:00 p.m.	Presenter	Action	Document
a. Call to Order		R. Dobbins		
b. Welcome to New CAFII EOC Members: Moushami Dullabh, BMO Insurance; Shahnoor Khimjee, TD Insurance; Lindsey Leclair, Securian Canada.	2:01 p.m.	M. Dullabh/ S. Khimjee/ L. Leclair		

2. Consent Items	2:07 p.m.	Presenter	Action	Document
a. Consultations/Submissions Timetable				✓
b. January 2024 Regulatory Update				✓
c. Regulator and Policy-Maker Visit and Communication Recap				✓
d. Summary of Board and EOC Action Items				✓
e. Board-Approved Schedule of CAFII 2024 Meetings and Events				✓
f. List of CAFII Member Company Primary Contacts for Specifying Invitees to May 28/24 CAFII Annual Members and Associates Luncheon				✓ (2)

3. Financial Management	2:07 p.m.	Presenter	Action	Document
a. CAFII Financial Statements as at December 31/23	2:07 p.m.	D. Hinnecke	Update	✓
b. Update on Board Approval of 2024 CAFII Operating Budget	2:15 p.m.	K. Martin/ D. Hinnecke	Update/ Discussion	✓
c. Update on Discussion with Canadian Western Bank About It Joining CAFII	2:22 p.m.	K. Martin	Update	✓ (2)
d. Dissemination of CAFII 2024 Member and Associate Dues Invoices	2:25 p.m.	S. Smith	Update	

4. Committees and Working Groups	2:27 p.m.	Presenter	Action	Document
a. Diversity, Equity and Inclusion	2:27 p.m.	T. Harri-Morar	Update	✓
b. Market Conduct & Licensing	2:30 p.m.	B. Kuiper	Update	
i. Plans for FCAC Submission on Proposed Guideline on Complaint-Handling Procedures for Trust and Loan Companies and Insurance Companies (Submission Deadline: February 5/24)	2:33 p.m.	K. Martin	Update	✓
ii. FSRA Consultation on Proposed Approach to Strengthening Protection of Vulnerable Consumers (Submission Deadline: March 8/24)	2:37 p.m.	K. Martin	Update	✓ (3)
iii. CAFII Written Submission to FCNB on Ongoing Issues/Concerns Re Rule INS-001 and FCNB Portal Process for Obtaining Restricted Insurance Representatives (RIR) Licences	2:41 p.m.	K. Martin	Update	
iv. Plans for CAFII Hybrid Presentation of 2023 Research Results-Focused PowerPoint Deck to FCAC Staff Executives in Q1 2024	2:45 p.m.	K. Martin	Update	
c. Quebec/AMF Issues	2:50 p.m.			
i. Insights Gained from Get Acquainted and Dialogue Meeting with AMF's New CEO Yves Ouellet and Éric Jacob on December 14, 2023 in Montreal	2:50 p.m.	K. Martin	Update	✓ (2)
ii. CAFII-Commissioned RSM Canada Study on Attrition Rate of Spousal Insurance Policies in Quebec and Related Projections to 2030	2:54 p.m.	K. Martin	Update	✓ (5)
d. Media Advocacy	2:59 p.m.			✓ Written Update
i. Update on 2023 Website Enhancements, Including Video on Claims	2:59 p.m.	K. Martin	Update	✓
ii. Plans to RFP New Supplier for Website Enhancements	3:03 p.m.	K. Martin	Update	
e. Research and Education	3:07 p.m.	A. Stuska	Update/ Discussion	✓
i. Final Study from CAFII 2023 Research Project with LIMRA on CPI's Accessibility to and Utility for Canadian Consumer Segments	3:15 p.m.	K. Martin	Update	✓

i. Discussion of Proposed Speakers for CAFII Receptions and Webinars 2024	3:20 p.m.	C. Manno/ K. Martin	Update/ Discussion	✓
ii. Insights Gained from November 22/23 Webinar on "Travel Insurance Trends"	3:25 p.m.	K. Martin	Update	
iii. Plans for February 1/24 Webinar on Artificial Intelligence with Amber Mac	3:28 p.m.	K. Martin	Update	
g. Travel Insurance Experts	3:31 p.m.			

<b>5. Strategic and Regulatory Initiatives</b>	3:31 p.m.	Presenter	Action	Document
a. Outcome of Survey of CAFII Members on Distribution Methods of CPI Fulfillment Packages in Jurisdictions Across Canada	3:31 p.m.	R. Jennings		✓

<b>6. Governance</b>	3:34 p.m.	Presenter	Action	Document
a. Board Appointment of New CAFII Director from CIBC Insurance	3:34 p.m.	S. Smith	Update	✓ (2)
b. Update on Policies and Procedures Document and Related New Management Structure Issues	3:35 p.m.	K. Martin/ S. Smith	Update	
c. CAFII Electronic Payables and Cheque Signing Authority Policy	3:38 p.m.	K. Martin	Update/ Endorsement	✓
d. Draft Minutes of December/23 Board Meeting	3:45 p.m.	R. Jennings	Endorsement	✓
e. Draft Minutes of November/23 EOC Meeting	3:45 p.m.	R. Jennings	Approval	✓

<b>7. Read Only Items</b>	3:45 p.m.	Presenter	Action	Document
a. Efforts to Attract More Associates to CAFII in 2024				✓ (2)
b. Critical Path with KPMG for CAFII 2023 Fiscal Year Audited Financial Statements				✓
c. Upcoming Rendez-Vous Meeting Organized by the AMF in Montreal (February 12/24)				✓
d. FSRA Exchange Event in Toronto (March 4/24)				✓
e. Response from the Ontario Minister of Finance to CAFII's Submission on the Ontario Government Consultation on Changing the Minimum Time Period for Consultations from 90 days to 60 days				✓

<b>8. In-Camera Session</b>	3:45 p.m.	Presenter	Action	Document
a. Update on CAFII 2024 Operating Budget				
b. Update on CAFII Executive Director Succession Plan in Event of Departure of EA				

<b>9. Tracking Issues and Bring-Forward Items</b>		Presenter	Action	Document

**Next EOC Meeting:** Tuesday, February 27/24, 2:00 to 4:00 p.m. EST Virtual Meeting

**Next Board Meeting:** Tuesday, April 9/23, 3:00 to 5:00 p.m. EST Hybrid Meeting - Location TBD

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 1(a) Call to Order, Welcome, and Priority Matters—Call to Order**

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#### ***Purpose of this Agenda Item—Start of Meeting***

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Start of meeting.

#### ***Background Information***

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The meeting will be called to order by EOC Chair Rob Dobbins.

#### ***Recommendation / Direction Sought—Start of Meeting***

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No action required.

#### ***Attachments Included with this Agenda Item***

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No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 1(b)**

**Call to Order, Welcome, and Priority Matters—Welcome to New CAFII EOC Members: Moushami Dullabh, BMO Insurance; Shahnoor Khimjee, TD Insurance; and Lindsey Leclair, Securian Canada**


### **Purpose of this Agenda Item—Start of Meeting**

Welcome to the three new CAFII EOC members – Moushami Dullabh (BMO Insurance), Shahnoor Khimjee (TD Insurance), and Lindsey Leclair (Securian Canada).


### **Background Information**

New EOC Members Moushami Dullabh (BMO Insurance), Shahnoor Khimjee (TD Insurance), and Lindsey Leclair (Securian Canada) will briefly introduce themselves to the EOC.


**New EOC Member**



**Moushami Dullabh, MBA** (She/her) · 3rd  
Insurance Compliance Manager at BMO



**Shahnoor Khimjee, CPA, ACCA**  
Senior Manager - Governance & Control  
Toronto, Ontario, Canada · [Contact info](#)



**Lindsey LeClair** (She/Her) · 1st  
Strategic, creative and candid leader of amazing teams and practitioner of the L|C|R arts.



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**Recommendation / Direction Sought–*Start of Meeting***

No action required.

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**Attachments Included with this Agenda Item**

No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 2(a-f)**

#### **Consent Items**

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#### **Purpose of this Agenda Item – Information Only**

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

#### **Background Information**

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

- a. Consultations/Submissions Timetable
- b. January 2024 Regulatory Update
- c. Regulator and Policy-Maker Visit and Communication Recap
- d. Summary of Board and EOC Action Items
- e. Board-Approved Schedule of CAFII 2024 Meetings and Events
- f. List of CAFII Member Company Primary Contacts for Specifying Invitees to May 9/23 CAFII Annual Members and Associates Luncheon

#### **Recommendation / Direction Sought – Information Only**

No action required.

#### **Attachments Included with this Agenda Item**

Five (5) attachments.

## CAFII Consultations/Submissions Timetable, 2023-2024

### New Items since the Last EOC Meeting:

FCAC: Submission to FCAC on its consultation on the Proposed Guideline on CHPs for Trust and Loan Companies and Insurance Companies (Deadline of February 5, 2024)  
 AMF: CAFII submits RSM Canada report on attrition of spousal policies to AMF staff executives (January 8, 2024)  
 FSRA: CAFII response submission to FSRA's consultation on Proposed Approach to Strengthening Protection of Vulnerable Consumers – Consultation (Deadline of March 8, 2024)

Regulatory Issue	Deliverable	Deadline	Accountable
Financial Consumer Agency of Canada (FCAC)	<ul style="list-style-type: none"> <li>CAFII submission on "Proposed Guideline on Appropriate Products and Services For Banks and Authorized Foreign Banks"</li> <li>CAFII meets virtually with FCAC staff executives to present highlights of submission on "Proposed Guideline on Appropriate Products and Services For Banks and Authorized Foreign Banks"</li> <li>FCAC virtual meeting with K. Martin and B. Wycks to present its decisions on elements in CAFII's submission on "Proposed Guideline"</li> <li>FCAC releases final version of "Guideline on Appropriate Products and Services For Banks and Authorized Foreign Banks"</li> <li><i>Presentation of 2023 Research Results-focused PowerPoint deck to FCAC Staff Executives</i></li> <li><u>Submission to FCAC on its consultation on the Proposed Guideline on CHPs for Trust and Loan Companies and Insurance Companies.</u></li> </ul>	<ul style="list-style-type: none"> <li>January 6/22</li> <li>January 15/22</li> <li>February 17/22</li> <li>February 24/22</li> <li>Q1 2024</li> <li>February 5, 2024</li> </ul>	<ul style="list-style-type: none"> <li>Mkt Conduct &amp; Licensing Committee; Co-EDs to monitor</li> </ul>
BC Ministry of Finance 10-Year Review of FIA (Public Consultation Paper issued June/15); and Resulting Restricted Insurance Agency (RIA) Licensing Regime To Be Developed and Launched By Insurance Council of BC	<ul style="list-style-type: none"> <li>Ministry releases consultation paper on introducing a Restricted Insurance Agent licensing regime in BC (October 3/22 submission deadline)</li> <li>CAFII submission on BC RIA licensing regime consultation paper</li> <li>Ministry advises that Rule to empower RIA Regime and ensuing Insurance Council implementation work to be developed by Spring 2023</li> <li><i>Insurance Council of BC arranges early consultation meeting with CAFII re RIA regime</i></li> <li>CAFII meets in-person/hybrid with BC Ministry of Finance; and with Insurance Council of BC, as part of 2023 Western Canada Tour</li> <li>CAFII response submission on Insurance Council of BC Rule(s) developed to create framework for and implement Restricted Insurance Agency regime in BC (following Ministry of Finance Summer 2023 release of Council-empowering Regulation)</li> <li><i>CAFII meetings with Insurance Council of BC around Rules for RIA regime</i></li> </ul>	<ul style="list-style-type: none"> <li>June 30/22</li> <li>October 3/22</li> <li>January 13/23</li> <li>May 8/23</li> <li>June 13 and June 14/23</li> <li>Q4 2023 thru Q2 2024 (expected)</li> <li>Q4 2023 thru Q2 2024</li> </ul>	<ul style="list-style-type: none"> <li>Mkt Conduct &amp; Licensing Committee; Co-EDs to monitor</li> </ul>
British Columbia Financial Services Authority (BCFSA)	<ul style="list-style-type: none"> <li>CAFII submission on BCFSA's "Draft Insurer Code of Market Conduct"</li> <li>CAFII submission on Two Follow-up Questions from BCFSA on Its Draft Insurer Code</li> <li>BCFSA releases update promising update report on 'Insurer Code of Market Conduct' in 2023</li> <li>BCFSA holds short virtual meeting with CAFII to advise re how it intends to proceed with a BC "Insurer Code of Market Conduct"</li> <li>CAFII meets in-person/hybrid with BCFSA, as part of 2023 Western Canada Tour</li> <li>BCFSA releases final version of its principles-based BC Insurer Code of Market Conduct (derived from CCIR/CISRO Guidance: Conduct of Insurance Business and Fair Treatment of Customers)</li> <li>BCFSA's BC Insurer Code of Market Conduct to come into force</li> </ul>	<ul style="list-style-type: none"> <li>September 9/22</li> <li>November 11/22</li> <li>December 15/22</li> <li>May 8/23</li> <li>June 13/23</li> <li>July 10/23</li> <li>April 1/24</li> </ul>	<ul style="list-style-type: none"> <li>Mkt Conduct &amp; Licensing Committee; Co-EDs to monitor</li> </ul>

Regulatory Issue	Deliverable	Deadline	Accountable
AMF: Quebec Bill 141 and Related Regulations (including Regulation Respecting Alternative Distribution Methods, RADM)	<ul style="list-style-type: none"> <li>• CAFII submission on Draft 2 of 'Regulation Respecting Complaint Processing'</li> <li>• CAFII and AMF resolve impasse issue re Regulation respecting Alternative Distribution Methods (RADM)'s applicability to credit card-embedded insurance benefits via an "unwritten understanding" that Fact Sheet and Notice of Rescission do not have to be distributed to card holders</li> <li>• CAFII and AMF hold special purpose virtual meetings on AMF's 'Regulation Respecting Complaint Processing' (as outgrowth from quarterly one-on-one meetings of CAFII Board Chair and AMF Superintendent, Client Services and Distribution Oversight)</li> <li>• CAFII and AMF hold special purpose virtual meeting on purpose behind AMF's gathering of CAFII member company statistics on claims denial rates and "return of premium" to customers</li> <li>• CAFII and AMF begin dialogue, via a quarterly CAFII Board Chair/AMF Supt. one-on-one meeting, about AMF possibly relaxing/amending/dropping requirement to complete runoff termination of in-force CPI spousal coverage by January 1/25</li> <li>• <u>CAFII submits RSM Canada report on attrition of spousal policies to AMF staff executives</u></li> </ul>	<ul style="list-style-type: none"> <li>• February 15/23</li> <li>• February/March 2022</li> <li>• May 11/23 and June 21/23</li> <li>• June 8/23</li> <li>• July 4/23; and October 18/23</li> <li>• January 8, 2024</li> </ul>	<ul style="list-style-type: none"> <li>• Mkt Conduct &amp; Licensing Committee; Co-Eds to monitor</li> </ul>
CCIR/CISRO	<ul style="list-style-type: none"> <li>• CAFII submission on CCIR/CISRO proposed "Incentives Management Guidance"</li> <li>• CAFII written submission on CCIR's Draft 2023-2026 Strategic Plan (following preliminary feedback provided via Virtual Stakeholder Session on November 4/22)</li> <li>• CCIR releases "2021 Annual Statement on Market Conduct Public Report"</li> <li>• CAFII in-person/hybrid stakeholder meeting with CCIR/CISRO Incentives Management Committee re questions/clarifications around final "Incentives Management Guidance" published in November 2022</li> <li>• CAFII makes submission (in both official languages) on CISRO's embargoed Consultation Draft of 2023-2026 Strategic Plan</li> <li>• CISRO releases final version of 2023-2026 Strategic Plan</li> <li>• CAFII submission to CCIR consultation on "Type and Nature of Complaints to Be Disclosed Through Annual Statement on Market Conduct Report Tool"</li> </ul>	<ul style="list-style-type: none"> <li>• November 30/22</li> <li>• December 15/22</li> <li>• February 28/23</li> <li>• February 28/23</li> <li>• April 21/23</li> <li>• October 3/23</li> <li>• November 3/23 (extended to November 17/23)</li> </ul>	<ul style="list-style-type: none"> <li>• Mkt Conduct &amp; Licensing Cttee; Co-Eds to monitor</li> </ul>
FCNB Insurance Act Rewrite and Introduction of RIA Regime	<ul style="list-style-type: none"> <li>• FCNB Releases "Proposed Rule INS-001: Insurance Intermediaries Licensing and Obligations" for consultation, with February 7/22 submission deadline</li> <li>• CAFII submission on FCNB's "Insurance Act Rewrite: Questions For Industry, Dec.'21"</li> <li>• CAFII submission on Proposed Rule INS-001: Insurance Intermediaries Licensing and Obligations</li> <li>• CAFII submission on Proposed Rule INS-002: Insurance Fees</li> <li>• CAFII submission on FCNB legislative change proposals re Life Insurance and Accident &amp; Sickness Insurance sections of Insurance Act (informal sounding board consultation)</li> <li>• FCNB releases 'Notices to Industry' on coming into force of final versions of Rule INS-001 and Rule INS-002 (having received Ministerial approval) on February 1/23</li> <li>• FCNB Rules INS-001 and INS-002 come into force.</li> <li>• CAFII meets with FCNB to discuss implementation questions/clarifications re Rule INS-001</li> <li>• At CAFII's behest, FCNB removes RIR licence applicant requirements to submit Disclosure Forms and Criminal Record Checks for Board Directors</li> <li>• FCNB grants CAFII request for deadline extension (60 days to June 30/23) for filing initial RIR licence application on FCNB Portal; exempts OSFI- and FCNB-regulated RIR licensees from having to maintain trust accounts; and clarifies RIR licence application issues</li> <li>• CAFII delegation meets with FCNB Superintendent of Insurance and other staff executives for relationship-building and, in part, to discuss lingering problems/issues re INS Rule-001 and RIR regime, as part of Fall 2023 Atlantic Canada tour</li> <li>• CAFII written submission to FCNB on ongoing/lingering concerns about Rule INS-001, and problems with FCNB licensing portal for obtaining an RIR licence</li> </ul>	<ul style="list-style-type: none"> <li>• November 2021</li> <li>• January 31/22</li> <li>• February 7/22</li> <li>• February 18/22</li> <li>• May 20/22</li> <li>• December 13-14/22</li> <li>• February 1/23</li> <li>• February 24/23</li> <li>• March 9/23</li> <li>• April 14/23</li> <li>• September 22/23</li> <li>• December 31/23</li> </ul>	<ul style="list-style-type: none"> <li>• Mkt Conduct &amp; Licensing Cttee; Co-Eds to monitor</li> </ul>

Regulatory Issue	Deliverable	Deadline	Accountable
Financial Services Regulatory Authority of Ontario (FSRA) Regulatory Consultations	<ul style="list-style-type: none"> <li>• CAFII responds to FSRA "Information Guidance on Complaints Resolution" consultation</li> <li>• CAFII submission on FSRA's "Principles-Based Regulation" consultation document</li> <li>• CAFII submission on FSRA's "Principles of Conduct for Insurance Intermediaries"</li> <li>• CAFII submission on FSRA's "Use of Retained Revenues Guidance"</li> <li>• FSRA provides feedback on CAFII's submission on "Use of Retained Revenues Guidance"</li> <li>• CAFII submission on FSRA's Proposed 2023-24 Statement of Priorities and Budget</li> <li>• CAFII submission on FSRA's "Proposed Rule 2022-001: Assessments and Fees"</li> <li>• CAFII decides not to make a submission on FSRA's "Proposed Guidance on IT Risk Management", determining it to be largely "out of scope"</li> <li>• FSRA launches consultation on "Proposed Guidance: Administrative Monetary Penalties" with May 31/23 submission deadline</li> <li>• CAFII submission on FSRA's "Proposed Guidance: Administrative Monetary Penalties"</li> <li>• FSRA releases significantly rewritten final version of "Proceeds of Enforcement Guidance" (formerly "Proposed Guidance: Administrative Monetary Penalties")</li> <li>• CAFII response submission to FSRA's consultation on "Proposed 2024-25 Statement of Priorities and Budget"</li> <li>• <u>CAFII response submission to FSRA's consultation on Proposed Approach to Strengthening Protection of Vulnerable Consumers - Consultation</u></li> </ul>	<ul style="list-style-type: none"> <li>• February 15/22</li> <li>• April 29/22</li> <li>• May 3/22</li> <li>• May 31/22</li> <li>• Sept 9/22</li> <li>• November 15/22</li> <li>• February 27/23</li> <li>• March 31/23</li> <li>• March 27/23</li> <li>• May 31/23</li> <li>• October 12/23</li> <li>• November 13/23</li> <li>• March 8/24</li> </ul>	<ul style="list-style-type: none"> <li>• Mkt Conduct &amp; Licensing Ctte; Co-EDs to monitor</li> </ul>
Ministry of Finance, Government of Ontario	<ul style="list-style-type: none"> <li>• CAFII Submission on Government of Ontario Consultation on reducing the minimum consultation period for FSRA from 90 days to 60 days</li> </ul>	<ul style="list-style-type: none"> <li>• December 4/23</li> </ul>	<ul style="list-style-type: none"> <li>• Mkt Conduct &amp; Licensing Ctte; Co-EDs to monitor</li> </ul>

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

**CAFII Insurance Regulator and Policy-Maker Meetings/Interactions**  
**From November 11, 2023 to January 16, 2024**

<b><u>Date</u></b>	<b><u>Event/Occasion/Issue</u></b>	<b><u>Who/What</u></b>
November 15, 2023	CAFII made a regulator 90-minute presentation to FSRA at their Sheppard Street offices.	<p>In attendance in-person at the meeting from the Financial Services Regulatory Authority of Ontario (FSRA) were</p> <ul style="list-style-type: none"> <li>• Huston Loke, Executive Vice-President, Market Conduct;</li> <li>• Erica Hiemstra, Head, Insurance Conduct;</li> <li>• Joel Gorlick, Director, Market Conduct Policy;</li> <li>• Swati Agrawal Nevatia, Director, Market Conduct – Life &amp; Health Insurance Companies &amp; National Supervision;</li> <li>• Kevin Lim, Senior Manager – Life &amp; Health Insurance Companies;</li> <li>• Tim Mifflin, Senior Manager, Policy.</li> </ul> <p>In attendance virtually at the meeting from and FSRA were</p> <ul style="list-style-type: none"> <li>• Deepa Dey, Senior Manager, Life &amp; Health Insurance Companies;</li> <li>• Robert Prior, Senior Manager, Life &amp; Health Insurance Agents;</li> <li>• Rosemary Steffler, Senior Manager (Acting); and</li> <li>• Nelly Ching, Administrative Assistant.</li> </ul> <hr/> <p>On January 10, 2024 Keith Martin shared the deck that was presented with the FSRA staff that was in attendance:</p> <p>Hello Huston, Erica, Joel, Swati, Kevin, Tim, Deepa, Robert, Rosemary, and Nelly.</p> <p>First of all—before it is too late to do this—allow me to wish each of you a very Happy New Year!</p> <p>On behalf of myself, my CAFII colleagues, and the CAFII member company representatives in our delegation, thank you for meeting with us on November 15, 2023. We found the opportunity to share our presentation, hear your thoughts, and engage in a mutually beneficial dialogue to be extremely valuable and worthwhile.</p> <p>As promised, I am pleased at this time to provide you with a copy of the Powerpoint deck we presented during our meeting.</p> <p>The presentation here is identical to what I presented, with one exception. On page 30 there was a reference that was from an external company which some felt was not using inclusive language, so the wording has been slightly changed. The results from that slide are otherwise unchanged. Nothing else is different in the presentation that is attached from what was shared with you on 15 November.</p> <p>As noted during the meeting, there are some parts of this CAFII Powerpoint that require contextual background and explanation, so please do not hesitate to reach out to me if you have any questions.</p>

		<p>In addition, I would be pleased to present the deck again to any members of your policy-maker/regulatory Authority, if there is interest in that CAFII offer.</p> <p>Our Association does request, however, that you only share the presentation internally, with those within your organization.</p> <p>Thank you again, and we look forward to keeping in touch.</p> <p>Personal regards,</p> <p>--Keith</p> <hr/> <p>In response, on January 15, 2024 Erica Hiemstra wrote the following note to Keith Martin :</p> <p>Hi Keith,</p> <p>Happy New Year! Many thanks for sharing the deck and note your request to limit its distribution to internal only. We appreciate the ongoing dialogue we have with CAFII and will follow up should there be any questions.</p> <p>Cheers, Erica</p> <p><b>Erica Hiemstra</b> (she/her)  Head, Insurance Conduct, Market Conduct  Financial Services Regulatory Authority</p>
November 22, 2023	A webinar on travel and travel insurance trends, held on 22 November 2023, prompted an email exchange with the AMF's Mario Beaudoin.	<p>Mario Beaudoin email, 22 November, 2023 2.02pm</p> <p>Great job Keith!  Extremely interesting. Topic was good, panelists where great and you did an excellent job!  Definitely one of my favorite webinar.  If there is a weblink that I can share internally, I will promote it.  Mario</p> <hr/> <p>Keith Martin response December 22 1.31 pm</p> <p>Bonjour Mario,  Je vous remercie d'avoir pris le temps de m'envoyer votre commentaire, et je suis heureux que vous ayez aimé le webinaire sur les tendances dans le domaine des voyages et de l'assurance voyage. Je prépare actuellement des résumés de tous nos webinaires, qui sont ensuite traduits et affichés dans l'interface en français du site Web de l'ACIFA. Vous pouvez accéder au résumé français de ce webinaire (ainsi qu'à son enregistrement vidéo) en cliquant sur le lien suivant :</p> <p><a href="#">Webinar ACIFA: tendances-en-matiere-de-voyage-et-developpements-relatifs-a-lassurance-voyage-en-2023-presente-pa/</a></p> <p>Merci beaucoup.</p>

		<p><b>ENGLISH TRANSLATION:</b></p> <p><i>Bonjour Mario</i></p> <p><i>Thank you for your note and I am really pleased you enjoyed the webinar on Travel and Travel Insurance Trends. I am developing summaries of all these webinars and getting them translated, and posting the French version on the French section of the CAFII website. The summary of this webinar in French can be found at this link, along with the video recording of the webinar itself:</i></p> <p><i>Thank you Mario,</i></p> <p><i>--Keith</i></p>
December 2023- January 2024	Correspondence with the FCAC about the consultation regarding the <i>Proposed Guideline on CHPs for Trust and Loan Companies and Insurance Companies.</i>	<p>On December 7, 2023 Keith Martin wrote the following message to the FCAC's Diana Iaconi:</p> <p>Hello,</p> <p>On behalf of the Canadian Association of Financial Institutions in Insurance (CAFII) and its members, I would like to request a 30-day extension to the deadline for the FCAC consultation regarding the <i>Proposed Guideline on CHPs for Trust and Loan Companies and Insurance Companies.</i></p> <p>Developing a thoughtful and thorough submission to your important consultation requires that we have meetings with our members to understand their concerns and recommendations. With the holiday season in the middle of the consultation period, we will be challenged in our efforts to have the necessary meetings and internal discussions to provide FCAC with feedback on this proposed Guideline. We would greatly appreciate an extension so that we can provide you with a thorough submission.</p> <p>Thank you in advance for considering this request.</p> <p>Sincerely,</p> <p><b>Keith Martin</b></p> <hr/> <p>On December 7, 2023 the following response was sent to Keith Martin :</p> <p>Good afternoon Keith,</p> <p>Thank you for reaching out. We are certainly very keen to receive CAFII's feedback on the proposed guideline.</p> <p>Although the public consultation will formally close as of January 8<sup>th</sup>, with the public-facing <a href="#">consultation website</a> and live link to the online submission form being deactivated as of January 8<sup>th</sup>, FCAC would be happy to receive written comments by email to <a href="mailto:compliance@fcac.gc.ca">compliance@fcac.gc.ca</a> by January 22<sup>nd</sup>. We hope a 2 week extension may be feasible on your end, as we can appreciate the challenges in gathering stakeholder feedback. We would also welcome the</p>



		<p>opportunity to engage bilaterally beyond this date as needed.</p> <p>Thank you for your interest, and we look forward to your feedback.</p> <p>Regards,</p> <p><b>Diana Iaconi</b></p> <p>Manager, Regulatory Guidance and Insights   Supervision and Enforcement  Branch  Financial Consumer Agency of Canada</p> <hr/> <p>On January 12, 2024 Keith Martin wrote the following email to Diana Iaconi:</p> <p>Hello Diana,</p> <p>I hope it is not too late for me to wish you a happy new year—I hope you had an excellent holiday.</p> <p>I understand that our sister Association CLHIA will be asking FCAC for a further two-week extension on this consultation, and CAFII would similarly request of FCAC a two-week extension to February 5. This consultation is producing significant feedback from our members and we would like to ensure that we have the time to provide you with a thorough response from our Association.</p> <p>I greatly appreciate your consideration of this request.</p> <p>Regards,</p> <p>--Keith</p> <hr/> <p>On January 12, 2024 Diana Iaconi wrote the following email to Keith Martin :</p> <p>Hi Keith</p> <p>Happy New Year to you as well.</p> <p>Thank you for reaching out. I understand this consultation is generating a lot of interest from members. We can accommodate the request and would look forward to the written submission by February 5<sup>th</sup>.</p> <p>In the interim, would CAFII be amenable to a meeting simply to highlight some of the feedback in advance of the submission?</p> <p>Thank you in advance,</p> <p>Diana</p> <hr/> <p>On January 15, 2024 Keith Martin wrote the following email to Diana Iaconi:</p>
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		<p>Hi Diana,</p> <p>Thank you very much for the extension to February 5, 2024 for CAFII's submission on the consultation on the <i>Proposed Guideline on CHPs for Trust and Loan Companies and Insurance Companies</i>.</p> <p>I appreciate your offer of a meeting to share verbally some of our feedback, but I think we would face the same issue we are facing with the written submission—we need the time allocated to prepare our key points for FCAC, and we would be equally hard-pressed to do that in a verbal meeting prior to 5 February.</p> <p>However, Diana, if there is an interest in a meeting after 5 February to discuss our submission points, we would be very open to do so.</p> <p>Many thanks,</p> <p>--Keith</p>
December 14, 2023	The AMF organized a special meeting in Montreal to introduce new CEO Yves Ouellet to CAFII.	<p>In attendance in-person from CAFII: Board Chair Peter Thompson; Board Vice-Chair Paul Cosgrove; Co-Executive Director Keith Martin.</p> <p>In attendance in-person from the AMF: Yves Ouellet, President and CEO; Éric Jacob, Executive Director, Enforcement and Superintendent, Client Services and Distribution Oversight (Interim).</p> <p>In attendance virtually from CAFII: Board member Louis Georgakis (Canada Life); Board member Simon Hubert-Lacroix (Desjardins); Board member Julie Gaudry (RBC Insurance); EOC Chair Rob Dobbins (Assurant); EOC Vice Chair Karyn Kasperski (RBC Insurance); CAFII Operations Manager Shanay Smith; CAFII Research Analyst Robyn Jennings.</p> <p>In attendance virtually from the AMF: Christian Beaulieu, Directeur principal des opérations d'encadrement de la distribution; Mario Beaudoin, directeur des pratiques de distribution alternatives (DPDAA).</p> <p>Following the meeting, Keith Martin wrote the AMF officials in attendance with the following note :</p> <p><b>De :</b> Keith Martin &lt;<a href="mailto:Keith.Martin@cafii.com">Keith.Martin@cafii.com</a>&gt; <b>Envoyé :</b> 8 janvier 2024 10:37 <b>À :</b> Ouellet Yves &lt;<a href="mailto:Yves.Ouellet@lautorite.qc.ca">Yves.Ouellet@lautorite.qc.ca</a>&gt;; Jacob Eric &lt;<a href="mailto:Eric.Jacob@lautorite.qc.ca">Eric.Jacob@lautorite.qc.ca</a>&gt;; Beaulieu Christian &lt;<a href="mailto:Christian.Beaulieu@lautorite.qc.ca">Christian.Beaulieu@lautorite.qc.ca</a>&gt; <b>Cc :</b> Thompson, Peter &lt;<a href="mailto:Peter.Thompson@bnc.ca">Peter.Thompson@bnc.ca</a>&gt;; 'paul.cosgrove@assurant.com' &lt;<a href="mailto:paul.cosgrove@assurant.com">paul.cosgrove@assurant.com</a>&gt; <b>Objet :</b> Suivi de l'ACIFA</p>

		<p>Bonjour, M. Ouellet et M. Jacob,</p> <p>Je tiens à vous remercier d'avoir organisé une réunion avec l'ACIFA le 14 décembre dernier dans vos bureaux de Montréal. Cette réunion a été très constructive et nous avons aimé avoir la possibilité de discuter avec vous.</p> <p>Comme mentionné lors de la réunion, je suis heureux de vous envoyer une copie de la présentation faite par l'ACIFA. Je vous remercie encore de votre accueil et vous souhaite une bonne année.</p> <p>Cordialement,</p> <p>-- Keith</p> <p><b><u>ENGLISH TRANSLATION:</u></b></p> <p><i>Hello Mr. Ouellet and Mr. Jacob,</i></p> <p><i>I would like to thank you for having organized a meeting with CAFII on the 14<sup>th</sup> of December in your Montreal offices. This meeting was very constructive and we appreciated having the possibility of engaging in discussion with you.</i></p> <p><i>As mentioned during the meeting, I am pleased to provide you with a copy of the presentation made by CAFII. Thank you again for your hospitality and I wish you a happy new year.</i></p> <p><i>Sincerely,</i></p> <p><i>Keith</i></p> <hr/> <p>Mr. Jacob provided the following response on January 8, 2024:</p> <p>Bonjour,</p> <p>Monsieur Ouellet et moi-même vous remercions pour cette rencontre ainsi que la présentation.</p> <p>Nous en profitons également pour vous offrir nos meilleurs vœux de santé et de bonheur pour la nouvelle année.</p> <p>Chaleureusement,</p> <p>Eric</p> <p><b>Éric Jacob, LL.B., MBA, ASC, C. Dir.</b>  Directeur général du contrôle des marchés  Surintendant de l'assistance aux clientèles et de l'encadrement de la distribution (Intérim)</p> <p><b><u>ENGLISH TRANSLATION :</u></b></p>
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		<p><i>Hello,</i></p> <p><i>Mr. Ouellet and I wish to thank you for the meeting as well as the presentation.</i></p> <p><i>We would like to also wish you our best wishes for health and prosperity in this new year.</i></p> <p><i>Warmly,</i></p> <p><i>Eric</i></p>
January 1, 2023	An email from CAFII to the PEI Superintendent of Insurance prompted an auto-reply announcing that Robert Bradley was no longer PEI Superintendent of Insurance, and had been replaced by Steve Dowling. Mr. Dowling was extremely helpful in assisting CAFII in setting up an in-person meeting with PEI regulators during the Atlantic Regulator and Policy-Maker Tour.	<p><b>From:</b> Robert Bradley &lt;<a href="mailto:RABRADLEY@gov.pe.ca">RABRADLEY@gov.pe.ca</a>&gt;  <b>Sent:</b> Monday, January 1, 2024 12:49 AM  <b>To:</b> Brendan Wycks &lt;<a href="mailto:brendan.wycks@cafii.com">brendan.wycks@cafii.com</a>&gt;  <b>Subject:</b> Automatic reply: Signing Off as CAFII Co-Executive Director; and A Big Thank You</p> <p>I have stepped down as Superintendent of Insurance. Steve Dowling has assumed the role of Superintendent. Steve is available at 902 368 4550.</p> <p>Thank you</p>
January 8, 2024	Peter Thompson had an exchange with Éric Jacob and Christian Beaulieu at the AMF in which he shared with them the RSM Canada report on spousal policies attrition rate.	<p>Bonjour M. Jacob,</p> <p>S.v.p., voir les lettres et documents ci-joints.</p> <p>Merci et bonne année 2024!</p> <p><b>Peter D. Thompson</b></p> <p><b>ENGLISH TRANSLATION:</b>  <i>Hello Mr. Jaob,</i>  <i>Please find attached letters and documents for your attention.</i></p> <p><i>Thank you and happy 2024 new year!</i></p> <p><i>Peter D. Thompson</i></p> <hr/> <p>In response, on 9 January, 2024 Christian Beaulieu wrote the following response:</p> <p><b>From:</b> Beaulieu Christian &lt;<a href="mailto:Christian.Beaulieu@lautorite.qc.ca">Christian.Beaulieu@lautorite.qc.ca</a>&gt;  <b>Sent:</b> Tuesday, January 9, 2024 10:30 AM  <b>To:</b> Thompson, Peter &lt;<a href="mailto:Peter.Thompson@bnc.ca">Peter.Thompson@bnc.ca</a>&gt;  <b>Cc:</b> paul.cosgrove@assurant.com; Rob Dobbins &lt;<a href="mailto:rob.dobbins@assurant.com">rob.dobbins@assurant.com</a>&gt;; Karyn Kasperski &lt;<a href="mailto:karyn.kasperski@rbc.com">karyn.kasperski@rbc.com</a>&gt;; Keith Martin &lt;<a href="mailto:Keith.Martin@cafii.com">Keith.Martin@cafii.com</a>&gt;; fabricio.naranjo@rsmcanada.com; Jacob Eric &lt;<a href="mailto:Eric.Jacob@lautorite.qc.ca">Eric.Jacob@lautorite.qc.ca</a>&gt;</p>

		<p><b>Subject:</b> RE: Rapport de l'ACIFA sur les polices régissant les conjoints au Québec   CAFII Report on Quebec Spousal Policies</p> <p>Bonjour Peter,</p> <p>Nous vous remercions pour la transmission de ce rapport. Nous en prendrons connaissance avec intérêt et vous reviendrons au cours des prochaines semaines pour finaliser la discussion sur le sujet.</p> <p>Entre temps nous profitons de l'occasion pour vous souhaiter à tous, une très belle année 2024.</p> <p>Sincèrement,</p> <p>Christian Beaulieu  Directeur principal  Direction principale des opérations d'encadrement de la distribution  <b>Autorité des marchés financiers</b></p> <p><b>ENGLISH TRANSLATION:</b>  Hello Peter,</p> <p><i>We would like to thank you for sending us this report. We have noted it with interest and we will respond to you in the next few weeks to finalize the discussion on this subject.</i></p> <p><i>In the meantime allow me to take this opportunity to wish all of you a very lovely 2024.</i></p> <p>Sincerely,</p> <p>Christian Beaulieu</p> <hr/> <p>In response, Peter Thompson wrote the following note to Christian Beaulieu on 9 January, 2024:</p> <p>Merci Christian et bonne année 2024 a vous également!</p> <p>Peter</p> <p><b>ENGLISH TRANSLATION:</b>  Thank you Christian and a happy 2024 new year to you as well!</p>
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<p>January 9, 2024</p>	<p>Nicolas Herbert-Young, from the UK's Financial Conduct Authority, and who sits on the Market Conduct Committee of the IAIS (Chaired by FSRA CEO Mark White), and who was a panelist at an April 27, 2023 CAFII webinar, engaged in the following email exchange with Keith Martin.</p>	<p><b>Email from Nicholas Herbert Young, January 9, 2024:</b></p> <p><b>From:</b> Nicholas Herbert-Young &lt;<a href="mailto:Nicholas.Herbert-Young@fca.org.uk">Nicholas.Herbert-Young@fca.org.uk</a>&gt;  <b>Sent:</b> Tuesday, January 9, 2024 9:06 AM  <b>To:</b> Keith Martin &lt;<a href="mailto:Keith.Martin@cafii.com">Keith.Martin@cafii.com</a>&gt;  <b>Subject:</b> Request from Nick Herbert-Young, UK FCA</p> <p>Dear Keith,</p> <p>Happy New Year! I hope you, Brendan and colleagues are well and that you had a very good Christmas and New Year.</p> <p>May I ask for a few minutes of your time?</p> <p>My FCA annual performance review approaches and so I would very much appreciate your time and comments, if any, on my work with you on the CAFII fireside chat we had in April, its content and the audience. I recall you mentioned then that the audience size was the largest to date and included a wide range of Canadian regulators and industry.</p> <p>If you are willing, would cob Tuesday next week, your time, work for you?</p> <p>I'm delighted to see that the fireside chats programme goes from strength to strength and that FSRA has been a part of that.</p> <p>Thank you very much indeed, Keith. I appreciate your time.</p> <p>With very best wishes,</p> <p>Nick.</p> <p><b>Nicholas Herbert-Young</b>  Global Institutions/ International Department/ International Division</p> <hr/> <p>On January 10, 2024 Mr. Herbert-Young wrote an additional clarifying email :</p> <p>Hi Keith,</p> <p>I hope all's well with you!</p> <p>Many thanks for getting in touch.</p> <p>What I have in mind is a short written feedback statement from you on how our fireside chat came about (your contact with Mark and his recommendation), its audience (members of CAFII, Canadian regulators) and objective(s) (for example, to learn more about internal insurance standard-setting and the work of IAIS and its members) and how well you think I helped to achieve the objective(s).</p> <p>I hope that clarifies my earlier email. If this works for you, I'd be grateful for your statement by cob on Tuesday next week, your time. I'll be happy to call and catch up, of course ... and at a sociable time for both of us!</p>
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		<p>With very best wishes,</p> <p>Nick.</p> <hr/> <p>In response, on January 10, 2024 Keith Martin send Mr. Herbert-Young the following email :</p> <p>Hello Nicholas,</p> <p>Happy to do this, and thank you for the clarification. I hope this meets your expectations and needs.</p> <hr/> <p><b><u>Summary of Fireside Chat (Virtual Webinar) with Nicholas Herbert-Young</u></b></p> <p>The Canadian Association of Financial Institutions in Insurance, or CAFII, is a not-for-profit Association representing Canadian banks, credit unions, and insurers in the life and health insurance sector.</p> <p>The Association interacts with provincial and federal regulators in Canada, and also monitors international regulatory developments.</p> <p>Mark White, the CEO of the Ontario insurance regulator FSRA, is the Chair of the IAIS Market Conduct Committee. CAFII's Executive Director Keith Martin approached Mark White for a contact in the IAIS who would be knowledgeable and able to communicate the major initiatives of the Market Conduct Committee. Mark White without hesitation recommended Nicholas Herbert-Young of the FCA, who sits on the Market Conduct Committee of the IAIS, as an highly knowledgeable resource.</p> <p>Mr. Herbert-Young agreed to be CAFII's panelist for the webinar which took place on April 27, 2023. The webinar was recorded and a summary of the meeting was produced, and both are available on the CAFII website.  <a href="https://www.cafii.com/cafii-webinar-international-regulatory-trends-the-work-of-the-international-association-of-insurance-supervisors-iais-2/">https://www.cafii.com/cafii-webinar-international-regulatory-trends-the-work-of-the-international-association-of-insurance-supervisors-iais-2/</a></p> <p>The webinar was an outstanding success and exceeded expectations. Over 100 attendees registered, which is a very high number, including representatives from 12 Canadian regulators and policy-maker authorities. Mr. Herbert-Young was very articulate and knowledgeable, and offered an outstanding overview of the work of the IAIS, the priorities of the Market Conduct Committee, and an outline of the international regulatory environment. He also shared some of the priorities of the Financial Conduct Authority. Overall it was a very impactful event which contributed to the financial literacy objectives of CAFII.</p> <p>Keith Martin</p> <hr/> <p>On January 11, 2024 Nicholas Herbert-Young wrote Keith Martin to thank him for the attestation :</p> <p>Hello, Keith!</p>
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		<p>Thank you very much indeed for your Summary. I appreciate it.</p> <p>I will continue to look at the fireside chats. I have looked at a couple and will be looking at more. My son has taken a look at our chat and liked it. He's 16, so I count myself fortunate.</p> <p>I hope you and yours are keeping well through these winter months!</p> <p>With very best wishes,</p> <p>Nick.</p>
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Summary of CAFII Board and EOC Action Items					
	Source	Action Item	Responsible	Deadline	Status as at January 15/24
		<b>Association Strategy, Governance and Financial Management</b>			
1	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, via a first meeting and a draft Terms of Reference for this Working Group.	K. Martin	31-Dec-23	In Progress
2	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-23	In Progress
3	EOC February 27, 2018	Document in writing the process for reviewing, approving, and admitting applicants for CAFII Members and Associate status	S. Smith	31-Dec-23	Completed
4	EOC November 14, 2023	Create a revised Critical Path for Development of the 2024 CAFII Operating Budget to present at the next EOC meeting (November 14/23) for review and approval	B. Wycks	10-Nov-23	Completed
		<b>Regulatory Initiatives</b>			
5	BOD December 6, 2022	Maintain ongoing dialogue with AMF Superintendent Eric Jacob and keep CAFII management and EOC Chair and Vice-Chair informed of any developments re resolving impasse issue re RADM's applicability to credit card-embedded insurance benefits and any other CAFII Member-relevant issues	P. Thompson	Ongoing	Ongoing
6	EOC September 19, 2023	Make a CAFII request of the AMF, through Superintendent Eric Jacob, that any existing Spousal Insurance policies be run-off through natural attrition over an indefinite period of time. If this is not accepted, the request of another deadline extension should be made instead.	P. Thompson	31-Dec-23	In Progress
7	EOC November 14, 2023	Present Insights Gained from In-Person CAFII 2023 Atlantic Canada Insurance Regulators and Policy-Makers Visits Tour: Phase 1 (PEI and New Brunswick) and Phase 2 (Nova Scotia and Newfoundland). [R. Jennings and K. Martin; November 10, 2023].	K. Martin/ R. Jennings	10-Nov-23	Completed
		<b>Association Operations</b>			
8	EOC May 17, 2022	Regularly scan website videos to ensure that they are up-to-date and don't include broken links	K. Martin/ S. Smith	Ongoing	Ongoing
9	EOC September 19, 2023	Distribute the Survey of CAFII Member Companies on Distribution Methods of CPI Fulfilment Packages [EOC members; September 22, 2023].	B. Wycks/ K. Martin	24-Oct-23	Completed

## Agenda Item 2 (e)

### January 23/24 EOC Meeting

#### Board-Approved Schedule of CAFII 2024 Meetings and Events

##### (Approved by CAFII Board on October 10/23)

**EOC Meetings:** *To be held virtual-only and in-person/virtual-hybrid, in alternating months*

- **Tuesday, January 23, 2024** (2:00–4:00 p.m. MS Teams virtual-only meeting)
- **Tuesday, February 27, 2024** (2:00–3:30 p.m. MS Teams virtual-only meeting)  
*(Family Day Stat Holiday in Ontario: Monday, February 19)*
- **Tuesday, March 26, 2024** (2:00–4:00 p.m. MS Teams virtual-only meeting)  
*(Quebec Spring Break: March 4 – March 8. Ontario March Break: March 11 – March 15)*
- **Tuesday, April 23, 2024** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)  
*(Passover: Evening of April 23 – April 30)*
- **Tuesday, May 14, 2024** (2:00–3:30 p.m. MS Teams virtual-only meeting)  
*(Victoria Day Stat Holiday: Monday, May 20)*
- **Tuesday, June 25, 2024** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)
- **Tuesday, July 16, 2024** (tentative summer meeting (2:00–3:30 p.m. MS Teams virtual-only meeting)
- **Tuesday, August 13, 2024** (tentative summer meeting (2:00–3:30 p.m. MS Teams virtual-only meeting)
- **Tuesday, September 17, 2024** (3:00–5:00 p.m. in-person/virtual-hybrid meeting, followed by EOC Annual Appreciation Dinner)  
*(National Day for Truth and Reconciliation: September 30)*
- **Tuesday, October 29, 2024** (2:00–3:30 p.m. MS Teams virtual-only meeting)  
*(Yom Kippur: October 12. Thanksgiving Stat Holiday: October 14. Diwali: October 31)*
- **Tuesday, November 19, 2024** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)  
*(Remembrance Day: November 11)*

#### **Board Meetings:**

- **Tuesday, April 9, 2024** (3:00–5:00 p.m. in- person/virtual-hybrid meeting, followed by ensuing Reception)  
**HOST: Assurant Canada**  
*(Good Friday: Friday, March 29; Easter Monday: Monday, April 1)*
- **Tuesday, June 4, 2024** (2:30–5:00 p.m. in- person/virtual-hybrid meeting, preceded by 2024 Annual Meeting of Members and followed by ensuing Reception). (To comply with CAFII Bylaw provisions, the Annual Meeting of Members materials package must be disseminated between 60 days and 21 days prior to the date of the Annual Meeting: i.e. between Friday, April 5, 2024 and Tuesday, May 14, 2024)  
**HOST: Securian Canada**
- **Tuesday, October 8, 2024** (2:20–4:00 p.m. in- person/virtual-hybrid meeting, immediately following liaison lunch and Industry Issues Dialogue with AMF staff executives)  
*(Rosh Hashanah: October 3; Thanksgiving Stat Holiday: Monday, October 14)*  
**HOST: National Bank Insurance; Alternate: BMO Insurance (Montreal)**
- **Tuesday, December 3, 2024** (3:00–5:00 p.m. in- person/virtual-hybrid meeting, followed by Holiday Season/Year-End Reception)

**HOST: Chubb Life Insurance Company of Canada**

**2024 Annual Members and Associates Luncheon:**

- *Tentative Date: Tuesday, May 28, 2024, from 11:45 a.m. EST to 2:15 p.m. EST at St. James Cathedral Centre Event Venue*

**2024 EOC Annual Appreciation Dinner:**

- *Tentative Date: Tuesday, Sept 17, 2024 at 5:30 p.m. at a TBD location*

**Webinars:**

- January 31 or February 1, 2024
- March 27 or 28, 2024
- April 24 or 25, 2024
- September 11 or 12, 2024
- October 9 or 10, 2024
- November 13 or 14, 2024

**2023 Board meetings Hosted by:**

Canadian Tire Bank, Manulife, RBC Insurance, Scotia Insurance

**2022 Board meetings Hosted by:**

TD Insurance, Desjardins Insurance, CIBC Insurance

**2021 Board meetings Hosted by:**

None, due to COVID-19 pandemic situation

**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:**

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

**2017 Board Meetings Hosted by:**

TD Insurance; CAFII; Desjardins Insurance; CIBC Insurance

## Recent Years' Annual Members and Associates Luncheons

### **2023 Annual Members and Associates Luncheon**

**Date:** Tuesday, May 9, 2023 from 11:45 a.m. to 2:15 p.m. EDT

**Topic:** "The Changing Insurance Law and Regulatory Environment: Challenges, Risks, and Opportunities"

**Speaker:** Stuart Carruthers, Partner, Stikeman Elliot and Jill McCutcheon, Partner, Torys LLP

**Venue:** St. James Cathedral Centre Event Venue, 65 Church St., Toronto, Ontario

### **2022 Annual Members and Associates Luncheon**

**Date:** Tuesday, September 13, 2022 from 12:00 p.m. – 2:30 p.m. EDT

**Topic:** "With Authority: Executing On A Bold Vision for A New Kind of Financial Services Regulator in Ontario; and Laying the Groundwork for Its Long-Term Success"

**Speaker:** Mark White, CEO, FSRA

**Venue:** St. James Cathedral Centre Event Venue, 65 Church St., Toronto, Ontario

### **2021 Annual Members and Associates Virtual Luncheon Webinar**

**Date:** Tuesday, November 9, 2021 from 1:00 p.m. – 2:30 p.m. EDT

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

**Panelists:** Jill McCutcheon, Partner, Torys LLP; Stuart Carruthers, Partner, Stikeman Elliott LLP; Marc Duquette, Partner, Norton Rose Fulbright Corporation. Panel Moderator: Keith Martin, CAFII

**Venue:** Virtual-Only Webinar

### **2020 Annual Members and Associates Virtual 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"

**Speakers:** Frank Lofranco, Deputy Commissioner, Supervision and Enforcement, Financial Consumer Agency of Canada (Remarks actually delivered by Teresa Frick, Director, FCAC who was subbed in for Frank Lofranco at the last minute)

**Venue:** Virtual-Only Webinar

# Summary of Participation in the Annual Members and Associates Luncheon

## **Background**

CAFII holds an Annual Members and Associates Luncheon. This marquee event includes comments from a keynote speaker or panel and is an invitation-only event that is a perk for our members and associates.

This year the event will again be held at the St. James Cathedral, on **May 28/24**. No press, regulators, or policy-makers are invited to the event (unless a regulator is the speaker, in which case we invite them to have some of their colleagues join us).

## **Participation in the Event**

Every CAFII Chair and Vice Chair of the Board, EOC, CAFII Committees, and CAFII Working Groups is invited to join the luncheon as a guest, and that does not count towards each member's allocation.

Otherwise, every member is entitled to 7 spots at no cost. We ask the contacts in each member organization to let Meighan Pears (Meighan Pears [events@cafii.com](mailto:events@cafii.com)) know who are the 7 people they would like to bring. If any member wishes to bring more than 7 people to the lunch, that is not a problem but CAFII will charge the incremental cost of the lunch back.

Every Associate is entitled to bring 5 people to the luncheon at no cost. We ask the contact for each Associate to let Meighan Pears (Meighan Pears [events@cafii.com](mailto:events@cafii.com)) know who they would like to bring.

Letting Meighan Pears know who you wish to bring to the event does not constitute registering for the event, and we will separately reach out to those individuals about registering.

## MEMBERS

Company Name	Contact Name	Email Address	Additional Contact Name(s)	Email Address
Assurant	Paul Cosgrove	<a href="mailto:paul.cosgrove@assurant.com">paul.cosgrove@assurant.com</a>	Rob Dobbins	<a href="mailto:rob.dobbins@assurant.com">rob.dobbins@assurant.com</a>
BMO Insurance	Rohit Thomas	<a href="mailto:Rohit.Thomas@bmo.com">Rohit.Thomas@bmo.com</a>	Martin Boyle	<a href="mailto:martin.boyle@bmo.com">martin.boyle@bmo.com</a>
Canadian Premier Life Insurance Company	Nigel Branker	<a href="mailto:nigel.branker@canadianpremier.ca">nigel.branker@canadianpremier.ca</a>	Gillian Noble	<a href="mailto:Gillian.Noble@bmo.com">Gillian.Noble@bmo.com</a>
Chubb Life Insurance Company of Canada	Rahul Kakar	<a href="mailto:Rahul.Kakar@Chubb.com">Rahul.Kakar@Chubb.com</a>	John Burns	<a href="mailto:John.Burns@canadianpremier.ca">John.Burns@canadianpremier.ca</a>
Canadian Tire Bank	Adam Vespi	<a href="mailto:adam.vespi@ctfs.com">adam.vespi@ctfs.com</a>	Afzal Baig	<a href="mailto:Afzal.Baig@Chubb.com">Afzal.Baig@Chubb.com</a>
CIBC Insurance	Konstance Allain	<a href="mailto:konstance.allain@cibc.com">konstance.allain@cibc.com</a>	Farhad Eslah	<a href="mailto:Farhad.Eslah@ctfs.com">Farhad.Eslah@ctfs.com</a>
CUMIS/The Co-operators	Heather McLachlin	<a href="mailto:heather.mclachlin@cumis.com">heather.mclachlin@cumis.com</a>	Cynthia Golubic	<a href="mailto:Cynthia.Golubic@ctfs.com">Cynthia.Golubic@ctfs.com</a>
Desjardins	Simon Lacroix-Hubert	<a href="mailto:simon.lacroixhubert@dsf.ca">simon.lacroixhubert@dsf.ca</a>	David Self	<a href="mailto:David.Self@cibc.com">David.Self@cibc.com</a>
Manulife Financial	Andrew Kugler	<a href="mailto:andrew_kugler@manulife.com">andrew_kugler@manulife.com</a>	Lauren Ross	<a href="mailto:Lauren.Ross@cibc.com">Lauren.Ross@cibc.com</a>
National Bank Insurance	Peter Thompson	<a href="mailto:Peter.Thompson@bnc.ca">Peter.Thompson@bnc.ca</a>	Michelle Costello	<a href="mailto:michelle.costello@cumis.com">michelle.costello@cumis.com</a>
RBC insurance	Julie Gaudry	<a href="mailto:julie.gaudry@rbc.com">julie.gaudry@rbc.com</a>	Casandra Litniansky	<a href="mailto:casandra.litniansky@cumis.com">casandra.litniansky@cumis.com</a>
Scotia Insurance	Wayne Hewitt	<a href="mailto:wayne.hewitt@scotiabank.com">wayne.hewitt@scotiabank.com</a>	Isabelle Choquette	<a href="mailto:isabelle.choquette@dsf.ca">isabelle.choquette@dsf.ca</a>
TD Insurance	Valerie Gillis	<a href="mailto:valerie.gillis@td.com">valerie.gillis@td.com</a>	Nina Desai	<a href="mailto:nina_desai@manulife.ca">nina_desai@manulife.ca</a>
The Canada Life Assurance Company	Louie Georgakis	<a href="mailto:louie_Georgakis@canadalife.com">louie_Georgakis@canadalife.com</a>	Carmelina Manno	<a href="mailto:Carmelina_Manno@manulife.ca">Carmelina_Manno@manulife.ca</a>
			Janet Pacini Thibodeau	<a href="mailto:Janet_Pacini_Thibodeau@manulife.ca">Janet_Pacini_Thibodeau@manulife.ca</a>
			Ivan Murray	<a href="mailto:Ivan.Murray@bnc.ca">Ivan.Murray@bnc.ca</a>
			Jonathan Poulin	<a href="mailto:jonathan.poulin@bnc.ca">jonathan.poulin@bnc.ca</a>
			Karyn Kasperski	<a href="mailto:karyn.kasperski@rbc.com">karyn.kasperski@rbc.com</a>
			Charles MacLean	<a href="mailto:charles.macleam@rbc.com">charles.macleam@rbc.com</a>
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			Pete Thorn	<a href="mailto:peter.thorn@td.com">peter.thorn@td.com</a>
			Dallas Ewen	<a href="mailto:dallas.ewen@gwl.ca">dallas.ewen@gwl.ca</a>
			Marlene Salgadoinho	<a href="mailto:marlene_salgadoinho@canadalife.com">marlene_salgadoinho@canadalife.com</a>

## ASSOCIATES

<u>Company Name</u>	<u>Contact Name</u>	<u>Email Address</u>		
KPMG MSLP	Hudson Lopez	'hlopez@kpmg.ca'	Jacob Ninan	<a href="mailto:jninan@kpmg.ca">jninan@kpmg.ca</a>
Norton Rose Fulbright Canada	Dominic Dupoy	<a href="mailto:dominic.dupoy@nortonrosefulbright.com">dominic.dupoy@nortonrosefulbright.com</a>	Pier-Olivier Poisson	<a href="mailto:pier-olivier.poisson@nortonrosefulbright.com">pier-olivier.poisson@nortonrosefulbright.com</a>
Optima Communications	Don MacLeod	<a href="mailto:don@optima.net">don@optima.net</a>	Marie-Helene Bousquet	<a href="mailto:marie-helene.bousquet@nortonrosefulbright.com">marie-helene.bousquet@nortonrosefulbright.com</a>
RGA Life Reinsurance Company of Canada	Alka Gautam	<a href="mailto:agautam@rgare.ca">agautam@rgare.ca</a>		
RSM Canada	Fabricio Naranjo	<a href="mailto:fabricio.naranjo@rsmcanada.com">fabricio.naranjo@rsmcanada.com</a>	Jamie Wong	<a href="mailto:Jamie.wong@rsmcanada.com">Jamie.wong@rsmcanada.com</a>
Intact/Royal & Sun Alliance Insurance Company of Canada	Shane Thom	<a href="mailto:sthom@johnson.ca">sthom@johnson.ca</a>	Travis MacIver	<a href="mailto:travis.maciver@rsagroup.ca">travis.maciver@rsagroup.ca</a>
Stikeman Elliott LLP	Stuart Carruthers	<a href="mailto:scarruthers@stikeman.com">scarruthers@stikeman.com</a>	Lesley Munk	<a href="mailto:lesley.munk@rsagroup.ca">lesley.munk@rsagroup.ca</a>
Torys LLP	Jill McCutcheon	<a href="mailto:jmccutcheon@torys.com">jmccutcheon@torys.com</a>	Michael Kilby	<a href="mailto:mkilby@stikeman.com">mkilby@stikeman.com</a>
Willis Towers Watson	Christine Panet-Raymond	<a href="mailto:christine.raymond@avalon.ca">christine.raymond@avalon.ca</a>	Brigitte Goulard	<a href="mailto:bgoulard@torys.com">bgoulard@torys.com</a>
			Michael Arlitt	<a href="mailto:Michael.Arlitt@WillisTowersWatson.com">Michael.Arlitt@WillisTowersWatson.com</a>
			Archana Rathod	<a href="mailto:Archana.Rathod@wtwco.com">Archana.Rathod@wtwco.com</a>

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 3(a)**

#### **Financial Management – CAFII Financial Statements as at December 31/23**

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#### **Purpose of this Agenda Item – Update**

To update the EOC on the Association's financial position as at December 31/23.

#### **Background Information**

CAFII Treasurer Donald Hinnecke will provide an update based on the CAFII Financial Statements as at December 31/23.

#### **Recommendation / Direction Sought – Update**

No action required.

#### **Attachments Included with this Agenda Item**

One (1) attachment.

# CAFII

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

## Statement of Operations As at Dec 31st, 2023

	Current Month	Budget Nov-23	Variance to Monthly Budget	Current YTD	Budget '23 YTD	Variance Budget to YTD	Budget 2023
<b>Revenue</b>							
Membership Dues	\$79,425	\$77,497	\$1,928	\$953,098	\$929,964	\$23,134	\$929,964
Interest	\$625	\$462	\$163	\$11,062	\$5,500	\$5,561	\$5,500
Investments - Interest-Savings, Short-term CD	\$1,400	\$0	\$1,400	\$12,216	\$0	\$12,216	\$0
Misc (One time event fees)	\$0	\$0	\$0	\$380	\$0	\$380	\$0
<b>TOTAL REVENUE</b>	<b>\$81,450</b>	<b>\$77,959</b>	<b>\$ 3,491</b>	<b>\$976,756</b>	<b>\$935,464</b>	<b>\$41,292</b>	<b>\$935,464</b>
<b>Expenses</b>							
<b>Office Costs</b>							
Management Fees (CAFII staff and Managing Matters)	\$61,784	\$44,895	(\$16,889)	\$636,709	\$538,784	(\$97,925)	\$538,784
New hire for 6 months overlap	\$0	\$17,150	\$17,150	\$0	\$102,895	\$102,895	\$102,895
Audit Fees	\$1,367	\$1,365	(\$2)	\$15,902	\$16,402	\$500	\$16,402
Insurance	\$722	\$577	(\$145)	\$7,681	\$6,902	(\$779)	\$6,902
Member Communication and Technology Tools	\$754	\$736	(\$18)	\$11,993	\$8,810	(\$3,183)	\$8,810
Telephone/Fax/Internet	\$932	\$487	(\$445)	\$6,707	\$5,789	(\$918)	\$5,789
Postage/Courier	\$0	\$16	\$16	\$73	\$86	\$13	\$86
Office Expenses	\$51	\$895	\$844	\$2,943	\$10,751	\$7,808	\$10,751
Bank Charges	\$25	\$56	\$31	\$582	\$628	\$46	\$628
New Office Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation Computer/Office Equipment	\$340	\$236	(\$104)	\$1,507	\$2,821	\$1,314	\$2,821
Miscellaneous Expense	\$0	\$250	\$250	\$0	\$500	\$500	\$500
<b>Total Office related expenses</b>	<b>\$65,975</b>	<b>\$66,664</b>	<b>\$689</b>	<b>\$684,097</b>	<b>\$694,369</b>	<b>\$10,272</b>	<b>\$694,369</b>
Legal and consulting costs associated with regulatory submissions and initiatives	\$0	\$8,040	\$8,040	\$18,479	\$90,400	\$71,921	\$90,400
<b>Board/EOC/AGM</b>							
Annual Members and Associates Luncheon	\$0	\$0	\$0	\$13,666	\$16,120	\$2,454	\$16,120
Board Hosting (External)	\$0	\$8,025	\$8,025	\$7,500	\$24,075	\$16,575	\$24,075
Board/EOC Meeting Expenses	\$2,299	\$3,457	\$1,158	\$14,599	\$31,089	\$16,490	\$31,089
Industry Conferences and Events	\$622	\$0	(\$622)	\$5,153	\$3,627	(\$1,526)	\$3,627
EOC Annual Appreciation Dinner	\$0	\$0	\$0	\$2,964	\$5,676	\$2,712	\$5,676
Speaker fees & travel	\$0	\$0	\$0	\$738	\$1,500	\$762	\$1,500
Gifts	\$500	\$107	(\$393)	\$632	\$1,284	\$652	\$1,284
Networking Events	\$1,024	\$0	(\$1,024)	\$11,549	\$5,650	(\$5,899)	\$5,650
CAFII 25th Anniversary Celebration	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Board/EOC/AGM</b>	<b>\$4,445</b>	<b>\$11,589</b>	<b>\$7,144</b>	<b>\$56,800</b>	<b>\$89,021</b>	<b>\$32,221</b>	<b>\$89,021</b>
<b>Regulatory and Industry</b>							
Provincial Regulatory Visits and Relationship-Building	\$5,245	\$0	(\$5,245)	\$36,385	\$41,000	\$4,615	\$41,000
Federal Regulatory Visits and Relationship-Building	\$0	\$0	\$0	\$0	\$5,000	\$5,000	\$5,000
Research/Studies	\$29,101	\$0	(\$29,101)	\$67,677	\$67,800	\$123	\$67,800
Webinar Fees	\$0	\$0	\$0	\$13,447	\$15,368	\$1,921	\$15,368
Website SEO and Enhancements	\$11,300	\$11,300	\$0	\$45,200	\$45,200	\$0	\$45,200
CAFII Benchmarking Study/RSM Canada	\$33,900	\$17,796	(\$16,104)	\$84,750	\$71,190	(\$13,560)	\$71,190
Media Outreach	\$1,359	\$0	(\$1,359)	\$3,939	\$9,040	\$5,101	\$9,040
Media Consultant Retainer	\$2,543	\$3,125	\$583	\$32,678	\$37,500	\$4,822	\$37,500
Marketing Collateral	\$0	\$3,500	\$3,500	\$1,462	\$7,000	\$5,538	\$7,000
<b>Total Regulatory and Industry</b>	<b>\$83,447</b>	<b>\$35,721</b>	<b>(\$47,726)</b>	<b>\$285,538</b>	<b>\$299,098</b>	<b>\$13,560</b>	<b>\$299,098</b>
<b>TOTAL EXPENSE</b>	<b>\$153,867</b>	<b>\$122,014</b>	<b>(\$31,853)</b>	<b>\$1,044,914</b>	<b>\$1,172,888</b>	<b>\$127,974</b>	<b>\$1,172,888</b>
<b>NET INCOME</b>	<b>(\$72,417)</b>	<b>(\$44,055)</b>	<b>- 28,362</b>	<b>(\$68,158)</b>	<b>(\$237,424)</b>	<b>\$ 169,266</b>	<b>(\$237,424)</b>
proof	-	0	-	-	0	-	-

### 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.



# CAFII

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

## Balance Sheet As at Dec 31st, 2023

	CAFII Operations		
	31-Dec 2023	30-Nov 2023	31-Dec 2022
<b>ASSETS</b>			
<b>Current Assets</b>			
Bank Balance	\$35,071	\$78,840	\$324,108
Savings Account	\$208,306	\$277,681	\$417,244
TD Investment in GIC- 1104 8045480 01	\$404,603	\$400,000	\$0
Accounts Receivable	\$1,594	\$0	\$0
Interest Receivable	\$709	\$3,912	\$0
Prepaid Expenses	\$5,780	\$7,449	\$6,397
Computer/Office Equipment	\$9,866	\$17,880	\$10,878
Accumulated Depreciation -Comp/Equip	(\$2,223)	(\$9,897)	(\$8,730)
<b>Total Current Assets</b>	<b>\$663,706</b>	<b>\$775,865</b>	<b>\$749,898</b>
<b>TOTAL ASSETS</b>	<b>\$663,706</b>	<b>\$775,865</b>	<b>\$749,898</b>
	-	-	
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accrued Liabilities	\$18,622	\$14,851	\$15,916
Credit Card	\$441	\$1,213	\$566
Account Payable	\$43,527	\$6,842	\$64,141
Deferred Revenue	\$0	\$79,425	\$0
<b>Total Current liabilities</b>	<b>\$62,590</b>	<b>\$102,331</b>	<b>\$80,623</b>
<b>TOTAL LIABILITIES</b>	<b>\$62,590</b>	<b>\$102,331</b>	<b>\$80,623</b>
	2,403.01	-	
<b>UNRESTRICTED NET ASSETS</b>			
Unrestricted Net Assets, beginning of year	\$669,275	\$669,275	\$505,900
Excess of revenue over expenses	(\$68,158)	\$4,260	\$163,374
<b>Total Unrestricted Net Assets</b>	<b>\$601,117</b>	<b>\$673,535</b>	<b>\$669,275</b>
<b>Total Unrestricted Net Assets</b>	<b>\$601,117</b>	<b>\$673,535</b>	<b>\$669,275</b>
<b>TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS</b>	<b>\$663,706</b>	<b>\$775,866</b>	<b>\$749,898</b>
	-	0	-
<b>Financial Reserves Targets as per 2023 Budget:</b>			
Minimum 3 months (25%) of Annual Operating Expenses=		\$ 293,222	- 0.04
Maximum 6 months (50%) of Annual Operating Expenses=		\$ 586,444	- 0.08
<b>Current Level of Financial Reserves (total unrestricted net assets):</b>		<b>\$601,117</b>	
<b>Current Level of Financials Reserve (%):</b>		<b>51%</b>	0.00

# CAFI

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

## Membership Fees

		<u>Feb-23</u>		<u>Method of Payment</u>	<u>Received Date</u>
		<u>Billed</u>	<u>Received</u>		
TD Insurance	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Cheque	23-Feb-23
BMO Bank of Montreal	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	16-Mar-23
CIBC Insurance	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	27-Feb-23
RBC Insurance	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	02-Mar-23
Scotia Insurance	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	28-Feb-23
Desjardins Financial Security Life Assura	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Cheque	28-Feb-23
National Bank Insurance	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	16-Feb-23
Manulife Financial	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	13-Feb-23
The Canada Life Assurance Company	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	19-Apr-23
Securian Canada	2023 Lower Tier Member	\$ 38,555	\$ 38,555	Cheque	23-Feb-23
Assurant	2023 Lower Tier Member	\$ 38,555	\$ 38,555	Direct Payment - EFT	23-Mar-23
Valeyo	2023 Lower Tier Member	\$ 38,555	\$ 38,555	Direct Payment - EFT	03-Mar-23
CUMIS Group Ltd	2023 Lower Tier Member	\$ 38,555	\$ 38,555	Cheque	28-Mar-23
Canadian Tire Bank	2023 Lower Tier Member	\$ 38,555	\$ 38,555	Direct Payment - EFT	20-Apr-23
Chubb Life Insurance Company of Canada	2023 Initiation Members (Lower Tier)	\$ 23,133	\$ 23,133	Cheque	04-Apr-23
RSM Canada	Associate	\$ 4,800	\$ 4,800	cheque	11-Apr-23
Willis Towers Watson	Associate	\$ 4,800	\$ 4,800	Direct Payment - EFT	13-Apr-23
KPMG LLP	Associate	\$ 4,800	\$ 4,800	Cheque	18-Apr-23
Optima Communications	Associate	\$ 4,800	\$ 4,800	Direct Payment - EFT	17-Feb-23
RGA Life Reinsurance Company of Canada	Associate	\$ 4,800	\$ 4,800	Direct Payment - EFT	31-Mar-23
Torlys LLP	Associate	\$ 4,800	\$ 4,800	Direct Payment - EFT	28-Feb-23
Stikeman Elliott	Associate	\$ 4,800	\$ 4,800	Cheque	21-Mar-23
Norton Rose Fulbright Canada	Associate	\$ 4,800	\$ 4,800	Direct Payment - EFT	04-Apr-23
Royal & Sun Alliance Insurance Company	Associate	\$ 4,800	\$ 4,800	Cheque	28-Mar-23

### Feb Invoices

**\$953,098      \$953,098**

### Total Membership Fees

**\$953,098**

Total amount to realocate monthly Jan-Dec. 2023

**\$79,424.83**

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 3(b)**

#### **Financial Management – Update on Board Approval of 2024 CAFII Operating Budget**

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#### **Purpose of this Agenda Item – *Update/Discussion***

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To update the EOC on the process for Board Approval of CAFII's 2024 Operating Budget.

#### **Background Information**

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CAFII Executive Director Keith Martin and CAFII Treasurer D. Hinnecke will update the EOC and seek input for discussion on the process for approval of the 2024 CAFII Operating Budget.

#### **Recommendation / Direction Sought – *Update/Discussion***

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This is an update item with an opportunity for discussion.

#### **Attachments Included with this Agenda Item**

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One (1) attachment.

2024 CAFII Budget  
In \$ Cdn

Agenda Item 4 c  
December 5/23 Board Meeting

	2022 Actuals	YTD Sep 2023	2023 Budget	2023 Forecast	CAFII 2024 Budget	Alternative Budget per Discussion	Growth % (2024 Base Case vs 2023 Forecast)	Comment/Rationale
<b>Revenue</b>								
Member and Associate Dues	991,653	\$714,823	\$929,964	\$953,097	\$916,342	\$916,342		No Member Dues increase; Loss of Valeyo as a Member; increase in Associate Dues from \$4800 to \$5,000 (first increase since 2011)
Interest	2,579	\$16,358	\$5,500	\$22,831	\$15,000	\$15,000		Surplus cash invested in short-term GICs (e.g. 100 days)
Miscellaneous (One time event fees)	12,511	\$380		\$380	\$0	\$0		Extra, non-complimentary seats purchased for Annual Members and Associates Luncheon
<b>TOTAL REVENUE</b>	<b>1,006,743</b>	<b>\$731,561</b>	<b>\$935,464</b>	<b>\$976,308</b>	<b>\$931,342</b>	<b>\$931,342</b>	-5%	
<b>EXPENSE</b>								
<b>Office Costs</b>								
CAFII Staff Salaries and Benefits					\$406,267	\$406,267	0%	3 staff members in 2024; includes 4% increase over 2023, but pro-rated for new hires (August 2023 start)
Managing Matters Contractual Fees	507,904	\$451,230	\$538,784	\$637,578	\$127,648	\$127,648	-80%	2.0% contractual increase over 2023
New Hire for 6 months	7,684	\$9,605	\$15,368	\$13,684	\$11,526	\$11,526	-16%	6 webinars @ \$1700 each with HST
Managing Matters Webinar Fees	15,187	\$11,801	\$16,402	\$15,902	\$17,000	\$17,000	7%	~ 8% increase on 2023 Actual amount--audit firm said this increase is coming
Audit Fees	6,275	\$5,515	\$6,902	\$7,681	\$8,500	\$8,500	11%	~10% on 2023 Actual amount, as per advice from insurance broker Prolink
Insurance	7,990	\$8,958	\$8,810	\$11,422	\$11,500	\$11,500	1%	No increase in this item for annual subscriptions/fees for CG Technologies support; Constant Contact; Soda PDF Premium; Zoom; Survey Monkey; and MSTEams Virtual Platform
Member Communication and Technology Tools	5,935	\$4,221	\$5,789	\$5,824	\$6,000	\$6,000	3%	No increase over forecast- Includes Office Telephone landline (\$56.50 per month), Conference Calls facility (\$47.46 per month) & Staff members' home office internet and mobile phone charges
Telephone/Fax/Internet	60	\$73	\$86	\$125	\$200	\$200	60%	33% Increase on 2023 Forecast amount- Occasional Cheque Mailings and Ad Hoc Mailings
Postage/Courier	7,898	\$2,204	\$10,751	\$3,267	\$3,600	\$3,600	10%	~5% Increase on 2023 Forecast amount- CAFII office supplies for MM and for Staff members' home offices--one more CAFII staff member in 2024
Office Expenses	548	\$371	\$628	\$682	\$680	\$680	0%	No increase on 2023 Forecast amount- Annual Credit Card Fee (\$190) plus monthly EFT fee (\$25 per month)
Bank Charges		\$0	\$0	\$0	\$0	\$0		
New Office Equipment	716	\$756	\$2,821	\$1,381	\$3,217	\$3,217	133%	Depreciations of three staff members' computer equipment plus purchase of 2 new Ipad (Removed Brendan's equipment- which will be fully depreciated)
Depreciation Computer/Office Equipment		\$0	\$0	\$0	\$0	\$0		One Job-related Professional Development program for Keith Martin
Professional Development/Continuing Education	283	\$0	\$500	\$0	\$8,475	\$5,650		
Miscellaneous Expense	560,480	\$494,734	\$709,736	\$697,546	\$604,613	\$601,788	-13%	
Total Office-Related Expenses	-	\$17,987	\$90,400	\$28,479	\$50,000	\$30,000	76%	In 2022 a \$90K provision was made for legal fees, and none of that provision was used. In 2023 a \$90K provision was made for legal fees of which about \$18K was used. The forecast is for \$28K because, to be cautious, we have left an additional amount of \$10K in case some legal issue came up. At this stage, we are likely only going to see a 2023 legal expense of \$18K. There are no known legal issues for 2024 that would incur costs, but it is prudent to allocate some amount for legal fees in case an issue arises. It is proposed to allocate \$30K as a reasonable contingency for 2024 given our experience over the past two years, and given that there are no known legal issues for us to prepare for at this time.
Legal Counsel and Consultant Support Associated with Regulatory Submissions and Related Communications/Advocacy Initiatives								
<b>Board/EOC/AGM</b>								
Annual Members and Associates Luncheon	13,147	\$13,666	\$16,120	\$13,666	\$14,000	\$14,000	2%	No increase from 2023 Forecast Amount
Board Hosting (External)	203	\$7,500	\$24,075	\$15,000	\$22,500	\$7,500	50%	CAFII Board Hosting Reimbursement Policy provides for up to \$7,500 reimbursement to Member host of a CAFII Board meeting and/or Reception event. In 2024 there are three non-Bank hosts of Board receptions that could result in a charge-back to CAFII of up to \$7500. Two of these companies have indicated that they will not take advantage of the charge-back, and the third has not yet responded. The allocation is for one member to use the charge back
Board/EOC Meeting Expenses	11,361	\$8,444	\$31,089	\$15,954	\$16,000	\$16,000	0%	No increase from 2023 forecast
Industry Conferences and Events	615	\$4,184	\$3,627	\$4,410	\$15,000	\$11,000	240%	includes Travel Expenses for 3 CAFII staff members to attend May 2024 CLHIA Compliance and Consumer Complaints Annual Conference in Vancouver
EOC Annual Appreciation Dinner	2,501	\$2,964	\$5,676	\$2,964	\$6,500	\$6,500	119%	14.5% increase on 2023 budget amount. CAFII's 2023 budget allocated more for the EOC appreciation dinner than what was actually incurred. We are retaining and slightly expanding on the 2023 budget allocation versus forecast in the expectation that with more EOC members and with return to office more prevalent, we will have a higher number of attendees in 2024 than in 2023.
Speaker fees & travel	-	\$738	\$1,500	\$738	\$1,600	\$1,600	117%	No change to 2023 forecast amount - 1 speaker with fees budgeted for 2024
Gifts	765	\$0	\$1,284	\$0	\$1,200	\$1,200	0%	This is a placeholder of \$1200
CAFII Staff/Board Relationship-Building					\$2,000	\$2,000		New Initiative: Provision for informal relationship-building lunches every second month for 3 CAFII staff members with each CAFII Board member and team members they may wish to bring, approximately once every 18 months or more for each Director (focused on Member satisfaction, feedback, and suggestions for improvements); as well as once a year lunch with EOC Chair, Vice Chair, and Treasurer
Networking Events	1,854	\$61	\$5,650	\$13,262	\$2,000	\$2,000	-85%	~2023 includes one time retirement party for Brendan of ~\$10000. That is a one-time expense that will not be repeated in 2024.
Miscellaneous Expenses					\$1,000	\$1,000		New initiative - Administration of Kolbe workstyles assessment instrument, and related results reporting for new/incoming EOC Chair and EOC Vice-Chair
CAFII 25th Anniversary Celebration	15,315	\$0	\$0	\$0	\$0	\$0	0%	No provision required: next CAFII Anniversary Celebration will be 30th in 2027
<b>Total Board/EOC/AGM</b>	<b>45,761</b>	<b>\$37,557</b>	<b>\$89,021</b>	<b>\$65,994</b>	<b>\$81,800</b>	<b>\$62,800</b>	<b>24%</b>	
<b>Regulatory and Industry</b>								
Provincial Regulatory Visits and Relationship-Building	9,205	\$17,364	\$41,000	\$27,500	\$3,000	\$6,600	-89%	CAFII has met all regulators in every province in Canada in 2023. In 2024, the CLHIA Conference in 2024 will be in Vancouver, and there may be the opportunity to meet regulators, especially from western Canada, at that time. Our plans for Regulatory Tours is to visit the western provinces in spring 2025, and the Atlantic Canada provinces in fall 2025. The budget allocation for this line item in 2024 is for up to 4 regulatory visits to Quebec, with the potential for the Executive Director to develop a relationship with the new AMF Superintendent of Client Services and Distribution Oversight.
Federal Regulatory Visits and Relationship-Building	-	\$0	\$5,000	\$0	\$2,000	\$2,000	0%	Provision for return to in-person relationship-building meetings with FCAC, this is for travel to Ottawa and other expenses.
Research/Studies	73,026	\$10,848	\$67,800	\$68,814	\$68,814	\$68,814	0%	No increase
Website SEO and Enhancements	45,200	\$22,600	\$45,200	\$45,200	\$96,276	\$96,276	113%	includes one-time-only 2024 provision of \$40K for rebuilding the back-end of CAFII website
CAFII Benchmarking Study/RSM Canada	67,800	\$33,900	\$71,190	\$67,800	\$67,800	\$67,800	0%	No increase for continuation of CAFII CPI Benchmarking Study with RSM Canada, estimated at \$60K plus +HST
Media Outreach	2,779	\$1,735	\$9,040	\$2,151	\$3,000	\$3,000	39%	For wire services and related media release expenses, + HST-- \$300 for new Keith Martin photograph by professional photographer
Media Consultant Retainer	37,331	\$25,051	\$37,500	\$35,608	\$36,000	\$36,000	1%	The contract with the new Media Consultant allows for the 10-hour monthly retainer, if not used in any given month, to be used in a future month. This means that if the consultant uses more than 10 hours in a month, they will not charge extra, but rather will use another month's unused allocation. Hence, the 2024 retainer costs should be slightly lower than in 2023.
Marketing Collateral	1,787	\$1,462	\$7,000	\$2,700	\$2,700	\$2,700	0%	Same as 2023 Forecast amount: provision for design and printing of CAFII marketing materials, such as research results leave-behinds
<b>Total Regulatory and Industry</b>	<b>237,128</b>	<b>\$112,960</b>	<b>\$283,730</b>	<b>\$249,773</b>	<b>\$279,590</b>	<b>\$283,190</b>	<b>12%</b>	
<b>TOTAL EXPENSE</b>	<b>843,369</b>	<b>\$663,238</b>	<b>\$1,172,887</b>	<b>\$1,041,792</b>	<b>\$1,016,003</b>	<b>\$977,778</b>	<b>-2%</b>	
<b>Excess of Revenue over Expenses</b>	<b>163,374</b>	<b>\$68,323</b>	<b>-\$237,423</b>	<b>-\$65,484</b>	<b>-\$84,661</b>	<b>-\$46,436</b>		One Job-related Professional Development program for Keith Martin+K3-M26
Unrestricted Net Assets (beginning of year)	230,223	\$669,275	\$621,727	\$669,275	\$603,791	\$603,791		
Unrestricted Net Assets (end of year)	393,597	\$737,598	\$384,304	\$603,791	\$519,130	\$557,355		

Explanatory Notes:  
(2) Amortization of office equipment based on 4 year straight line depreciation

Actual/Forecasted Financial Reserves	2021 Actuals	YTD Oct 2022	2022 Plan	2022 Forecast	CAFII 2023 Plan Base Case (4% staff salary increase)	Alternative Budget per Discussion
Minimum 3 months (25%) of Annual Operating Expenses =	\$210,842	\$165,809	\$293,222	\$260,448	\$254,001	\$244,444
Maximum 6 months (50%) of Annual Operating Expenses =	\$421,685	\$331,619	\$586,444	\$520,896	\$508,001	\$488,889
Actual/Forecasted Level of Financial Reserves:	\$393,597	\$737,598	\$384,304	\$603,791	\$519,130	\$557,355
Actual/Forecasted Level of Financial Reserves %:	47%	93%	33%	58%	51%	57%

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 3(c)**

#### **Financial Management – Update on Discussion with Canadian Western Bank About It Joining CAFII**

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#### **Purpose of this Agenda Item – *Update***

To update the EOC on CAFII's discussion with Canadian Western Bank about its joining CAFII.

#### **Background Information**

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CAFII Executive Director Keith Martin will update the EOC on his ongoing conversation with Canadian Western Bank about its joining CAFII.

#### **Recommendation / Direction Sought – *Update***

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No action required.

#### **Attachments Included with this Agenda Item**

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Two (2) attachments.

**Agenda Item 3 (c) (1) - January 23/24 EOC Meeting**

## 2023 INITIATION MEMBER APPLICATION FORM

Organization Name:

Representative's Name and Title: Elizabeth Gandolfi

Address: Head office Edmonton: 10303 Jasper Avenue, Suite 3000, Edmonton, AB T5J 3N6  
Regional office Toronto: 141 Adelaide Street West, Suite 1500, Toronto, ON M5H 3L5

City: Toronto

Province:

Postal Code:

Phone - Main: (416) 935-6888

Direct: (587)920-3729

Fax:

Email: elizabeth.gandolfi@cwbank.com

Website: www.cwbank.com

Parent Company: Canadian Western Bank

Asset Size of Corporate Family:

### Annual Membership Dues

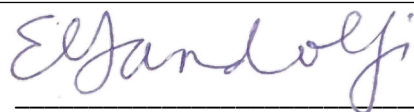
#### I. INITIATION

☐ \$46,266

☒ \$23,133

Financial organizations involved in the business of insurance in Canada are eligible to apply for Initiation Member status. Initiation Members are entitled to a single vote on Association decisions, regardless of corporate size. Dues are \$46,266 per annum for companies with consolidated corporate family assets of \$75 billion CAD or greater; and \$23,133 per annum for companies with consolidated corporate family assets below that threshold. Dues are payable in one single instalment which is invoiced for in February and due within 30 days.

*CAFII Initiation Membership is valid from January 1 to December 31 each year; and the eligibility period for this membership class is two years.*



Signature of Applicant:

January 15, 2024

Date:

As a signing authority, I hereby acknowledge that as an applicant for Initiation Member status in CAFII, my organization supports the Association's mission, objectives, and policy positions. For more information visit [www.cafii.com](http://www.cafii.com).

**Agenda Item 3 (c) (1) - January 23/24 EOC Meeting**

**Background on CAFII Board-Approved “Initiation Membership” Category**

Eligibility

Companies/organizations which are distributors and/or underwriters/manufacturers of credit protection insurance (CPI) (also known as creditor’s group insurance: CGI) and/or other forms of life and health insurance sold through alternate distribution channels in Canada; and which support the mission, vision, and values of the Canadian Association of Financial Institutions in Insurance may apply for admission as a “CAFII Initiation Member.”

Initiation Membership applicants may not have been a Member of CAFII for at least the past five years.

Term

CAFII Initiation Membership status is limited to two membership years, following which the related Initiation Membership Dues Incentive shall cease, and the Initiation Member must transition to CAFII Regular Member status or depart as a Member of the Association.

Initiation Membership Dues Incentive

An applicant approved by the CAFII Board of Directors for Initiation Membership status will receive, for each of the first two years only, a 40% dues discount and pay 60% of the CAFII Member Dues that would otherwise be payable.

For example:

	<b>2023 Dues</b>	<b>2024 Dues<sup>1</sup></b>	<b>Savings over 2 years</b>
CAFII Regular Member (>\$75 billion assets)	\$77,110	\$77,110	
Initiation Member (>\$75 billion assets)	\$46,266	\$46,266	\$61,688
CAFII Regular Member (<\$75 billion assets)	\$38,555	\$38,555	
Initiation Member (<\$75 billion assets)	\$23,133	\$23,133	\$30,844

<sup>1</sup> assumes no change in Member Dues for 2024 as compared to 2023 Member Dues amounts (which were set by the CAFII Board on December 6/22, via approval of the Association’s 2023 Operating Budget). Member Dues amounts are set by the CAFII Board in December each year, via approval of the Association’s Operating Budget for the ensuing year.

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**Agenda Item 3 (c) (1) - January 23/24 EOC Meeting**

Privileges and Benefits

The privileges and benefits of CAFII Initiation Member status shall be identical to those of CAFII Regular Member status, including all of the following representation, voice, and influence dimensions:

- having a Director on the CAFII Board of Directors;
- participation/involvement in the Association's Executive Operations Committee (EOC) and other committees;
- input to and involvement in CAFII submissions to insurance regulators and policy-makers;
- participation/involvement in CAFII regulator and policy-maker meetings and visits tours;
- preferred access to CAFII-commissioned research results, etc.; and
- receipt of "CAFII Alerts Weekly Digest" and monthly "Regulatory Update" industry insights/intelligence documents

The following limitations on the privileges and benefits of CAFII Initiation Membership shall apply:

- an Initiation Member's Director on the CAFII Board of Directors may not serve as Chair of the Board or Vice-Chair of the Board; and
- an Initiation Member representative may not serve as Chair of the CAFII Executive Operations Committee (EOC)/Secretary to the Board or Vice-Chair of the EOC/Vice-Secretary to the Board.

Application Process

CAFII Initiation Membership applicants must apply using the CAFII Initiation Member Application Form and submit the completed Form to CAFII's Co-Executive Directors; and, in addition,

- submit any additional information which may be requested on behalf of the CAFII Board of Directors; and
- undergo a review/vetting process which will include an interview between members of the applicant's senior management team and a CAFII Membership Review Committee.

The CAFII Board of Directors will review and make a determination on all Initiation Membership applicants, with the benefit of a recommendation from the CAFII Membership Review Committee. The decision of the CAFII Board of Directors shall be final.



**Agenda Item 3 (c)(2)**  
**January 23/24 EOC MEeting**

Hello Peter, Paul, Rob, Karyn, and Donald,

Canadian Western Bank, whose Senior Vice President Client Services Elizabeth Gandolfi I have held several meetings with over the past few months around their interest in potentially joining CAFII, has now formally applied to become a member of the Association. (I worked with Elizabeth previously when she was an executive at Scotia Insurance, and that is how she got to know CAFII.)

Peter, Paul, Rob, Karyn and myself are the members of the CAFII Nominating Committee and this is the body that would review the application, interview Canadian Western Bank, and make a recommendation to the Board about membership (the latter would include a summary report with a recommendation; the actual vote could be done through an electronic vote of the Board).

I will be following up soon with some dates and times for the interview meeting with Canadian Western Bank, which would likely be a 90 minute meeting (will try to make it 75 minutes if possible): --55 minutes for meeting with CWB; 15 minute discussion after meeting; 15 minutes for discussion on another issue, around options for new Board Chair as of June 2024—Peter has told me he would like to step down after the Annual Meeting of Members on June 4, 2024 and I would like to present a powerpoint reviewing the candidates for a new Board Chair.

If this application is accepted, CWB will join as an initiation member with 60% of regular dues for the first two years. In 2024, that would be \$23K in unbudgeted revenue.

Thank you,

--Keith

[Canadian Western Bank continues Ontario expansion, moves into Toronto's Financial District \(newswire.ca\)](https://www.newswire.ca)

**Keith Martin**

Executive Director / Directeur général

Canadian Association of Financial Institutions in Insurance

L'association canadienne des institutions financières en assurance

[keith.martin@cafii.com](mailto:keith.martin@cafii.com)

T: 647.460.7725

[www.cafii.com](http://www.cafii.com)

[Visit the CAFII LinkedIn Page](#)

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 3(d)**

#### **Financial Management – Dissemination of CAFII 2023 Member and Associate Dues Invoices**

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#### ***Purpose of this Agenda Item – Update***

To update and disseminate the EOC on CAFII's 2023 Member and Associate Dues Invoices.

#### ***Background Information***

CAFII Operations Manager Shanay Smith will update the EOC on CAFII's dissemination of the 2024 Member and Associate Dues invoices.

#### ***Recommendation / Direction Sought – Update***

No action required.

#### ***Attachments Included with this Agenda Item***

No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(a)**

#### **Committees and Working Groups – Diversity, Equity, and Inclusion**

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#### ***Purpose of this Agenda Item – Update***

To update the EOC on CAFII's Diversity, Equity, and Inclusion Working Group.

#### ***Background Information***

CAFII Diversity, Equity, and Inclusion Working Group Chair Tejal Harri-Morar will update the EOC on the Working Group's activities.

#### ***Recommendation / Direction Sought – Update***

No action required.

#### ***Attachments Included with this Agenda Item***

One (1) attachment.

**January 2024 Diversity, Equity, and Inclusion Working Group Update (Chair: Tejal Harri-Morar)**

1. The working group met on Monday, 15 Jan 2024 for the new year.
2. The working group discussed the following:
3. The group discussed:
  - a. **Scope:** would be split between primary focus and secondary focus:
    - a. **Primary focus:** which would consist of enhancing board diversity and using a survey to determine what practices member companies have in place to enhance and promote DEI at the member company level. Still Looking at high level principles which will be informed by the survey that we will send out to member companies. The proposed idea is to gather information from member companies who will also be provided the opportunity to advance any principles or practices that they believe should be included;  
  
What succession planning do our member companies currently have in place which will also be part of the scope of the working committee.
  - b. **Secondary focus:** Continued Education, awareness and training that CAFII should engage in to continually promote DEI. This includes ongoing education through Webinars, training through webinars or presentations by CAFII and awareness in the form of newsletters covering DEI developments.
    - i. CAFII is going to be hosting a Metal Health Awareness webinar which incorporates DEI principles in the webinar. In this regard, CAFII is looking for an HR professional from one of its member companies to assist with the presenting of the webinar. If any member companies have HR professionals who would be interested in assisting, please reach out to Keith or CAFII team for more details.
4. The next meeting is scheduled for 5 February 2024.
5. Again we send out the message to all member companies to join this working group. If you are interested, please reach out to Keith or myself.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(b)i**

**Committees and Working Groups – Market Conduct & Licensing - Plans for FCAC Submission on Proposed Guideline on Complaint-Handling Procedures for Trust and Loan Companies and Insurance Companies (Submission Deadline: February 5/24)**

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#### **Purpose of this Agenda Item – Update**

To update the EOC on CAFII's plan for FCAC Submission on Proposed *Guideline on Complaint-Handling Procedures for Trust and Loan Companies and Insurance Companies*, with a submission deadline of February 5, 2024 (due to an FCAC agreement to an extension from the previous deadline of January 22/24.)

#### **Background Information**

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CAFII Executive Director Keith Martin will update the EOC on CAFII's plan for FCAC Submission on *Proposed Guideline on Complaint-Handling Procedures for Trust and Loan Companies and Insurance Companies*, with a submission deadline of February 5/24.

#### **Recommendation / Direction Sought – Update**

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No action required.

#### **Attachments Included with this Agenda Item**

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One (1) attachment.

5 February, 2024

Judith Robertson, Commissioner, Financial Consumer Agency of Canada (FCAC)  
Financial Consumer Agency of Canada  
Supervision and Enforcement Branch  
427 Laurier Avenue West, 5th floor  
Ottawa, ON K1R 1B9  
[compliance@fcac.gc.ca](mailto:compliance@fcac.gc.ca)

Dear Ms. Robertson,

***Re: Public Consultation—FCAC's Proposed Guideline on Complaint-Handling Procedures for Trust and Loan Companies and Insurance Companies***

CAFII would like to thank the Financial Consumer Agency of Canada (FCAC) for the opportunity to comment on your ***FCAC's Proposed Guideline on Complaint-Handling Procedures for Trust and Loan Companies and Insurance Companies***, and we would also like to thank the Agency for providing us with an extension to the deadline for comments to 5 February, 2024.

The FCAC proposes to extend the existing *Guideline on Complaint-Handling Procedures for Banks and Authorized Foreign Banks*, which was published on January 27, 2022 and came into force on June 30, 2022, to other financial services entities including federally chartered insurance companies.

Federally-regulated insurance companies already report to the FCAC under the provisions of the *Insurance Companies Act*. The proposed Guideline with new expectations around reporting would significantly increase the regulatory burden on insurance companies. The Guideline would change the definition of complaints to capture any dissatisfaction, and as well would create a requirement around reporting on level 1 complaints. We have many concerns about this broadened definition and expanded reporting requirements. A broadened definition will capture issues that are not traditionally viewed as true complaints, and any consumer protection 'benefit' of resources being deployed to report on these matters that are often resolved by the front-line employee is not clear. Resources may be better deployed on enhancing the customer experience as opposed to increasing complaint reporting requirements.

Introduction of the proposed Guideline means that insurance companies will need to make significant investments in processes and technology to allow for this expanded reporting, and we question whether this is the best investment/allocation of resources. There will also be confusion caused around distributors' reporting requirements versus the requirements placed on insurers. Insurers often do not have the customer-facing relationship, while bank distributors often do. How the reporting obligations are determined between these two channels with the same customers could result in duplication, redundancy, and inconsistency.

In terms of duplication, the Canadian Council of Insurance Regulators (CCIR) is already capturing reporting around complaints and we would encourage FCAC to engage with the CCIR to harmonize the approach to reporting, so as to avoid onerous new requirements as well as a non-harmonized approach.

As insurance is provincially regulated we seek as harmonized an approach as possible, and the introduction of a new more onerous federal requirement moves the industry in the opposite direction.

We also note that there are unique requirements to the FCAC complaints procedures including around timelines that are different from what our members comply with in respect to CCIR complaints-handling expectations.

We would suggest that prior to FCAC contemplating the extension of the Guideline to other institutions, it would be appropriate for FCAC to first report on whether the existing Guideline for banks is meeting its expectations and is producing the desired consumer protection benefits. We support the key role regulatory bodies play in promoting consumer protection, but we believe that regulations and rules need to be based on evidence that they are advancing such goals in the most efficient and effective way possible.

Should you require further information from CAFII or wish to meet with representatives from our Association on this submission or any other matter at any time, please contact Keith Martin, CAFII Executive Director, at [keith.martin@cafii.com](mailto:keith.martin@cafii.com) or 647-460-7725.

Sincerely,

Rob Dobbins  
Board Secretary and Chair, Executive Operations Committee

## About CAFII

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

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

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

CAFII's 14 members include the insurance arms of Canada's major financial institutions--BMO Insurance, CIBC Insurance, Desjardins Insurance, National Bank Insurance, RBC Insurance, Scotia Insurance, and TD Insurance, along with major industry players Assurant Canada, The Canada Life Assurance Company, Canadian Tire Bank, Chubb Life Insurance Company of Canada, CUMIS Services Incorporated, Manulife (The Manufacturers Life Insurance Company), and Securian Canada.



## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(b)ii**

#### **Committees and Working Groups – Market Conduct & Licensing - *FSRA Consultation on Proposed Approach to Strengthening Protection of Vulnerable Consumers (Submission Deadline: March 8/24)***

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#### **Purpose of this Agenda Item – Update**

To update the EOC on CAFII's plan for FSRA's consultation on the *Proposed Approach to Strengthening Protection of Vulnerable Consumers*, with a submission deadline of March 8/24.

#### **Background Information**

CAFII Executive Director Keith Martin will update the EOC on CAFII's plan for FSRA's consultation on the *Proposed Approach to Strengthening Protection of Vulnerable Consumers*, with a submission deadline of March 8/24.

#### **Recommendation / Direction Sought – Update**

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No action required.

#### **Attachments Included with this Agenda Item**

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Two (2) attachments.

**From:** Stuart Wilkinson <Stuart.Wilkinson@fsrao.ca>

**Sent:** Friday, December 15, 2023 11:43 AM

**To:** Keith Martin <Keith.Martin@cafii.com>; Robyn Jennings <Robyn.Jennings@cafii.com>

**Cc:** Jisha Sarwar <Jisha.Sarwar@fsrao.ca>

**Subject:** Heads up - FSRA vulnerable consumers consultation

Hi Keith and Robyn,

Thanks for having me at CAFII's year-end reception on December 5. I'm very glad I got to congratulate Brendan on his retirement in person and I'm sorry I had to leave quickly after the speeches (our CEO arrived when I was leaving so I don't think it was a bad trade for you all).

[CAFII's response](#) to FSRA's consultation on its 2024-25 Statement of Priorities mentioned CAFII's support for, and interest in, our work related to vulnerable consumers. With that in mind I am writing to give you a heads up about a consultation we will launch in January 2024 on the topic of protection of vulnerable consumers across all of FSRA's regulated sectors.

In alignment with FSRA's statutory objectives to protect the rights and interests of consumers, we recognize the significance of prioritizing the protection of vulnerable consumers in our sectors. As you know our evidence indicates that vulnerable consumers are more susceptible to unfair treatment, with varying impacts across different sectors.

To address this, we have developed an approach designed to strengthen the protection of vulnerable consumers. This proposed approach is grounded in evidence gathered from FSRA's research and supervisory endeavors, as well as a review of approaches implemented by other regulators to improve outcomes for vulnerable consumers.

We are reaching out to provide you with advanced notice that a consultation paper (unpublished version attached to this email) outlining this proposed approach will be posted on FSRA's website for public consultation in January 2024. The aim is to solicit input from consumers, pension plan beneficiaries, regulated entities, and other stakeholders with a focus on the following key areas:

- Problem definition – confirming views on whether or not this topic merits more attention from FSRA;
- Lived experiences – seeking further information on the experiences of vulnerable consumers and regulated entities that serve them;
- Proposed approach – objectives and possible action items to strengthen protection of vulnerable consumers; and

- Proposed definition for vulnerable consumers.

CAFII's insights and expertise are important to us refining our understanding of both problems affecting vulnerable consumers and solutions FSRA can deliver. I will follow up to let you know when the consultation paper is posted on our website, and please feel free to reach out to me and Jisha Sarwar, who is leading this work at FSRA, if you would like to discuss in more detail.

Thanks,  
Stuart

Stuart Wilkinson (he/him)  
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Financial Services Regulatory Authority of Ontario (FSRA)  
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[Home](#) › Have questions about FSRA's proposed Approach to Strengthening Protection of Vulnerable Consumers? Join us.



## Have questions about FSRA's proposed Approach to Strengthening Protection of Vulnerable Consumers? Join us.

Webinar

Cross Sector

February 8, 2024

🕒 12:00PM - 12:30PM America/Toronto

**What:** Webinar

**When:** Thursday, February 8, 2024

**Time:** 12-12:30PM ET

**Where:** Online

You are invited to the Financial Services Regulatory Authority of Ontario's (FSRA's) webinar on its Proposed Approach to Strengthening Protection of Vulnerable Consumers posted now for consultation until March 8, 2024. The outcome of the proposed approach is to close the gap between the experiences of vulnerable and non-vulnerable consumers in Ontario's financial services sector.

Join **Stuart Wilkinson, Chief Consumer Officer**, to:

- learn more about FSRA's proposed approach to strengthening the protection of vulnerable consumers in the sectors FSRA regulates
- ask questions
- learn how you can provide your feedback to FSRA

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## **FSRA's Proposed Approach to Strengthening Protection of Vulnerable Consumers**

*FSRA is seeking input from consumers, pension plan beneficiaries, regulated entities, and other interested stakeholders on its proposed multi-year Approach to Strengthening Protection of Vulnerable Consumers (Section A) as well as its proposed definition of vulnerable consumers (Section B). For those interested, FSRA has developed a list of questions to help guide their consultation submission (Section C). The approach will be developed and finalized based on engagement with consumers, pension plan beneficiaries, regulated entities, and other interested stakeholders.*

### **Introduction**

#### **Issue**

Research undertaken by the Financial Services Regulatory Authority of Ontario (FSRA) shows that in all its regulated sectors, vulnerable groups tend to be less trusting, less satisfied, and less confident. Other findings through FSRA's supervisory work have provided evidence that vulnerable consumers experience poorer outcomes. They are at greater risk of being susceptible to harm, such as fraud. They may also experience more issues getting products or services in certain sectors, especially products and services that are right for them. *See Appendix 1 for key findings.*

Leading Canadian and international regulators are exploring and implementing changes targeted specifically at improving financial outcomes for vulnerable consumers. *See Appendix 2 for examples.*

FSRA has taken significant steps to improve safety, fairness, and choice in its regulated sectors for all Ontarians, including vulnerable consumers. The steps involve new standards for conduct of business in different sectors that provide a strong foundation for fair treatment of consumers overall, but do not consistently speak to expectations for fair treatment of vulnerable consumers. *See Appendix 3 for examples.*

#### **FSRA's response**

What FSRA has heard from consumers, found in its supervisory work and seen from other regulators indicate there is an opportunity to do more in protecting the interests and rights of vulnerable consumers.

FSRA has undertaken the development of an Approach to Strengthening Protection of Vulnerable Consumers. FSRA's proposed approach is focused on closing the gap between the experiences of vulnerable consumers and non-vulnerable consumers in the sectors it regulates. Consumers are those who purchase or benefit from products and services delivered by the sectors that FSRA regulates, including pension plan

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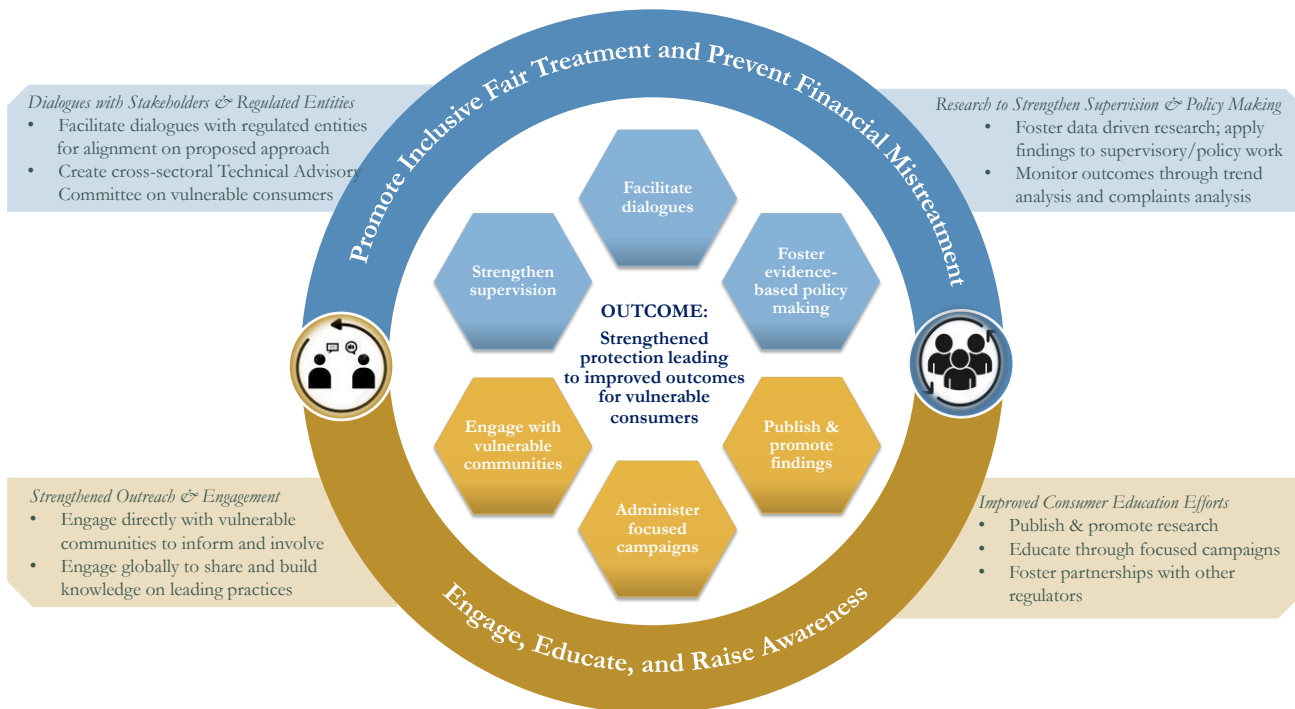
beneficiaries and credit union members. Closing the gap aligns closely with FSRA's statutory objects, including:

- contribute to public confidence in the regulated sectors;
- promote public education and knowledge about the regulated sectors;
- promote high standards of business conduct in financial services;
- protect the rights and interests of financial services consumers; and
- protect and safeguard the pension benefits and rights of pension plan beneficiaries.

Measurement and evaluation will form an important part of FSRA's approach to strengthening protection of vulnerable consumers. FSRA will track vulnerable consumer outcomes through a number of different tools, including continued consumer survey research that uses the current state as a baseline for tracking progress.

## Section A: FSRA's proposed approach to strengthen protection of vulnerable consumers

### Overview of proposed approach



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Goals and activities expected to be delivered under the proposed approach:

Goals	Actions
1. <b>Promote inclusive and fair treatment of vulnerable consumers and prevent targeted financial mistreatment</b>	<ul style="list-style-type: none"> <li>• <b>Dialogues with Regulated Entities:</b> Engage in dialogues (including potentially forming a cross-sector technical advisory committee) to discuss the proposed approach, emphasize the importance of understanding and responding to needs of vulnerable communities, and encourage higher standards in treatment of vulnerable consumers.</li> <li>• <b>Research:</b> Conduct quantitative and qualitative research to gather evidence and monitor outcomes for vulnerable consumers.</li> <li>• <b>Strengthen supervision:</b> Apply research findings on vulnerable consumers to inform FSRA's supervisory work.</li> <li>• <b>Informed policy decision-making:</b> Apply research findings on vulnerable consumers to inform regulatory policy decision-making (e.g., in development of specific policy positions on emerging trends).</li> <li>• <b>Data analysis:</b> Create mechanisms to measure vulnerability across FSRA's sectors (for example, by creating a general vulnerability index, with sector specific indexes).</li> <li>• <b>Complaints analysis:</b> Improve complaints analysis to help identify risks of consumer harm for vulnerable groups.</li> </ul>
2. <b>Improve consumer education, engagement, and awareness building efforts</b>	<ul style="list-style-type: none"> <li>• <b>Community outreach &amp; engagement:</b> Engage directly with vulnerable communities and public interest communities to strengthen FSRA's understanding of issues affecting vulnerable consumers, and to inform them about FSRA's role as the regulator.</li> <li>• <b>Global engagement:</b> Engage in international platforms to build knowledge on leading practices in fair treatment/protection of vulnerable consumers.</li> <li>• <b>Publish and promote research:</b> Publish research findings on vulnerable consumers and promote key findings to raise awareness.</li> <li>• <b>Partnerships with other regulators:</b> Partner with other regulators to exchange information related to work on protection of vulnerable consumers.</li> <li>• <b>Focused campaigns:</b> Administer focused campaigns to educate vulnerable consumers of their rights/protections</li> <li>• <b>Better communication/ disclosure:</b> Enable strengthened disclosure and communication practices across sectors</li> </ul>

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## Section B: FSRA's proposed definition of vulnerable consumers

### Why a definition is important?

Before FSRA moves ahead with the proposed approach, there is a need to agree on a definition to ensure all are on the same page and aligned. A definition will ensure a shared understanding amongst FSRA, its regulated entities, its stakeholders and the public, allowing FSRA to achieve its goals of empowering and protecting vulnerable consumers. The proposed definition of vulnerable consumers can also help FSRA collect better data and evidence to understand and monitor outcomes for vulnerable groups and identify opportunities for improvement.

### FSRA's proposed definition

The following is proposed to define vulnerable consumers in FSRA's regulated sectors:

*A vulnerable consumer is someone who is at higher risk of experiencing financial mistreatment, hardship, or harm, due to various factors and personal circumstances.*

The Autorite des Marches Financiers' "Protecting Vulnerable Clients" [Guide](#) states that vulnerability may make clients more susceptible to financial mistreatment; for instance, there is financial mistreatment when a person pressures a client to invest in a product that is not suited to the client's needs or financial goals.

While it is difficult to describe every circumstance that may contribute to driving vulnerability, certain factors may increase an individual's risk of becoming a vulnerable consumer. These factors include: an individual's age, poor health condition (mental and physical), lack of financial literacy, being a recent immigrant to Canada and/or having language barriers, experiencing major life-changing events, having low financial resilience<sup>1</sup>, lack of accessibility and availability to financial products/ services, being a member of equity deserving groups<sup>2</sup> (such as based on an individual's ethnic background<sup>3</sup>), and experiencing natural disasters / catastrophes or other major environmental events.

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<sup>1</sup> The Financial Consumer Agency of Canada (FCAC) in their [Financial Literacy Strategy](#) describes financial resilience as the ability to adapt or persevere through both predictable and unpredictable financial choices, difficulties, and shocks in life.

<sup>2</sup> [Queens University](#) defines equity deserving groups as communities that experience significant collective barriers in participating in society. This could include attitudinal, historic, social and environmental barriers based on age, ethnicity, disability, economic status, gender, nationality, race, sexual orientation and transgender status, etc.

<sup>3</sup> [FCAC's COVID-19 Financial Well-being Survey](#), found that hardships have increased more for Indigenous peoples and women, due to the disproportionate financial impact of the pandemic on these groups; for e.g., the survey found that indigenous peoples were 1.4 times more likely, and women were 1.1 times more likely, to experience negative outcomes.



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It is also important to recognize that vulnerability can be short-term, and external factors such as economic volatility can cause otherwise non-vulnerable individuals, regardless of their wealth or income, to become vulnerable consumers.

### **Section C: Specific input requested from stakeholders**

Below are some guiding questions to seek your feedback on FSRA's proposed approach to strengthen protection of vulnerable consumers, as described in the sections above. FSRA would like your thoughts on these questions or any other input on its proposed approach.

- To what extent does this topic require more attention from FSRA?
- In addition to the activities proposed in the chart under Section A, are there any additional activities, such as outlining a set of expectations or defining specific requirements for entities across all of its regulated sectors, that FSRA should consider for its approach to strengthening protection of vulnerable consumers?
- Do you have any comments on FSRA's proposed approach to defining vulnerable consumers in Section B? Do you think it is useful to have a definition of vulnerable consumers? Are there any other factors that FSRA should consider in better understanding vulnerability in its sectors?
- If you are a consumer or consumer advocate, what should FSRA know about the experiences of vulnerable consumers?
- If you are from one of FSRA's regulated sectors, what should FSRA know about how you, your firm, or your industry serves marginalized, underserved, and/or vulnerable consumers? For example, do you have any targeted programs or communications tactics or controls in place to reduce risk of unfair outcomes for these groups?
- What additional information, (such as leading practices, tools, opportunities or risks) should FSRA be considering to inform its approach?
- Do you have suggestions for particular vulnerable communities or public interest groups representing vulnerable consumers that FSRA should directly engage with?

### **Appendix 1: Findings on vulnerability from FSRA research and supervisory work**

FSRA conducted its [2022 consumer research study](#) to better understand consumer attitudes, knowledge and behaviors, and characteristics of vulnerability. The study found that while vulnerable consumers are more likely to face issues, in many sectors they are also less likely to complain about those issues. The study also found that vulnerable consumers are more likely to report experiencing barriers, such as poor customer service, a lack of empathy, and a lack of clear information.

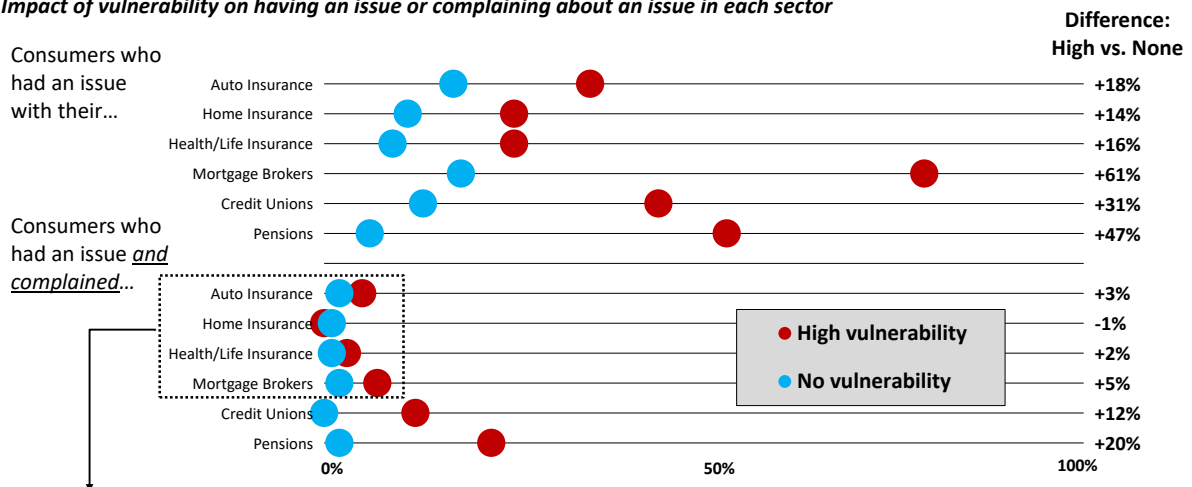
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**Vulnerable Ontarians encounter problems when dealing with financial service providers far more frequently**

Percentage of respondents who selected each response	Total	Vulnerability			
		None	Slight	Moderate	High
Poor customer service	16%	11%	17%	23%	29%
Slow to respond	14%	11%	14%	21%	21%
A lack of empathy	10%	6%	11%	18%	24%
Failing to treat you with respect	7%	4%	6%	12%	18%
Processing errors	8%	6%	8%	12%	7%
Lack of clear information	11%	8%	11%	15%	31%
Not able to provide help needed	8%	6%	9%	11%	20%
No single point of contact	6%	5%	7%	8%	12%
Other	1%	1%	1%	1%	2%

**High vulnerability groups are likelier to experience issues, but only in some sectors does this translate to more complaints**

**Impact of vulnerability on having an issue or complaining about an issue in each sector**



FSRA will continue to use a number of different tools, including consumer survey research, to listen to consumers about their experiences in its regulated sectors.

FSRA has obtained further evidence on outcomes of vulnerable consumers through its supervisory activities. For example, a review<sup>4</sup> of Managing General Agencies (MGAs) in the Life & Health Insurance sector identified potential market conduct and consumer risks, including targeting of vulnerable population(s).

<sup>4</sup> Please see [Consolidated Observation Report](#) for further context.

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## Appendix 2: Findings from other jurisdictions

In developing its recommended approach to strengthening protection of vulnerable populations, FSRA reviewed other regulators' actions to address issues related to consumer vulnerability. Below are some examples of leading practices, some of which are cited in the [Financial Consumer Protection and Ageing Populations \(OECD\) report](#):

- United Kingdom – Financial Conduct Authority issued Guidance in February 2021 on Fair Treatment of Vulnerable Consumers that articulates actions that firms should take to understand and respond to vulnerable customers' needs.
- Canada – Autorite des marches financiers published a guide and quick reference toolkit to support the financial services industry in combatting financial mistreatment of vulnerable consumers.
- Malaysia – Bank Negara Malaysia published draft requirements and guidance to promote a culture where financial service providers properly consider and respond to the needs of vulnerable consumers, consistent with fair treatment outcomes.
- Multiple organizations including BaFin (Germany), AFM (Netherlands) and ACPR (France) prioritizing research, supervision, or outreach to older consumers more at risk of harm.

## Appendix 3: FSRA's work to strengthen consumer protection

Following are examples of steps taken by FSRA to promote safety, fairness, and choice for Ontarians in FSRA's regulated sectors:

- Publishing consumer survey research: FSRA's 2022–2025 Annual Business Plan committed to strengthening FSRA's consumer research agenda. Strengthening FSRA's evidence-base around consumers will support its growth as an outcomes-focused and consumer-centered regulator. FSRA has published several research studies. For more information please visit: [FSRA Consumer Research](#)
- Take All Comers thematic review: FSRA undertook a broad thematic review of Ontario's Take All Comers requirement in the auto insurance sector, as it became aware of certain business practices being used which appeared to contravene the requirement. Read [FSRA's thematic review](#) to learn how FSRA addressed Take-All-Comers non-compliance to better protect consumers.
- Unfair or Deceptive Acts or Practices (UDAP) Rule: The UDAP Rule took effect on April 1, 2022, and was amended effective June 1, 2023. The rule strengthens the supervision of insurance industry conduct and enhances consumer protection by clearly defining outcomes that are unfair or otherwise harmful to consumers. For more information please see: [Unfair or Deceptive Act or Practices Rule](#)
- Life and Health Insurance MGA Reviews: Between December 2021 and June 2022, FSRA led and coordinated the joint CCIR cooperative review of individual Life and

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Health (L&H) insurance business of three Managing General Agencies (MGAs), to ensure consumers are treated fairly. The review identified potential market conduct and consumer risks. For more information please see: [CCIR cooperative MGA-focused thematic review](#)

- Code of Conduct for the Mortgage Brokering sector: FSRA adopted the Mortgage Broker Regulators' Council of Canada's (MBRCC) National Code of Conduct for the Sector into its supervision framework, to enhance the protection of consumers who work with mortgage professionals in Ontario. The Code outlines key existing requirements that are the most important in meeting consumers' expectations. For more information, please visit: [Code of Conduct for the Mortgage Brokering sector](#)
- Pension Awareness Day and other consumer education campaigns: Each year in February, through FSRA's Pension Awareness Day, it will raise awareness amongst Ontarians about how participating in the pension plan can be beneficial to them. As part of its first annual Pension Awareness Day in February 2023, FSRA provided [pension education online](#), tips on ways to maximize a pension plan, an explanation about common misconceptions, and advice from pension experts in a [new podcast series](#). FSRA has executed a number of [consumer education campaigns](#) to help empower consumers to make informed financial decisions.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(b)iii**

#### **Committees and Working Groups – Market Conduct & Licensing - *CAFII Written Submission to FCNB on Ongoing Issues/Concerns Re Rule INS-001 and FCNB Portal Process for Obtaining Restricted Insurance Representatives (RIR) Licences***

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#### **Purpose of this Agenda Item – *Update***

To update the EOC on CAFII's written submission to FCNB on ongoing issues and concerns Re *Rule INS-001 and FCNB Portal Process for Obtaining Restricted Insurance Representatives (RIR) Licences*.

#### **Background Information**

CAFII Executive Director Keith Martin will update the EOC on CAFII's written submission to FCNB on ongoing issues and concerns Re *Rule INS-001 and FCNB Portal Process for Obtaining Restricted Insurance Representatives (RIR) Licences*.

#### **Recommendation / Direction Sought – *Update***

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No action required.

#### **Attachments Included with this Agenda Item**

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No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(b)iii**

#### **Committees and Working Groups – Market Conduct & Licensing - *Plans for CAFII Hybrid Presentation of 2023 Research Results-Focused PowerPoint Deck to FCAC Staff Executives in Q1 2024***

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#### **Purpose of this Agenda Item – Update**

To update the EOC on CAFII's plans for CAFII's presentation of 2023 research results-focused PowerPoint deck to FCAC staff executives in Q1 2024.

#### **Background Information**

CAFII Executive Director Keith Martin will update the EOC on CAFII's plans for the presentation of the 2023 research results-focused PowerPoint deck to FCAC staff executives in Q1 2024. There was agreement at the last November EOC meeting that CAFII should reach out to FCAC about meeting staff executives in Ottawa early in 2024, but since then, there has been a consultation from FCAC about extending the bank Guideline on complaints to insurance companies, and the timing for a visit might not be ideal at this time.

#### **Recommendation / Direction Sought – Update**

No action required.

#### **Attachments Included with this Agenda Item**

No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(c)i**

**Committees and Working Groups – Quebec/AMF Issues - *Insights Gained from Get Acquainted and Dialogue Meeting with AMF's New CEO Yves Ouellet and Éric Jacob on December 14, 2023 in Montreal***

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#### **Purpose of this Agenda Item – Update**

To update the EOC on the insights gained from the get acquainted and dialogue meeting with AMF's new CEO, Yves Ouellet, and Éric Jacob on December 14, 2023, in Montreal.

#### **Background Information**

CAFII Executive Director Keith Martin will update the EOC on the productive meeting held with the AMF's new CEO, Yves Ouellet, and Superintendent of Client Services and Distribution Oversight Éric Jacob on December 14, 2023, in Montreal.

#### **Recommendation / Direction Sought – Update**

No action required.

#### **Attachments Included with this Agenda Item**

Two (2) attachments.



L'association canadienne des  
institutions financières en assurance



The Canadian Association of  
Financial Institutions in Insurance

# CAFII/ACIFA 14 December 2023 Meeting with Yves Ouellet, President & CEO, l'Autorité des marchés financiers

## *CAFII/ACIFA Mandate, Priorities, and Key Messages*

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



# ABOUT CAFII/ACIFA: Who We Are

Non-profit industry Association dedicated to development of an open and flexible insurance marketplace.

Established in 1997 to create a voice for financial institutions involved in selling insurance with a focus on credit protection insurance and travel insurance.

# CAFII/ACIFA's Membership is Comprised of 8 Financial Institution (Bank and Credit Union CPI Distributors) and 7 Insurers / Underwriters of Credit Protection Insurance

## Financial Institutions



## Insurers



# CAFII/ACIFA's Strategic Focus is on Regulatory and Policy-Making Relationship-Building

CAFII/ACIFA's predominant strategic focus and priority is relationship-building and communications with insurance regulators and policy-makers.

Yves Ouellet  
Président-directeur général



# CAFII/ACIFA's Regulators and Authorities We Deal With...



# Legislative and Regulatory Harmonization is a Key Objective for CAFII/ACIFA



CAFII members have 31 regulators and authorities across the country



Alignment is not harmonization—slightly different regulatory regimes force company resources to have to be utilized on ‘exception management’ rather than on the consumer protection objectives sought



We believe that CCIR and CISRO – as national co-ordinating bodies – can play an enhanced, more aspirational role in promoting and achieving legislative and regulatory harmonization across Canada

# Canadians are Underinsured and Uninsured

## Inadequate coverage

Half of the Canadian population is neither prepared nor protected



50%

In 2019, half of Canadians  
did not own life insurance coverage\*

\*Source: LIMRA Canadian Life Insurance Ownership Study — 2019 Person-Level Report.

# CAFII/ACIFA Members Embrace and Prioritize Fair Treatment of Consumers



## **GUIDANCE: CONDUCT OF INSURANCE BUSINESS AND FAIR TREATMENT OF CUSTOMERS**

CAFII shares regulators' objective of ensuring consumers are well-protected while also having the ability to purchase products through their channel of choice.

In an insurance industry context, it's important to note that part of the overall objective of FTC is to ensure insurers can provide support and meet consumers' expectations throughout the user experience.



# Promoting and Supporting Diversity, Equity and Inclusion (DEI) – in Member Companies' Representation and Participation in Our Association – Has Become A New Key Objective for CAFII/ACIFA



CAFII members all have DEI initiatives



CAFII wants to align with the priorities of its members and ensure DEI objectives are a key consideration



This includes ensuring that volunteer leadership pipelines at CAFII take into account DEI

*CAFII has created a new DEI Working Group to develop recommendations to our Board of Directors*



# CAFII/ACIFA Research with Pollara on Credit Protection Insurance, Mortgages and HELOCs—November 2022—Key Findings

## Key Takeaways

A strong majority of Canadians who own credit protection insurance (CPI) believe that these products are an affordable, convenient and effective way of protecting themselves and their families in case of certain unexpected events

In addition, most CPI holders do not know what they would do without it should something happen to them and/or their family, further illustrating the importance of these products

CPI holders are highly satisfied with the purchase process overall and are confident in their knowledge of these products (i.e. payout amounts and policy terms)

Consumers since the pandemic are using both in-person and online means to communicate with their financial institutions

CPI holders' expectations of claim payouts are being met by the industry

This indicates that the industry is effective at educating its consumers, open and transparent with consumers at the time of purchase, and consistently delivers on its promises

# CAFII/ACIFA and the AMF Have Made Significant Progress on Key Files in 2023

Over 11 meetings have been held between CAFII/ACIFA and the AMF in 2023

Superintendent of Client Services and Distribution Oversight Éric Jacob and CAFII/ACIFA Board Chair Peter Thompson have been speaking quarterly

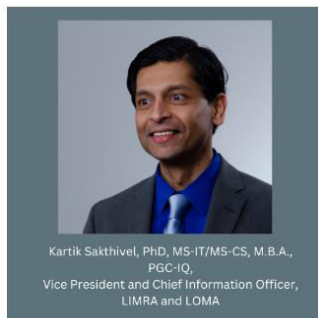


These meetings have resulted in excellent dialogue and much progress has been made on key files

*Thank you!*

*Merci!*

# CAFII/ACIFA Organizes Regular Webinars and Speaker Events to Which Regulators and Policy-Makers From Across Canada are Invited



April 4, 2023

*An Overarching Presentation on Important Transformations Occurring in the Life and Health Insurance Space, by Kartik Sakthivel*



March 30, 2023

*CAFII Webinar: Mental Health Issues in the Workplace with Paula Allen and Nigel Branker*



January 26, 2023

*CAFII Webinar: A Virtual Fireside Chat with Dallas Ewen and David Elder on 'Privacy'*



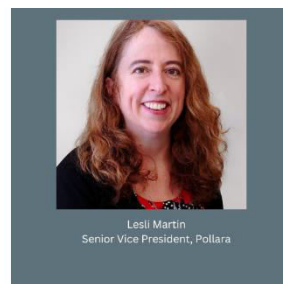
December 1, 2022

*CAFII Webinar: A Fireside Chat with Blair Morrison, CEO of the British Columbia Financial Services Authority (BCFSA)*



November 3, 2022

*CAFII Webinar: Travel Trends and Travel Insurance Implications As Society Emerges From The Covid-19 Pandemic: A Virtual Fireside Chat with Elliott Draga, Sheila Burns, Katia Umutoiwe and David Moorcroft*



October 5, 2022

*CAFII Webinar: Consumer Preferences and Product Development Insights Emerging From Recent Research In Financial Services and Relevant Comparator Industries*



June 29, 2022

*CAFII Webinar: Best Practices In The Digitization Of Credit Protection Insurance – Presented By Deloitte*



May 3, 2022

*CAFII Webinar: Principles-Based Regulation (PBR); The Emergence of Rule-Making Authority, and How They Work Together: A Complementary, Harmonious Fit Or 'Dynamic Tension' For Canada's Insurance Regulators?*

# Technology is Having a Profound Impact on the Insurance Industry

CAFII believes future of life and health insurance industry will be marked by continued innovation and an increase in consumer demand for electronic commerce and other alternate forms of distribution.

Consumers continue to demand greater access to purchasing through digital channels, which will play an increasingly important role in meeting needs of Canadians.



Insurance is “data-hungry” and highly analytical, and new technology tools could be transformative.

# Consumer Expectations are Constantly Evolving and Escalating

Consumers' high expectations for technology-based services, convenience, transparency, speed, regular engagement, and a personalized experience that reflects their needs are defining how products and services are delivered.

Their preferences and expectations are a particular challenge and opportunity for the insurance industry.

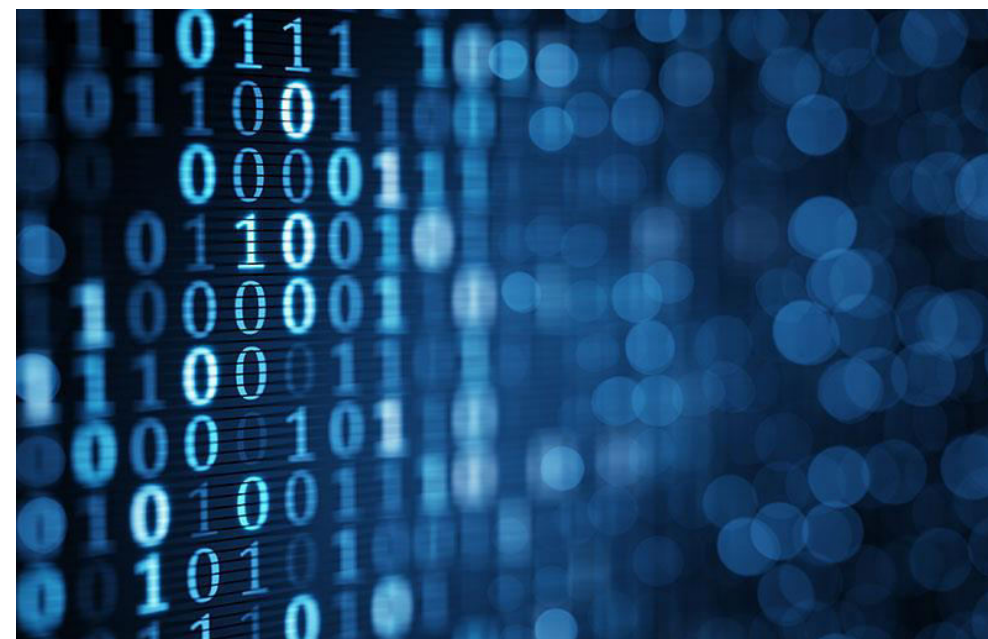




# CAFII/ACIFA Supports Regulations That Embrace Electronic Commerce

CAFII believes regulatory structures should foster a harmonized, flexible, and open marketplace where consumers are able to choose how and where to purchase coverage.

Regulation should embrace the role of all insurance channels in meeting consumers' insurance needs. **COVID-19 dramatically accelerated a trend towards digital means of interacting with customers.**



## Summary Notes

### CAFII Meeting with New AMF President and CEO Yves Ouellet in Montreal

**14 December, 2023**



CAFII met with new AMF President and CEO Yves Ouellet from 3.30-4.30pm on 14 December, 2023 in Montreal. The AMF organized the meeting and offered to have an in-person and virtual element, but requested that the in-person session be small.

In attendance in-person from CAFII:

Board Chair Peter Thompson;

Board Vice-Chair Paul Cosgrove;

Co-Executive Director Keith Martin.

In attendance in-person from the AMF:

Yves Ouellet, President and CEO;

Éric Jacob, Executive Director, Enforcement and Superintendent, Client Services and Distribution Oversight (Interim).

In attendance virtually from CAFII:

Board member Louis Georgakis (Canada Life);

Board member Simon Hubert-Lacroix (Desjardins);

Board member Julie Gaudry (RBC Insurance);

EOC Chair Rob Dobbins (Assurant);

EOC Vice Chair Karyn Kasperski (RBC Insurance);

CAFII Operations Manager Shanay Smith;

CAFII Research Analyst Robyn Jennings.

In attendance virtually from the AMF:

Christian Beaulieu, Directeur principal des opérations d'encadrement de la distribution;

Mario Beaudoin, directeur des pratiques de distribution alternatives (DPDAA).

The meeting began with introductions, with both Yves Ouellet and Éric Jacob saying that they were pleased to meet with CAFII's Board members and that they felt that this sort of interaction was important. Peter Thompson made some opening comments, both in French and English, in which he emphasized how important it was to CAFII to have this sort of interaction and engagement with key regulators.

Keith Martin then made a short powerpoint presentation which included the following points:

- CAFII is a non-profit Association focused on credit protection insurance and travel insurance;
- The Association has fifteen members which include the big banks, Desjardins, and other distributors, along with major life and health insurance companies;
- The key focus of the Association is relationship-building and dialogue with insurance regulators and policy-makers;
- CAFII has over 30 regulators and policy-makers which it deals with, most of them provincial;

- Harmonization is a key priority for CAFII, and is different from alignment—harmonization does not only mean that regulatory goals are the same, but that the words are the same so regulated entities can focus on the objectives and expectations of the regulator, as opposed to understanding slight differences from regulator to regulator;
- Over half of Canadians do not have life insurance and this creates a significant risk for a large number of Canadians and Quebecers;
- CAFII and its members are fully committed to the fair treatment of customers and believe that this is fundamentally important;
- There is a committee at CAFII to diversity, equity, and inclusion;
- CAFII conducts annual research to understand the views of the customers of credit protection insurance, and in a recent 2022 study found that CPI customers felt confident in the products and did not know what they would do without the insurance if something happened to them. In addition, it was noted that the study found that 95% of mortgage life insurance claims were paid out by CAFII members. It was also noted that the full study was presented by Keith Martin in French to the AMF in a 90-minute meeting with AMF officials in Quebec City;
- The final slide acknowledged that the AMF had been very responsive over the past year, and that Éric Jacob and Peter Thompson had held quarterly meetings in 2023 that were very productive, and these meetings had also led to more detailed meetings with other officials of the AMF and CAFII staff and volunteers. In total, over 11 meetings had been held in 2023, leading to very productive and important solutions to some complicated files.

During the section of the presentation on harmonization, Keith Martin emphasized that CAFII and its members understood that Quebec was unique, with its own language, culture, and legal system, and that we realized that there would be some different approaches in Quebec from other provinces; and Peter Thompson added to that point, saying that in Quebec even if there were differences in the regulatory approach, it was helpful if those differences could be as minor as possible. Yves Ouellet was shaking his head during this section of the presentation and appeared appreciative of the comments.

During the section of the presentation on harmonization Keith Martin pointed out the importance of CCIR and CISRO to CAFII, and mentioned in that respect the important work that Éric Jacob was doing as the Chair of CISRO, and Mr. Jacob nodded during this section and made a few comments about his activities with CISRO.

During the section of the presentation on the many meetings between CAFII and the AMF in 2023, Peter Thompson commented on how appreciative he was to Éric Jacob for his collaboration with him over the past year and how important this had been to resolving some issues. Éric Jacob said that he was also appreciative of Peter Thompson's openness and of the engagement of CAFII more generally, and that he agreed that much had been achieved over the

past year. Yves Ouellet seemed very pleased about this exchange and shared that he too believed in the importance of dialogue and transparency.

Peter Thompson also said that he appreciated Eric Jacob confirming in a recent meeting that the understandings reached between CAFII and the AMF on some files would continue after Mr. Jacob leaves his role as Superintendent of Client Services and Distribution Oversight, and Mr. Jacob said that was absolutely the case, and those understandings were not with Eric Jacob but rather with the AMF.

After the presentation Yves Ouellet said he wanted to know what was on our minds—what were the issues we were concerned about and what were we thinking about? Peter Thompson mentioned that CAFII members were very interested in the outcome of the consultations with the AMF on complaints, noting that the Quebec regulatory proposals on complaints were different from other jurisdictions and there were concerns that this could lead to a complicated environment for CAFII members. Keith Martin mentioned that CAFII had held very productive conversations with Louise Gauthier and her colleagues on this file, and that we felt that the AMF had really understood some of industry's concerns. Keith Martin also mentioned that the AMF held a second round of consultations on the regulation around complaints, and that this was unusual and greatly appreciated. It was also noted that CAFII members adhered to CCIR requirements on complaints, and also had to comply with FCAC requirements that had recently been introduced. The Quebec rules would be a third set of expectations and timelines for CAFII members, and this made the environment around complaints complicated. Éric Jacob spoke about how the AMF had listened carefully to industry concerns on this file, and also noted that the final regulation would likely be published early in 2024. During the conversation it was also noted that CAFII members are large, complex organizations that require sufficient time to implement new regulations. Éric Jacob said that point was now well understood, and that industry would be given a good amount of time to implement the new regulations around complaints.

Yves Ouellet made several comments about how the AMF wanted to be transparent, to share openly its regulatory framework, and to let industry know what its intentions were. His underlying message was one of collaboration and of wanting to not surprise industry, and his body language and approach appeared very sincere and genuine. He said that regulators needed to be creative and to understand how best to try to achieve their objective of consumer protection. He said he understood CAFII's points about harmonization and he was committed to being "as harmonized as possible."

Mr. Ouellet asked what were other issues we were tracking, and the fast pace of technology change was raised. Peter Thompson said that in the past insurance products were often mass products, but that with new technologies like artificial intelligence there was the possibility of more customization and of targeting products to specific customer groups. Keith Martin mentioned that insurance is data hungry, and as such machine learning and new technology capabilities had the capacity to significantly affect the industry, especially the statistically-

oriented underwriting function. Paul Cosgrove said that the pandemic had fundamentally changed the expectations of customers, who now expected to be served equally well in all channels including digitally. Mr. Cosgrove also mentioned that digital platforms had advanced significantly and were helping improve the customer experience, and he specifically cited the claims experience as an example. It was also mentioned that customers are comparing industry to other sectors of the economy and expect the same level of service, with Amazon for example setting the bar for what customers expect around a digital experience in insurance. Keith Martin noted that CAFII research with Deloitte had shown that customers expect a seamless experience across channels, and whatever information they share in one channel they expect to be shared with other channels, such that they do not need to repeat information they have already shared. Keith Martin also noted that CAFII held regular webinars to which AMF officials were invited, and that in January 2024 we would be holding one on artificial intelligence—Mr. Ouellet took his notebook and made notes on this. Overall, Yves Ouellet seemed very interested in these observations, and said that technology would also pose risks and opportunities for regulators like the AMF.

The meeting overall was interactive and positive, with Yves Ouellet very engaged, asking questions and making comments, and repeating his commitment to continued dialogue. At the conclusion of the formal meeting there was about 5 minutes of informal discussion and small talk, before the meeting concluded.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(c)ii**

#### **Committees and Working Groups – Quebec/AMF Issues - CAFII-Commissioned RSM Canada Study on Attrition Rate of Spousal Insurance Policies in Quebec and Related Projections to 2030**

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#### **Purpose of this Agenda Item – Update**

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To update the EOC on the CAFII-commissioned RSM Canada Study on Attrition Rate of Spousal Insurance Policies in Quebec and Related Projections to 2030.

#### **Background Information**

---

CAFII has commissioned a study by RSM Canada on the attrition rates of spousal insurance policies in Quebec and projected the findings out to 2030, to demonstrate that these policies are being reduced and that with more time more progress can be made. The report has now been shared with the AMF by CAFII Board Chair Peter Thompson.

The report demonstrates that CAFII members are successfully reducing the number of policies in-force. From Dec. 31, 2019 to Dec. 31, 2023 we saw an average attrition rate of 9.8% annually, and we project that attrition rate or higher will continue moving forward to the end of Dec. 31, 2029 and beyond. At the end of 2024, we project that 41% or 367,332 of the number of policies in force at the beginning of 2020 will have been eliminated. At the end of 2029, approximately 579,224 Spousal Policies are projected to be eliminated, representing 65% of the 2020 figures. These figures show that the natural attrition strategy is working, and will continuously reduce the number of policies over time.

#### **Recommendation / Direction Sought – Update**

---

No action required.

#### **Attachments Included with this Agenda Item**

---

Five (5) attachments.

From: Gonçalves, Cécilia <cecilia.goncalves@bnc.ca> On Behalf Of Thompson, Peter  
Sent: Monday, January 8, 2024 3:14 PM  
To: Jacob Eric <Eric.Jacob@lautorite.qc.ca>  
Cc: christian.beaulieu@lautorite.qc.ca; paul.cosgrove@assurant.com; Rob Dobbins  
<rob.dobbins@assurant.com>; Karyn Kasperski <karyn.kasperski@rbc.com>; Keith Martin  
<Keith.Martin@cafii.com>; fabricio.naranjo@rsmcanada.com

**Subject:** Rapport de l'ACIFA sur les polices régissant les conjoints au Québec | CAFII Report on Quebec  
Spousal Policies

Bonjour M. Jacob,

S.v.p., voir les lettres et documents ci-joints.

Merci et bonne année 2024!

Peter D. Thompson

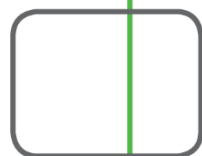
Peter D. Thompson

Président Banque Nationale Assurances et Cabinet d'assurance Banque Nationale inc.  
President of National Bank Insurance & National Bank Insurance Firm inc.  
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# CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE (CAFII)

ATTRITION OF SPOUSAL  
CREDITOR COVERAGE IN  
QUEBEC

DECEMBER 18, 2023

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## CAFII Attrition Rate Study Report

### 1. RELIANCE AND LIMITATIONS

We have relied on data provided by Canadian Association of Financial Institutions in Insurance (CAFII) Members to perform the analysis included herein.

Our analysis relies on the quality, completeness and accuracy of the data provided. Any errors, omissions or inconsistencies in the data may affect the accuracy of our analysis and conclusions. We performed a limited review of the data for reasonableness and consistency; however we did not perform an audit or independent verification of the data. We assumed that the information provided is complete and accurate, and that we have been provided with all information relevant for the performance of this analysis. The accuracy of our results is dependent upon the accuracy and completeness of this underlying data.

There are limitations on the accuracy of actuarial forecasts as there is inherent uncertainty in such forecasts. Actual experience may differ substantially from the results presented herein. In our judgement, we have employed standard actuarial techniques and assumptions which are appropriate under generally accepted actuarial practice in Canada.

This report and the findings contained herein are provided to CAFII, its Members and the Autorité des marchés financiers du Québec for the sole purpose of estimating the attrition rate of spousal creditor insurance in Quebec.

Any use which a party makes of this report, or any reliance on or decisions to be made based on it, are the responsibility of such parties. RSM accepts no responsibility for damages, if any, suffered by any party as a result of decisions or actions made based on this report.

## CAFII Attrition Rate Study Report

## 2. EXECUTIVE SUMMARY

### BACKGROUND

The Autorité des marchés financiers du Québec (AMF) instructed members of the Canadian Association of Financial Institutions in Insurance (CAFII) to discontinue the offering of certain creditor spousal coverages in Quebec; specifically, creditor insurance certificates where the spouse is not a debtor on the associated loan instrument themselves (“Spousal Policies”). These products are currently no longer being offered since 2020, and the AMF provided for a five year period through to the end of 2024 for the existing in-force Spousal Policies to be reduced in number due to natural attrition.

CAFII has engaged RSM Canada Consulting LP (RSM) to conduct a study on the attrition rate of Spousal Policies, to gain statistical insights into the natural attrition of these products and to prepare projections of the count of impacted creditor insurance customers from 2023 to 2030.

### DATA

All the relevant CAFII’s Members provided information to RSM with respect to the Spousal Policies still in force in their creditor insurance portfolios. The information provided by the Members consisted of the count of Spousal Policies at the beginning and end of calendar years 2019 to 2022. In addition, the Members provided year-to-date numbers for 2023, as well as the number of coverages cancelled or expired during each year since 2019.

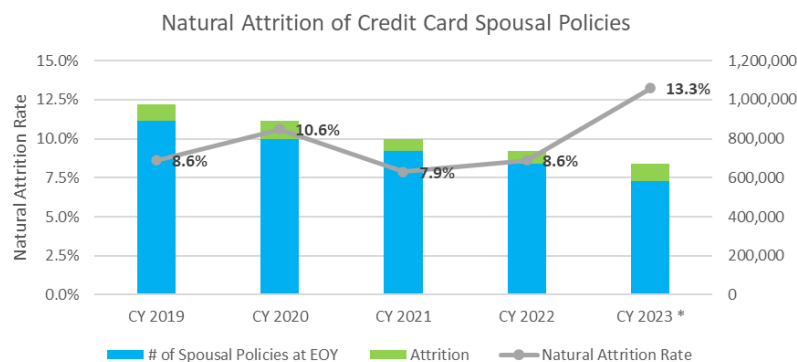
The data was broken down between loan products (inclusive of mortgages, lines of credit, and personal loans) and credit card products. The Spousal Policies are overwhelmingly originated through credit cards products (98.1%). Due to this weight toward credit cards, the attrition in the count of Spousal Policies overall most heavily depend on the attrition in credit card Spousal Policies. As such, the focus of this report will be on the credit card policies.

### METHODOLOGY

The natural attrition rate is calculated by dividing the aggregated natural attrition by the number of policies at the beginning of the year. The assumed natural attrition rate was used as a trend to project the number of policies to 2030. This rate was applied to the end of year figures to determine the number of policies in the following year.

### ANALYSIS

The following chart, provide the historical attrition rate across all CAFII Members since 2019 for credit card Spousal Policies.

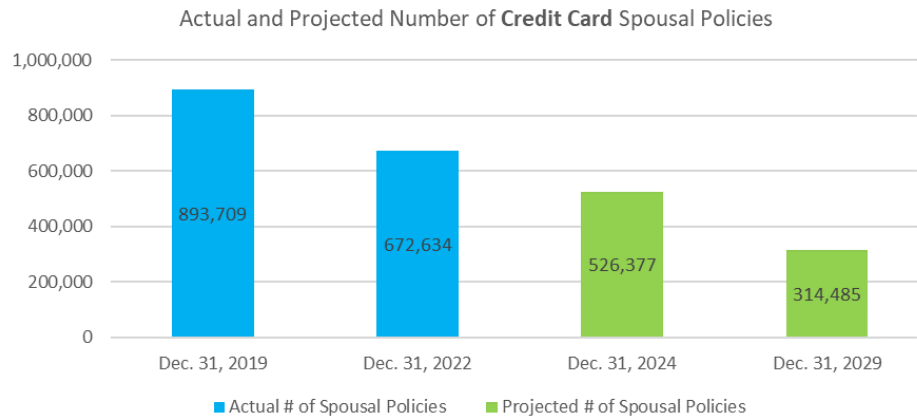


\* Attrition experience in partial year 2023 was annualized to December 2023.

## CAFII Attrition Rate Study Report

Throughout the five-year historical period, the natural attrition rate for credit card Spousal Policies ranged from 7.9% to 13.3% with an average of 9.8% across the period. We observed a slight increase in the natural attrition rate in more recent years.

Utilizing a 9.8% natural attrition rate assumption, we have projected forward the number of Spousal Policies each year to the end of 2029.



As outlined above, the moratorium on new sales of Spousal Policies in 2019 along with natural attrition (for reasons like people cancelling their card, changing cards, dying etc.) has resulted in a significant reduction in the total number of Spousal Policies in force since 2019, which is projected to continue until December 31, 2029.

### CONCLUSIONS

Based on the historical data provided for the natural attrition of Spousal Policies from 2019 to 2022 and year-to-date 2023, the average natural attrition rate for credit card Spousal Policies is determined to be 9.8%. Using this attrition rate, the count of Spousal Policies by January 1, 2030 is projected to be 314,485, representing 35% of the count of Spousal Policies at the end of 2019.

These figures show that the number of Spousal Policies will decline significantly from January 1, 2025 to January 1, 2030 if more time is provided to allow for the continue impact of the natural attrition of this coverage.

CAFII has shared with RSM Canada that it is concerned about the customer experience of cancelling existing coverage, as cancellation of this coverage would not result in any return or decline of premium.

## CAFII Attrition Rate Study Report

### 3. BACKGROUND

The Canadian Association of Financial Institutions in Insurance (CAFII) is a not-for-profit industry association that works with industry regulators as they develop a legislative and regulatory framework for the insurance sector. CAFII's members ("Members") include Canada's major financial institutions and other insurance industry participants, all of which write and/or distribute creditor insurance policies.

In 2019, the Autorité des marchés financiers (AMF), Quebec's financial services regulatory body, instructed members of CAFII to discontinue the offering of certain creditor spousal coverages in Quebec; specifically, creditor insurance certificates where the spouse is not a debtor on the associated loan instrument themselves ("Spousal Policies"). These Spousal Policies are currently no longer being offered, though policies sold historically remain in force. The AMF has provided a five-year period to December 31, 2024 for the in-force policies to be reduced through attrition.

As no new policies are being written, the total in-force number of Spousal Policies has continuously decreased since the end of 2019 due to various means, such as customers cancelling their policy, associated loans expiring, and customers no longer being eligible for spousal coverage. The total count of Spousal Policies will have decreased significantly by the January 1, 2025 cancellation deadline. If an extension is granted, further decreases are expected, limiting the overall impact of the cancellations at a future point in time.

CAFII has engaged RSM Canada Consulting LP (RSM) to conduct a study on the attrition rate of Spousal Policies, to provide statistical insights into the natural attrition of these products and prepare projections of the count of impacted creditor insurance customers both as of the January 1, 2025 cancellation deadline and further into the future should this deadline be extended. This analysis is outlined throughout this report inclusive of:

1. An analysis of the aggregate attrition rate of Spousal Policies in the Members' creditor insurance portfolio since 2019; and
2. A projection of the number of Spousal Policies until January 1, 2030 should an extension be applied.

## CAFII Attrition Rate Study Report

## 4. DATA, ASSUMPTIONS AND METHODOLOGY

This section outlines the historical data provided by the Members to prepare the analysis.

### 4.1 HISTORICAL DATA

CAFII's Members, as outlined in the following table, provided information to RSM with respect to the Spousal Policies in their creditor insurance portfolios. Members include Canada's major financial institutions and creditor insurance industry players, all of which write and/or distribute creditor insurance policies. For simplicity, we have classified entities which write creditor insurance policies as Insurers and the group policyholders who offer coverage to their loan customers as Distributors.

Financial Institution	Classification
Assurant	Insurer
BMO Insurance	Distributor
Canada Life	Insurer
Canadian Tire Financial Services	Distributor
Chubb	Insurer
CIBC	Distributor
CUMIS	Distributor
Desjardins	Insurer & Distributor
Manulife	Insurer
National Bank Insurance	Distributor
RBC Insurance	Distributor
Scotia Life Insurance	Distributor
Securian Canada	Insurer
TD Insurance	Distributor

Data provided by the Members consisted of the count of Spousal Policies at the beginning and end of each calendar year from 2019 to 2022, plus year-to-date counts for 2023, as well as the counts of coverages cancelled or expired each year. The data was broken down between loan products (inclusive of mortgages, lines of credit, and personal loans) and credit card products. The Spousal Policies are overwhelmingly attached to credit cards (98.1%) as shown in Appendix A. This is likely a result of the following factors:

- 1) Other loans are more likely to have the spouse listed as a joint debtor on the debt instrument attached to the creditor insurance policy (i.e. a joint mortgage) and would therefore not be defined as a Spousal Policy; and

## CAFII Attrition Rate Study Report

- 2) Creditor insurance policies attached to single account credit cards more commonly provide spousal coverage. This was previously a practice which did not result in any additional premium being charged for the spousal coverage.

Due to this heavy weighting toward credit cards, the count of Spousal Policies will heavily depend on the attrition in credit card Spousal Policies. As such, the focus of this report will be on these credit card policies.

The data provided did not include individual customer records, loan duration, or age of customers.

We have not performed an audit of the data provided but have conducted various reasonability checks to ensure consistency throughout the dataset, and that there was no overlap or double-counting of Spousal Policies across Insurers and Distributors.

### 4.2 KEY ASSUMPTIONS

We have relied on the quality, completeness and accuracy of the data provided by the Members. The following assumptions have been made with respect to the data:

- The information provided is accurate and complete, except where specifically noted otherwise. In those instances where data was not available, and therefore not complete, the impact was determined and assumed to be immaterial to this analysis. This assumption has been validated through discussions with the Members to approximate the number of Spousal Policies that were thus excluded;
- Our analysis was performed on an aggregate basis based on total Spousal Policies counts and was not performed on a seriatim policy or certificate basis reflecting expiration dates (i.e. loan exhaustion, maximum insured ages, etc.);
- We have made no adjustments to our attrition rate projections, or the data provided to adjust for the impact of COVID-19. While the disruption caused by the COVID-19 pandemic may have impacted consumer behavior, such as spending habits and credit card usage, we have assumed its impact on the attrition of Spousal Policies not to be material.
- We have assumed that similar levels of attrition can be reasonably expected to continue going forward from 2023 to 2030.

## CAFII Attrition Rate Study Report

### 4.3 METHODOLOGY

The Spousal Policy data provided by each Member includes the number of certificates at the beginning of the year and the natural attrition occurring within the year. Natural attrition consists of individuals who left voluntarily (i.e. through the cancellation of the policy), as a result of the policy expiration (i.e. closure/payout of the loan), or through ineligibility of coverage (i.e. change of marital status). The attrition rate is calculated by dividing the aggregated natural attrition by the number of Spousal Policies at the beginning of the year. To remove the potential impact of AMF's upcoming cancellation deadline of January 1, 2025, we have excluded cancellations (if any) of the Spousal Policies by proactive Members.

The assumed natural attrition rate was used as a trend to project the number of Spousal Policies to 2030. This rate was applied to the end of year figures to determine the number of Spousal Policies in the following year.

## CAFII Attrition Rate Study Report

### 5. ANALYSIS

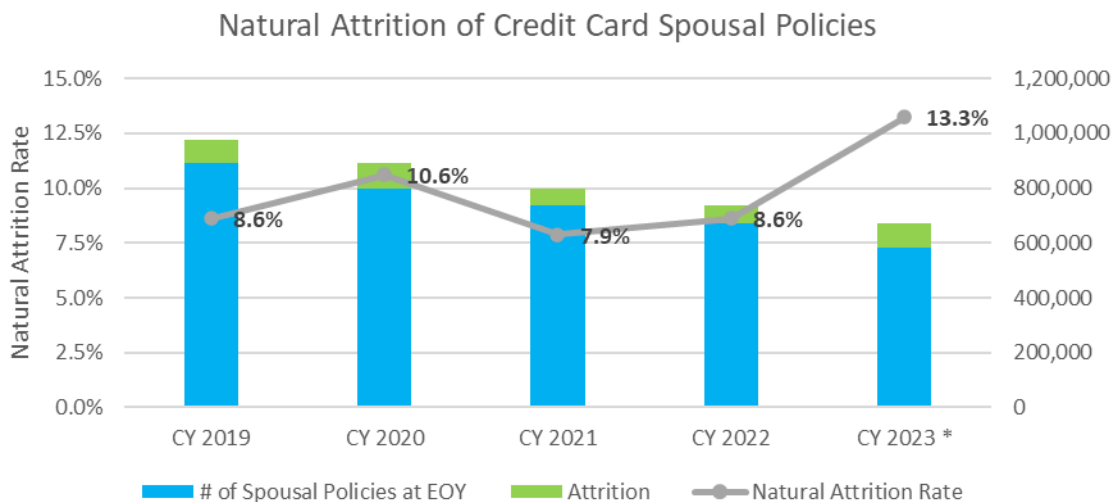
From the end of 2019 to the end of 2022, the number of credit card Spousal Policies has decreased by 24.7%. As of December 31, 2022, there were approximately 672,634 credit card Spousal Policies identified by CAFII Members remaining in force.

The following chart, provide the historical attrition rate across all CAFII Members since 2019 for credit card Spousal Policies.

In analyzing the attrition rate, two adjustments were required to be made to the data:

- 1) For calendar year 2019, Spousal Policies were still being offered during the year, and the data was adjusted to reflect the actual attrition during the year netting off these new Spousal Policies;
- 2) For calendar year 2023, YTD data was projected to the end of the year at a consistent rate;

**Chart 1 – Natural Attrition of Credit Card Spousal Policies**



\* Attrition experience in partial year 2023 was annualized to December 2023.

Across the five-year period, the natural attrition rate for credit card Spousal Policies is in the range of 7.9% to 13.3% with an average of 9.8% across the period. That is, on average, approximately 9.8% of spousal coverage is cancelled or terminated through normal course of action (i.e. without regulatory enforcement) over the five-year period.

There is an uptick in the attrition rate in partial year 2030. There is some variance in the attrition rate year-over-year, though there is not enough information to suggest whether or not the upward trend will continue to persist.

As the credit card policies inevitably expire either within in the next few years or further in the future, it is expected that the proportion of credit card Spousal Policies being cancelled or expired will tend to increase. However, given credit cards are revolving products, policyholders can continue to renew their existing coverage at a monthly premium which allows for longer policy durations and less likelihood of early attrition than other products, such as loans.

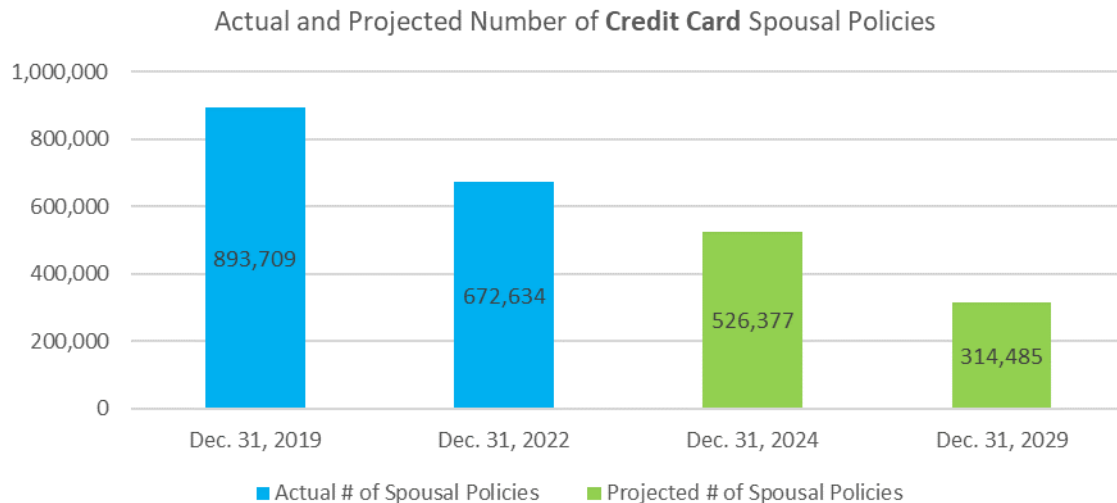


## CAFII Attrition Rate Study Report

### 5.1 PROJECTION

Utilizing the average historical attrition rates over the previous 5 years, we have projected forward the number of Spousal Policies each year to the end of 2029.

**Chart 2 – Projection of Spousal Policies for Credit Card Customers**



Based on the constant attrition rate projection, the total number of Spousal Policies on credit cards projected to the current cancellation deadline of January 1, 2025 would be approximately 526,377, which is 59% of the number of Spousal Policies in force at the beginning of 2019. At the end of 2029, the number of Spousal Policies in-force would diminish to approximately 314,485, representing 35% of the 2019 figures, reducing the number of impacted customers should the cancellation deadline be extended.

As outlined above, the cancellation of new sales in 2019 has significantly reduced the total number of Spousal Policies in force since then. This projection assumes a constant attrition rate into the future; however, as the insured population and their associated loans age it is expected that the attrition rate will gradually increase. This is due to a higher proportion of Spousal Policies being cancelled each year as a result of both loan expiry and insureds reaching the maximum insured ages for the insurance coverage.

## **CAFII Attrition Rate Study Report**

### **6. CONCLUSIONS AND RECOMMENDATIONS**

Based on the historical data provided for the natural attrition of Spousal Policies from 2019 to 2022 and year-to-date 2023, the average natural attrition rate for credit card Spousal Policies is determined 9.8%. Using this attrition rate, the projected number of Spousal Policies by January 1, 2030 is 314,485.

These figures show that the number of Spousal Policies will decline significantly from January 1, 2025 to January 1, 2030 if more time is provided for natural attrition to continue its impact on the count of Spousal Policies.

CAFII and its Members are concerned about the poor customer experience of cancelling existing coverage, as cancellation of this coverage would not result in any return or decline of premium.

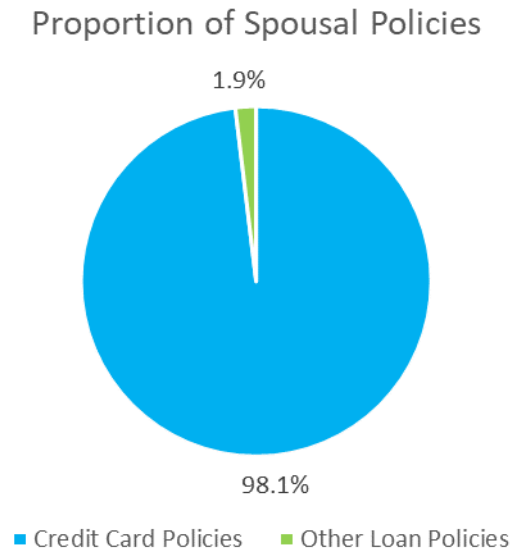
The analysis was performed by projecting attrition until 2030 based on five years of historical experience. We recommend monitoring the emerging experience closely and revisiting the attrition rate assumption in five years to update the projection of the number of Spousal Policies.

## CAFII Attrition Rate Study Report

### 7. APPENDICES

#### 7.1 APPENDIX A – DEBT INSTRUMENTS OF SPOUSAL POLICIES

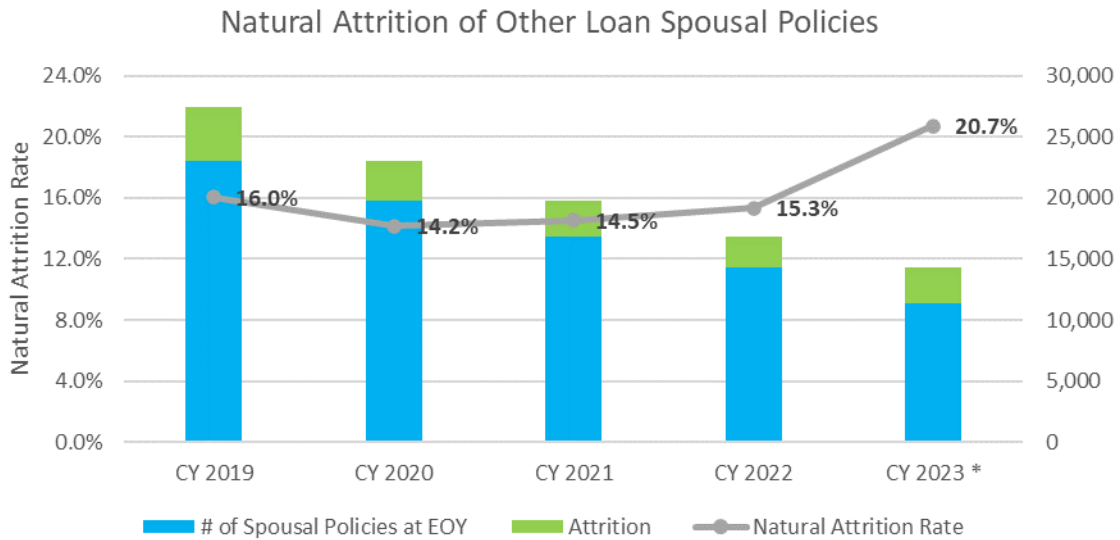
Proportion of Credit Card Spousal Policies vs Other Loan Spousal Policies



## CAFIL Attrition Rate Study Report

### 7.2 APPENDIX B – NATURAL ATTRITION FOR OTHER LOANS

#### Natural Attrition of Spousal Policies for Other Loan Customers

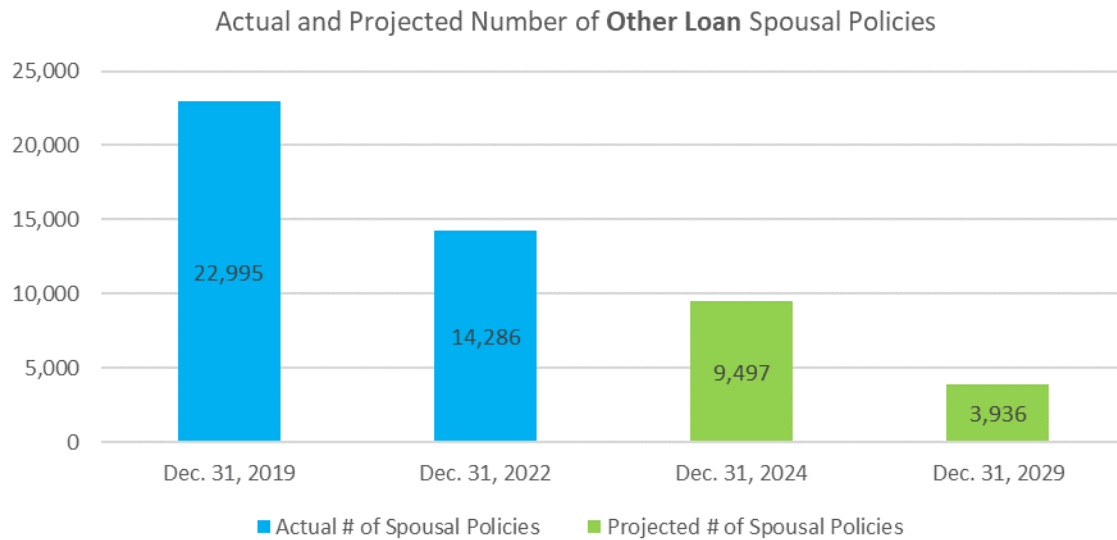


The natural attrition rate for other loan Spousal Policies is in the range of 14.2% to 20.7% with an average of 16.2%. The attrition rate for other loans Spousal Policies during this period is higher than credit card Spousal Policies. This should be expected as many of these other loans include natural expiry as a result of the loan amortization period (i.e. a 5-year auto loan will naturally expire after 5 years), whereas creditor insurance policies on credit cards can remain in place until the insured reaches their maximum age outlined in the policy.

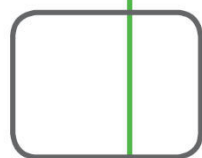
## CAFII Attrition Rate Study Report

### 7.3 APPENDIX C – PROJECTION OF SPOUSAL POLICIES FOR OTHER LOANS

#### Projection of Spousal Policies for Other Loan Customers



For Spousal Policies on other loans there would be approximately 9,497 in force as of January 1, 2025, which is 41% of the number of Spousal Policies in force at the end of 2019. Looking further into the projection, at the end of 2029, this would decrease to approximately 3,936 Spousal Policies remaining in force, representing 17% of the 2019 figures.



ASSOCIATION  
CANADIENNE DES  
INSTITUTIONS  
FINANCIÈRES EN  
INSURANCE (ACIFA)

ATTRITION DE L'ASSURANCE  
PROTECTION DU CRÉDIT  
COUVRANT LE CONJOINT AU  
QUÉBEC

2 JANVIER 2024

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## **1. FIABILITÉ ET LIMITES**

Nous nous sommes fiés aux données fournies par les membres de l'Association canadienne des institutions financières en assurance (ACIFA) pour effectuer l'analyse incluse dans le présent document.

Notre analyse repose sur la qualité, l'exhaustivité et l'exactitude des données fournies. Toute erreur, omission ou incohérence dans les données peut affecter l'exactitude de notre analyse et de nos conclusions. Nous avons effectué un examen limité des données pour en vérifier le caractère raisonnable et l'uniformité ; toutefois, nous n'avons pas effectué de vérification ou de vérification indépendante des données. Nous avons supposé que l'information fournie est complète et exacte, et qu'on nous a fourni toute l'information pertinente à la réalisation de cette analyse. L'exactitude de nos résultats dépend de l'exactitude et de l'exhaustivité de ces données sous-jacentes.

Il y a des limites à l'exactitude des prévisions actuarielles, car il y a une incertitude inhérente à ces prévisions. L'expérience réelle peut différer considérablement des résultats présentés dans le présent document. À notre avis, nous avons utilisé des techniques et des hypothèses actuarielles standards qui conviennent à la pratique actuarielle généralement reconnue au Canada.

Le présent rapport et les conclusions qu'il contient sont fournis à l'ACIFA, à ses membres et à l'Autorité des marchés financiers du Québec dans le seul but d'estimer le taux d'attrition de l'assurance protection du crédit couvrant le conjoint / la conjointe au Québec.

Toute utilisation de ce rapport par un parti, ou toute confiance ou décision prise sur la base de celui-ci, relèvent de la responsabilité de ce parti. RSM n'accepte aucune responsabilité pour les dommages, le cas échéant, subis par un parti à la suite de décisions ou d'actions prises sur la base de ce rapport.



## 2. RÉSUMÉ

### HISTORIQUE

L'Autorité des marchés financiers du Québec (AMF) a demandé aux membres de l'Association canadienne des institutions financières en assurance (ACIFA) de mettre fin à l'offre de certaines couvertures du conjoint dans le cadre de l'assurance protection du crédit au Québec ; plus précisément, les certificats d'assurance protection du crédit lorsque le / la conjoint(e) n'est pas emprunteur(e) sur l'instrument de prêt associé (« polices couvrant le conjoint »). L'utilisation du masculin dans le reste de ce document a pour unique but d'alléger le texte.

Ces produits d'assurance avec cette couverture conjointe ne sont plus offerts depuis 2020, et l'Autorité des marchés financiers du Québec a prévu une période de cinq ans jusqu'à la fin de 2024 pour que les polices existantes ayant cette couverture en vigueur en 2019 soient réduites en nombre en raison de l'attrition naturelle.

L'ACIFA a retenu les services de RSM Canada Consulting LP (RSM) pour mener une étude sur le taux d'attrition des polices d'assurance protection du crédit couvrant le conjoint, pour obtenir des renseignements statistiques sur l'attrition naturelle de ces produits et pour préparer des projections du nombre de clients d'assurance crédit touchés durant la période 2023 à 2030.

### DONNÉES

Tous les membres pertinents de l'ACIFA ont fourni des renseignements à RSM concernant les polices d'assurance du conjoint toujours en vigueur dans leurs portefeuilles d'assurance protection du crédit. Les renseignements fournis par les membres comprenaient le dénombrement des polices couvrant le conjoint au début et à la fin des années civiles 2019 à 2022. De plus, les membres ont fourni des chiffres depuis le début de l'année pour 2023, ainsi que le nombre de couvertures annulées ou expirées au cours de chaque année depuis 2019.

Les données ont été séparées entre les produits de prêt (prêts hypothécaires, marges de crédit et prêts personnels) et les cartes de crédit. Les polices d'assurance couvrant le conjoint proviennent en grande majorité de produits de cartes de crédit (98,1 %). En raison de la prédominance élevée des cartes de crédit, l'attrition du nombre de polices couvrant le conjoint dans l'ensemble dépend le plus fortement de l'attrition des polices couvrant le conjoint sur la carte de crédit. À ce titre, le présent rapport sera axé sur les polices relatives aux cartes de crédit.

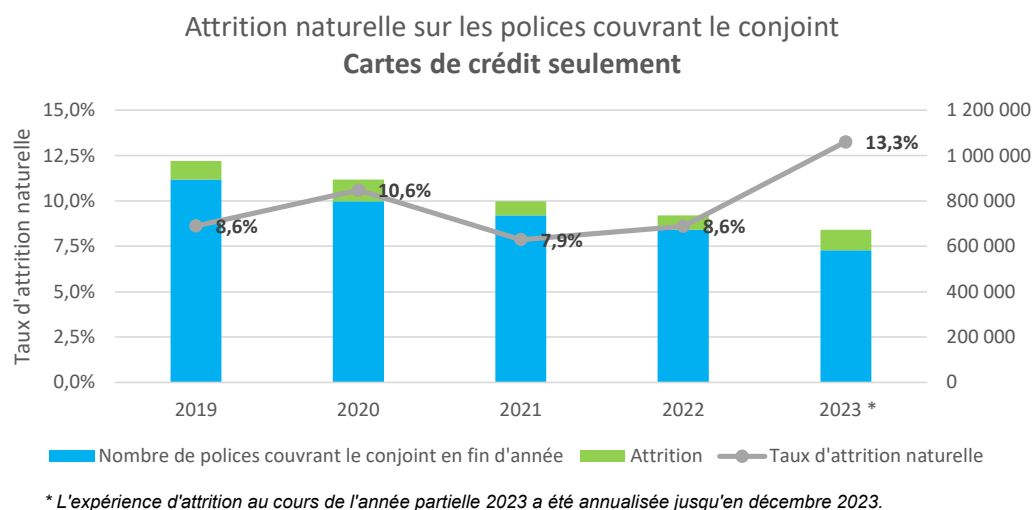
### MÉTHODOLOGIE

Le taux d'attrition naturelle est calculé en divisant l'attrition naturelle agrégée par le nombre total de polices au début de l'année. Le taux d'attrition naturelle présumé a été utilisé comme tendance pour projeter le nombre de polices jusqu'en 2030. Ce taux a été appliqué aux chiffres de fin d'année pour déterminer le nombre de polices l'année suivante.

### ANALYSE

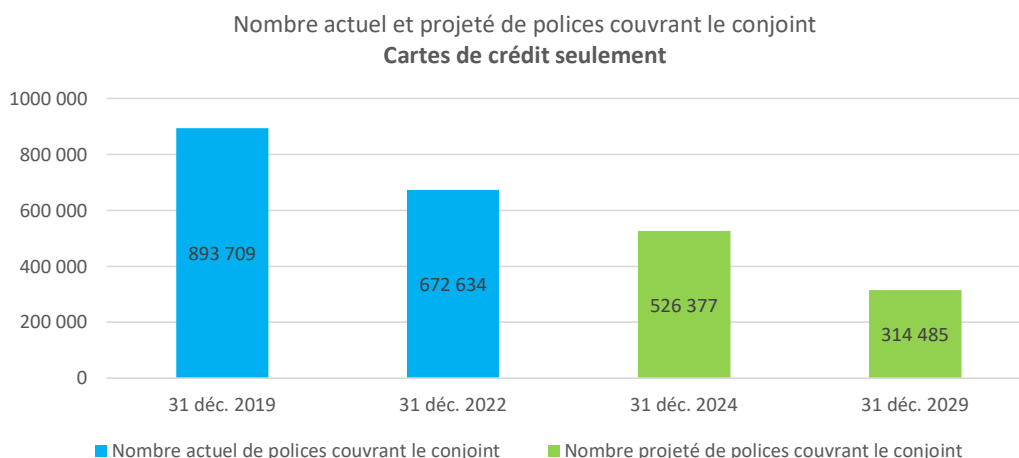
Le tableau suivant fournit le taux d'attrition historique de tous les membres de l'ACIFA depuis 2019 pour les polices couvrant le conjoint sur les cartes de crédit.

Rapport de l'ACIFA sur le taux d'attrition naturelle de l'assurance protection du crédit couvrant le conjoint au Québec



Tout au long de la période historique de cinq ans, le taux d'attrition naturelle des polices couvrant le conjoint a varié de 7,9 % à 13,3 %, avec une moyenne de 9,8 % au cours de la période. Nous avons observé une légère augmentation du taux d'attrition naturelle au cours des dernières années.

En utilisant une hypothèse de taux d'attrition naturelle de 9,8 %, nous avons projeté le nombre de polices couvrant le conjoint chaque année jusqu'à la fin de 2029.



Tel qu'il est indiqué ci-dessus, le moratoire sur les nouvelles ventes de polices couvrant le conjoint en 2019 ainsi que l'attrition naturelle (pour des raisons telles que l'annulation de leur carte, le changement de carte, le décès, l'atteinte de l'âge limite d'éligibilité, etc.) a entraîné une réduction significative du nombre total de ce type de polices depuis 2019. Cette réduction devrait se poursuivre jusqu'au 31 décembre 2029.

## CONCLUSIONS

D'après les données historiques fournies pour l'attrition naturelle des polices couvrant le conjoint de 2019 à 2022 et depuis le début de l'année 2023, le taux d'attrition naturelle moyen pour les polices couvrant le conjoint sur la carte de crédit est déterminé à 9,8 %. En utilisant ce taux d'attrition, le nombre de polices d'assurance couvrant le conjoint d'ici le 1er janvier 2030 devrait

être de 314 485, ce qui représente 35 % du nombre de polices d'assurance couvrant le conjoint qui étaient en vigueur à la fin de 2019.

Ces chiffres montrent que le nombre de polices couvrant le conjoint diminuera considérablement du 1er janvier 2025 au 1er janvier 2030 si davantage de temps est accordé pour permettre à l'impact continu de l'attrition naturelle de suivre son cours.

L'ACIFA a informé RSM Canada qu'elle est préoccupée par l'expérience du consommateur dans l'éventualité d'une annulation de la couverture existante, car une telle annulation de couverture du conjoint n'entraînerait aucun remboursement ou réduction de prime.

### 3. HISTORIQUE

L'Association canadienne des institutions financières en assurance (ACIFA) est une association industrielle sans but lucratif qui travaille avec les organismes de réglementation de l'industrie à l'élaboration d'un cadre législatif et réglementaire pour le secteur de l'assurance. Les membres de l'ACIFA (les « membres ») comprennent les principales institutions financières du Canada et d'autres participants de l'industrie de l'assurance, qui souscrivent ou distribuent des polices d'assurance protection du crédit.

En 2019, l'Autorité des marchés financiers (AMF), l'organisme de réglementation des services financiers du Québec, a demandé aux membres de l'ACIFA de mettre fin à l'offre de certaines couvertures d'assurance couvrant le conjoint au Québec ; plus précisément, les certificats d'assurance protection du crédit lorsque le / la conjoint(e) n'est pas emprunteur(e) sur l'instrument de prêt associé (« polices couvrant le conjoint » dans le texte qui suit). L'utilisation du masculin dans le reste de ce document a pour unique but d'alléger le texte.

À l'heure actuelle, ces polices couvrant le conjoint ne sont plus offertes, bien que certaines polices vendues jusqu'en 2019 demeurent toujours en vigueur. L'Autorité des marchés financiers a prévu une période de cinq ans jusqu'au 31 décembre 2024 pour que le nombre de polices de ce type soient réduites par attrition naturelle.

Comme aucune nouvelle police ayant cette couverture n'a été émise depuis la fin de 2019, le nombre total en vigueur de polices couvrant le conjoint n'a cessé de diminuer en raison de diverses raisons, telles que l'annulation de la couverture par les clients, l'expiration des prêts associés à la couverture et le fait que les clients ne sont tout simplement plus éligible à l'assurance protection du crédit.

Le nombre total de polices couvrant le conjoint originalement en vigueur en 2019 aura considérablement diminué d'ici le 1er janvier 2025. Si une prolongation était accordée jusqu'au 1er janvier 2030, l'impact continu de l'attrition naturelle poursuivra son cours, ce qui limiterait l'impact global sur les consommateurs d'une annulation de la couverture à une date ultérieure, si tel était le cas.

L'ACIFA a retenu les services de RSM Canada Consulting LP (RSM) pour mener une étude sur le taux d'attrition des polices d'assurance protection du crédit couvrant le conjoint, pour fournir des renseignements statistiques sur l'attrition naturelle de ces produits. L'étude préparé par RSM inclut également des projections du nombre de clients ayant l'assurance protection du crédit couvrant le conjoint à la date limite d'annulation du 1er janvier 2025, ainsi que pour les cinq années suivantes si cette date limite s'avérait être prolongée.

Cette analyse est décrite tout au long du présent rapport, y compris :

1. Une analyse du taux d'attrition total des polices d'assurance couvrant le conjoint dans le portefeuille d'assurance protection du crédit des membres de l'ACIFA depuis 2019 ; et
2. Une projection du nombre de polices couvrant le conjoint jusqu'au 1er janvier 2030 si une prolongation était appliquée.

## 4. DONNÉES, HYPOTHÈSES ET MÉTHODOLOGIE

La présente section décrit les données historiques fournies par les membres de l'ACIFA pour préparer notre analyse.

### 4.1 DONNÉES HISTORIQUES

Les membres de l'ACIFA, tel que l'indique le tableau suivant, ont fourni des renseignements à RSM concernant les polices couvrant le conjoint en vigueur dans leurs portefeuilles d'assurance protection du crédit.

Les membres comprennent les principales institutions financières du Canada ainsi que les acteurs de l'industrie de l'assurance, qui souscrivent ou distribuent des polices d'assurance protection du crédit. Par souci de simplicité, nous avons des entités classées qui souscrivent des polices d'assurance protection du crédit en tant qu'assureurs, et les titulaires de polices d'assurance collective qui offrent une couverture à leurs clients de prêt en tant que distributeurs.

Institution financière	Classement
Assurant	Assureur
BMO Assurance	Distributeur
Canada-Vie	Assureur
Services Financiers Canadian Tire	Distributeur
Chubb	Assureur
Banque CIBC	Distributeur
CUMIS	Distributeur
Desjardins	Assureur et distributeur
Manuvie	Assureur
Banque Nationale Assurance	Distributeur
RBC Assurances	Distributeur
Assurance Scotia	Distributeur
Securian Canada	Assureur
TD Assurance	Distributeur

Les données fournies par les membres comprenaient le dénombrement des polices couvrant le conjoint au début et à la fin de chaque année civile de 2019 à 2022, plus les dénombrements depuis le début et le jour de l'année pour 2023, ainsi que le nombre de couvertures annulées ou expirées chaque année. Les données ont été fournies séparément entre les produits de prêt (y compris les prêts hypothécaires, les marges de crédit et les prêts personnels) et les produits de cartes de crédit. Les polices couvrant le conjoint sont en grande majorité rattachées aux cartes de crédit (98,1 %), comme le démontre l'annexe A.

Ceci est probablement le résultat des facteurs suivants :

- 1) D'autres prêts sont plus susceptibles d'avoir le conjoint inscrit comme un emprunteur conjoint sur l'instrument d'emprunt attaché à la police d'assurance protection du crédit (c.-à-d. une hypothèque conjointe) et ne seraient donc pas définis comme une police couvrant le conjoint tel que défini pour les besoins de cette étude ; et
- 2) Les polices d'assurance rattachées aux cartes de crédit à compte unique offraient plus souvent une couverture sur le / la conjoint(e). Il s'agissait auparavant d'une pratique qui n'entraînait aucune prime supplémentaire pour la protection du / de la conjoint(e).

En raison de cette forte prépondérance des polices couvrant le conjoint sur les cartes de crédit, le nombre global de polices couvrant le conjoint dépendra fortement de l'attrition dans les polices sur les cartes de crédit. À ce titre, le présent rapport sera axé sur les polices relatives aux cartes de crédit.

Les données fournies n'incluaient pas de données privées individuelles des clients, telles que la durée du prêt ou l'âge des clients ayant cette couverture.

Nous n'avons pas été en mesure d'effectuer de vérification des données fournies, mais nous avons effectué divers examens de la raisonnable des données reçues pour assurer l'uniformité dans l'ensemble de l'ensemble de données, et qu'il n'y avait pas de chevauchement ou de double comptage des polices couvrant le conjoint entre les assureurs et les distributeurs.

## 4.2 HYPOTHÈSES CLÉS

Nous nous sommes appuyés sur la qualité, l'exhaustivité et l'exactitude des données fournies par les membres. Les hypothèses suivantes ont été formulées à l'égard des données :

- Les renseignements fournis sont exacts et complets, sauf indication contraire. Dans les cas où les données n'étaient pas disponibles et, par conséquent, n'étaient pas complètes, l'incidence a été déterminée et nous avons supposé qu'elle n'avait pas de matérialité pour la présente analyse. Cette hypothèse a été validée au moyen de discussions avec les membres afin d'obtenir une approximation du nombre de polices couvrant le conjoint qui ont ainsi été exclues ;
- Notre analyse a été effectuée sur une base globale en fonction du nombre total de polices couvrant le conjoint. L'analyse n'a pas été effectuée sur une base de police individuelle ou de certificat seriatim reflétant les dates d'expiration au niveau du consommateur individuel (c.-à-d. prêts atteignant la fin de leur période d'amortissement, consommateur atteignant l'âge limite d'éligibilité, etc.) ;
- Nous n'avons apporté aucun ajustement à nos projections de taux d'attrition ou aux données fournies pour tenir compte de l'impact de la COVID-19. Bien que les perturbations causées par la pandémie de COVID-19 puissent avoir eu une incidence sur le comportement des consommateurs (par exemple, sur les habitudes de dépenses et l'utilisation des cartes de crédit), nous avons supposé que l'influence de ces perturbations sur l'attrition des polices couvrant le conjoint n'étaient pas matérielles.
- Nous avons supposé que des niveaux similaires d'attrition devraient raisonnablement se poursuivre à l'avenir durant la période de 2023 à 2030.

### **4.3 MÉTHODOLOGIE**

Les données sur les polices couvrant le conjoint fournies par chaque membre comprennent le nombre de certificats au début de l'année et l'attrition naturelle au cours de chaque année observée. Généralement, l'attrition naturelle représente la décroissance du nombre de polices couvrant le conjoint qui peut être attribuable aux clients qui ont quitté volontairement (c.-à-d. par l'annulation de la police), en raison de l'expiration de la police (c.-à-d. la fermeture ou le remboursement du prêt) ou de l'inadmissibilité de la couverture (c.-à-d. changement d'état matrimonial).

Le taux d'attrition est calculé en divisant l'attrition naturelle agrégée par le nombre de polices d'assurance couvrant le conjoint au début de l'année. Afin d'éliminer l'impact potentiel de la prochaine date limite d'annulation de l'Autorité, soit le 1er janvier 2025, nous avons exclu les annulations forcées (le cas échéant) des polices couvrant le conjoint par des membres proactifs.

Le taux d'attrition naturelle présumé a été utilisé comme tendance pour projeter le nombre de polices couvrant le conjoint jusqu'en 2030. Ce taux a été appliqué aux chiffres de fin d'année pour déterminer le nombre de polices d'assurance couvrant le conjoint qui demeureront en vigueur au cours de l'année suivante.

## 5. ANALYSE

De la fin de 2019 jusqu'à la fin de 2022, le nombre de polices d'assurance protection du crédit couvrant le conjoint sur les cartes de crédit au Québec a diminué de 24,7 %.

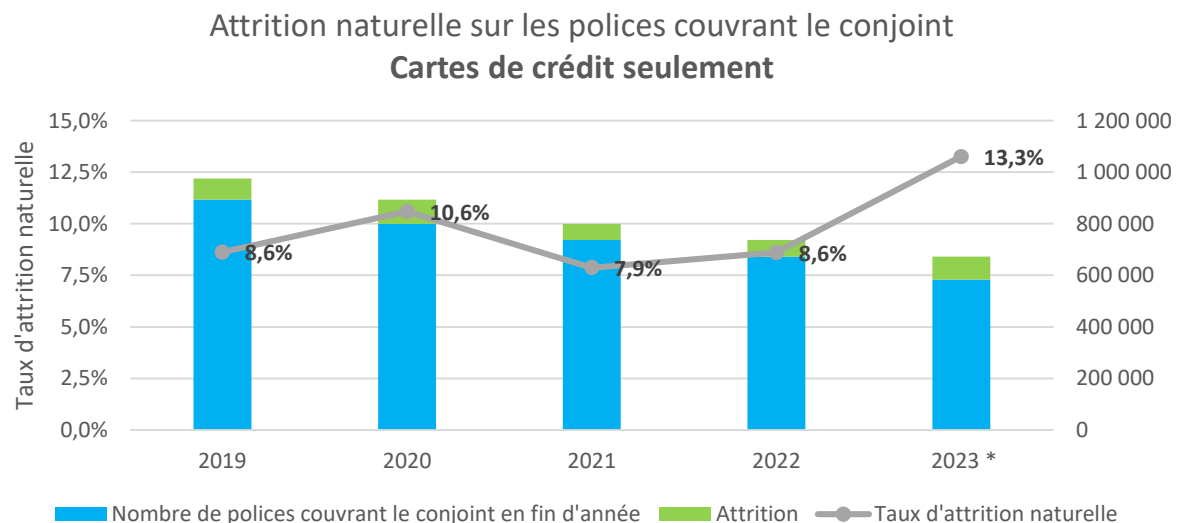
En date du 31 décembre 2022, environ 672 634 polices couvrant le conjoint sur les cartes de crédit identifiées par les membres de l'ACIFA étaient toujours en vigueur.

Le tableau suivant fournit le taux d'attrition historique de tous les membres de l'ACIFA depuis 2019 pour les polices couvrant le conjoint sur les cartes de crédit au Québec.

Lors de l'analyse du taux d'attrition, deux ajustements ont dû être apportés aux données :

- 1) Pour l'année civile 2019, les polices d'assurance couvrant le conjoint étaient toujours offertes au cours de l'année, et les données ont été ajustées pour refléter l'attrition réelle au cours de l'année net de ces nouvelles polices sur le conjoint ;
- 2) Pour l'année civile 2023, les données partielles depuis le début de l'année ont été projetées à un taux constant jusqu'à la fin de l'année 2023;

**Graphique 1 – Attrition naturelle des polices d'assurance couvrant le conjoint sur les cartes de crédit au Québec**



\* L'expérience d'attrition naturelle au cours de l'année partielle 2023 a été annualisée jusqu'en décembre 2023.

Au cours de la période de cinq ans, le taux d'attrition naturelle pour les polices couvrant le conjoint sur la carte de crédit est de l'ordre de 7,9 % à 13,3 %, avec une moyenne de 9,8 % au cours de la période. C'est-à-dire qu'en moyenne, environ 9,8 % de la protection du conjoint est annulée ou résiliée dans le cours normal des activités (c.-à-d. sans application réglementaire) au cours de la période de cinq ans.

Il est noté qu'une légère hausse du taux d'attrition fut observée durant l'année partielle 2023. Il existe un certain écart dans le taux d'attrition naturelle d'une année à l'autre, bien qu'il n'y ait pas suffisamment d'information pour indiquer si la hausse observée durant 2023 se perpétuera dans les années à venir.

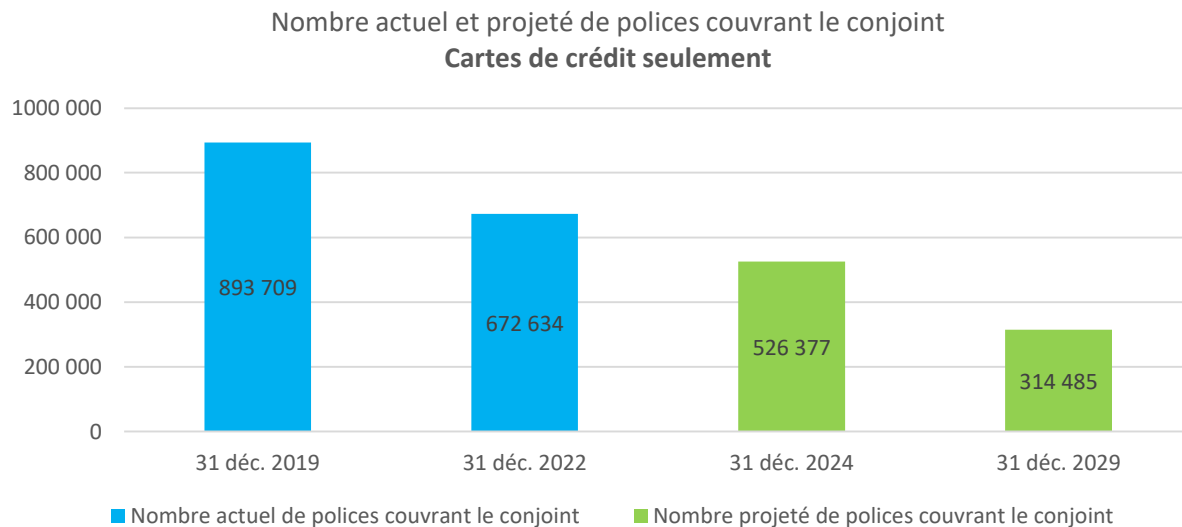


Étant donné que les polices sur les cartes de crédit expirent inévitablement au cours des prochaines années ou dans le futur, dû à l'âge d'éligibilité entre autres choses, il est possible que la proportion de polices couvrant le conjoint annulées ou expirées augmente. Toutefois, étant donné la nature des cartes de crédit étant des produits de crédit renouvelable, les titulaires de police peuvent continuer de renouveler leur couverture d'assurance existante avec une prime mensuelle, ce qui permet des durées de couverture plus longues et un degré moindre d'attrition précoce que d'autres produits financiers, tel que les prêts hypothécaires ou personnels.

## 5.1 PROJECTION

En utilisant les taux d'attrition historiques moyens au cours des 5 dernières années, nous avons projeté le nombre de polices d'assurance protection du crédit couvrant le conjoint au Québec chaque année jusqu'à la fin de 2029.

**Graphique 2 – Projection du nombre de polices couvrant le conjoint sur les cartes de crédit au Québec**



Selon la projection du taux d'attrition constant de 9,8 % par année, le nombre total de polices couvrant le conjoint sur les cartes de crédit prévues jusqu'à la date limite d'annulation actuelle du 1er janvier 2025 serait d'environ 526 377, ce qui représente 59 % du nombre de polices sur le conjoint en vigueur en 2019.

À la fin de 2029, le nombre de polices couvrant le conjoint en vigueur diminuerait à environ 314 485, ce qui représenterait 35 % des polices en vigueur à la fin 2019, ce qui réduirait le nombre de consommateurs touchés par une annulation si la date limite était prolongée.

Tel qu'indiqué ci-dessus, l'annulation de nouvelles ventes en 2019 a considérablement réduit le nombre total de polices couvrant le conjoint en vigueur depuis lors. Cette projection suppose un taux d'attrition constant à l'avenir ; toutefois, à mesure que la population assurée et les prêts connexes vieillissent, nous nous attendons à ce que le taux d'attrition naturelle augmente graduellement. Ceci est attribuable au fait qu'il y a une proportion plus élevée de polices couvrant le conjoint annulées chaque année en raison de l'expiration du prêt et de l'atteinte par les assurés de l'âge limite d'éligibilité pour la couverture d'assurance.

## **6. CONCLUSIONS ET RECOMMANDATIONS**

D'après les données historiques fournies pour l'attrition naturelle des polices couvrant le conjoint de 2019 à 2022 et depuis le début de l'année 2023, le taux d'attrition naturelle moyen pour les polices couvrant le conjoint sur la carte de crédit est déterminé à 9,8 %.

En utilisant ce taux d'attrition de 9,8 %, le nombre projeté de polices couvrant le conjoint d'ici le 1er janvier 2030 sera 314 485.

Ces chiffres démontrent que le nombre de polices couvrant le conjoint diminuera considérablement du 1er janvier 2025 au 1er janvier 2030 si davantage de temps est accordé pour que l'attrition naturelle continue son impact sur le nombre de polices couvrant le conjoint au Québec.

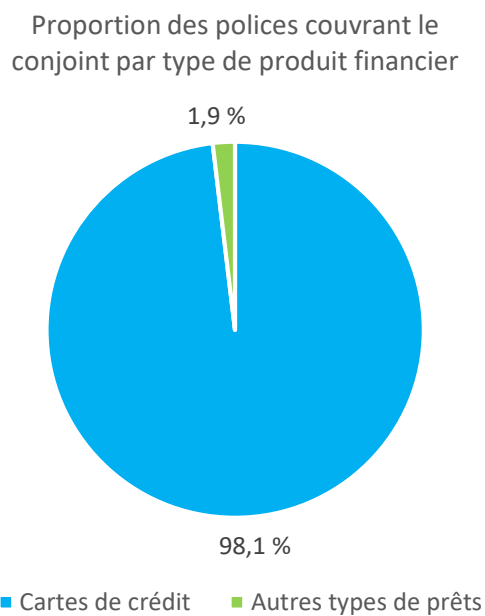
L'ACIFA et ses membres sont préoccupés par la piètre expérience du consommateur dans l'éventualité d'une annulation de la couverture existante, car une telle annulation de couverture du conjoint n'entraînerait aucun remboursement ou réduction de prime.

L'analyse a été réalisée en projetant l'attrition jusqu'en 2030 sur la base de cinq années d'expérience historique. Nous recommandons de surveiller de près l'expérience émergente et de revoir l'hypothèse du taux d'attrition dans cinq ans afin de mettre à jour la projection du nombre de polices couvrant le conjoint.

## 7. ANNEXES

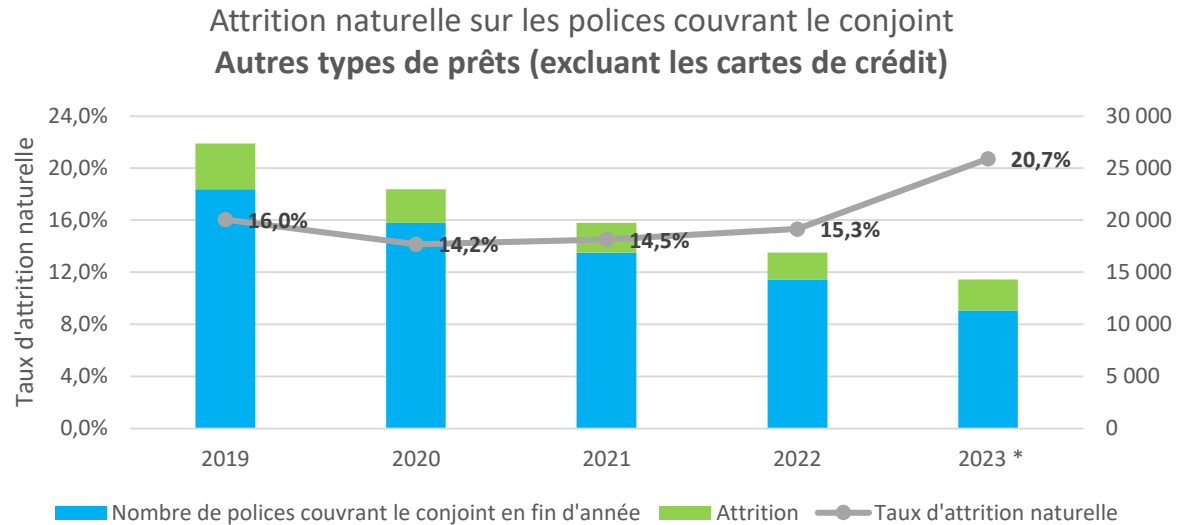
### 7.1 ANNEXE A – INSTRUMENTS D'EMPRUNT AVEC POLICE COUVRANT LE CONJOINT

Proportion de polices d'assurance protection du crédit couvrant le conjoint sur la carte de crédit par rapport aux autres types de prêts au Québec.



## 7.2 ANNEXE B – ATTRITION NATURELLE POUR AUTRES TYPES DE PRÊTS

Attrition naturelle des polices d'assurance protection du crédit couvrant conjoint au Québec pour les types de prêts autre que les cartes de crédit.



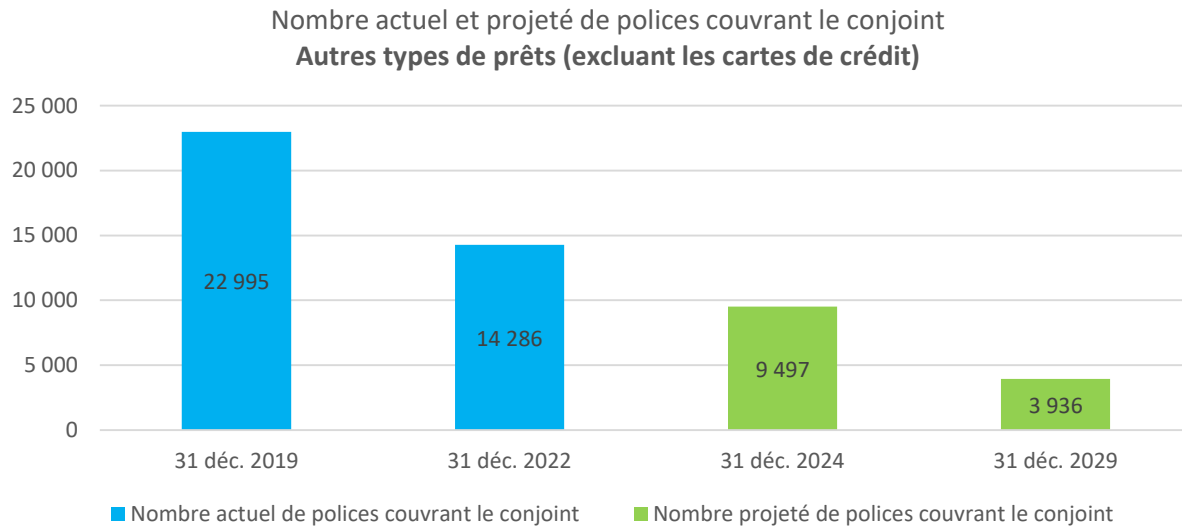
\* L'expérience d'attrition naturelle au cours de l'année partielle 2023 a été annualisée jusqu'en décembre 2023.

Le taux d'attrition naturelle pour les autres polices d'assurance couvrant le conjoint sur les prêts autres que cartes de crédit (« les autres types de prêts ») se situe entre 14,2 % et 20,7 %, avec une moyenne de 16,2 %.

Le taux d'attrition naturelle pour l'assurance couvrant le conjoint sur les autres prêts au cours de cette période est plus élevé que celui des polices couvrant le conjoint sur la carte de crédit. Il faut s'y attendre, car bon nombre de ces autres prêts comprennent l'expiration naturelle en raison de la période d'amortissement du prêt (c.-à-d. qu'un prêt automobile de 5 ans expirera naturellement après 5 ans), tandis que les polices d'assurance protection du crédit sur les cartes de crédit peuvent rester en place jusqu'à ce que l'assuré atteigne l'âge limite d'éligibilité indiqué dans la police.

### 7.3 ANNEXE C – PROJECTION DES POLICES COUVRANT LE CONJOINT POUR AUTRES TYPES DE PRÊTS

Projection des polices couvrant le conjoint pour les autres types de prêts au Québec, excluant les cartes de crédit.



Pour les polices couvrant le conjoint sur les autres types de prêts, il y aurait environ 9 497 en vigueur au 1er janvier 2025, ce qui représente 41 % du nombre de polices couvrant le conjoint en vigueur à la fin de 2019. En regardant plus loin dans la projection, à la fin de 2029, ce nombre diminuerait à environ 3 936 polices d'assurance couvrant le conjoint demeurant en vigueur, ce qui représente 17 % du nombre de polices en vigueur à la fin de 2019.

3 January, 2024

M. Éric Jacob

Surintendant de l'assistance aux clientèles et de l'encadrement de la distribution

Autorité des marchés financiers

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Paul Cosgrove, CAFII Board Vice Chair

Rob Dobbins, CAFII EOC Chair and Board Secretary

Karyn Kasperski, CAFII Vice EOC Chair and Vice Board Secretary

Keith Martin, CAFII Executive Director

Fabricio Naranjo, Partner, RSM Canada

**Re: CAFII Report on Quebec Spousal Policies**

Dear M.  Jacob:

On 18 October, 2023 you and I had a virtual meeting at which one of the topics discussed was the number of spousal policies still in-force in Quebec for CAFII members. CAFII members no longer issue these policies in Quebec, and since 2019 these policies have been naturally running off. Currently, we have a deadline of 1 January, 2025 before these policies need to be cancelled, something CAFII members very much wish to avoid as this would be a negative customer experience and we believe would expose CAFII members to reputational and other risks.

You requested of me that CAFII produce a more formal report that includes the starting number of these policies in 2019, the run-off each year since, and the expected number of such policies that would be projected to be in place by the end of 2024. We have engaged RSM Canada to solicit this data from CAFII members, and to aggregate and assemble it in a formal report. In addition RSM Canada has projected the number of such policies after attrition out to the end of 2029 to gain a sense of what further run-off of these policies would occur if the projected timeline was extended out.

I am pleased to provide you with the report. The report demonstrates that CAFII members are successfully reducing the number of policies in-force. From Dec. 31, 2019 to Dec. 31, 2023 we saw an average attrition rate of 9.8% annually, and we project that attrition rate or higher will continue moving forward to the end of Dec. 31, 2029 and beyond. At the end of 2024, we project that 41% or 367,332 of the number of policies in force at the beginning of 2020 will have been eliminated. At the end of 2029, approximately 579,224 Spousal Policies are projected to be eliminated, representing 65% of the 2020 figures. These figures show that the natural attrition strategy is working, and will continuously reduce the number of policies over time.

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**Agenda Item 4 (c) (ii) (4) - January 23/24**

In addition, we would be pleased to present the report to you and any colleagues you would like to bring to a meeting on this subject, either in-person or virtually. Such a meeting would include me and some CAFII colleagues including Keith Martin, CAFII's Executive Director, and Fabricio Naranjo, the lead Partner on this project at RSM Canada.

Éric, I have very much enjoyed and appreciated our collaboration on a variety of issues over the past year, and I look forward to hearing from you on what your preferred next steps are on this important file.

Sincerely,



Peter D. Thompson  
CAFII Board Chair



3 janvier 2024

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Keith Martin, directeur général de l'ACIFA

Fabricio Naranjo, partenaire, RSM Canada

**Objet : Rapport de l'ACIFA sur les polices régissant les conjoints au Québec**

Monsieur, *Eric*

Le 18 octobre 2023, nous avons eu une réunion virtuelle au cours de laquelle nous avons notamment discuté du nombre de polices régissant les conjoints qui sont encore en vigueur au Québec pour les membres de l'ACIFA. Les membres de l'ACIFA n'offrent plus ces polices au Québec, et depuis 2019, elles se liquident naturellement. Actuellement, la date limite pour l'annulation obligatoire de ces polices est le 1<sup>er</sup> janvier 2025, date que les membres de l'ACIFA espèrent éviter puisque cela entraînerait une expérience négative pour les consommateurs et nous croyons que cela pourrait entacher la réputation des membres de l'ACIFA, en plus de les exposer à d'autres risques.

Vous m'avez demandé que l'ACIFA prépare un rapport officiel, qui comprend le nombre initial de ces polices en 2019, le nombre de polices liquidées chaque année depuis 2019 et le nombre prévu de polices qui devrait être encore en place d'ici la fin de 2024. Nous avons embauché RSM Canada pour obtenir ces données auprès des membres de l'ACIFA, puis pour les regrouper et les présenter sous forme de rapport officiel. De plus, RSM Canada a projeté le nombre de polices après l'attrition jusqu'à la fin de 2029 pour avoir une idée de l'ampleur de la liquidation de ces polices si la date limite était repoussée.

**Agenda Item 4 (c) (ii) (5) - January 23/24**

Je suis donc heureux de vous présenter le rapport. Le rapport démontre que les membres de l'ACIFA ont réussi à réduire le nombre de polices en vigueur. Entre le 31 décembre 2019 et le 31 décembre 2023, le taux d'attrition annuel a été de 9,8 %. Nous prévoyons que d'ici le 31 décembre 2029 (et au-delà), le taux d'attrition sera du même ordre, voire plus élevé. À la fin de 2024, nous projetons que 41 % (ou 367 332) des polices qui étaient en vigueur au début de 2020 auront été éliminées. À la fin de 2029, environ 579 224 polices régissant les conjoints devraient être éliminées, ce qui représente 65 % des données de 2020. Ces chiffres démontrent que la stratégie d'attrition naturelle fonctionne bien puisque le nombre de polices diminue continuellement au fil du temps.

De plus, nous sommes prêts à présenter le rapport lors d'une réunion (en personne ou virtuelle) sur le sujet avec vos collègues et vous. Cette réunion pourrait aussi inclure quelques-uns de mes collègues de l'ACIFA, notamment Keith Martin, directeur général de l'Association, et Fabricio Naranjo, de RSM Canada, qui est le principal partenaire pour ce projet.

*Eric*  
Monsieur Jacob, j'ai beaucoup apprécié notre collaboration sur divers sujets au cours de la dernière année, et j'attends de vos nouvelles quant aux prochaines étapes à suivre pour ce dossier important.

Cordialement,



Peter D. Thompson  
Président du conseil d'administration de l'ACIFA

**January 2024 Media Advocacy Committee Update (Chair: Jacqlyn Marcus)**

The Media and Advocacy Committee closed out 2023 with an in-person meeting. We continue to work against objectives set for the year and will provide updates on scope of work and outcomes as they arise.

There are no material updates to provide for the month of January. (Jacqlyn Marcus)

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(d)i**

#### **Committees and Working Groups – Media Advocacy - *Update on 2023 Website Enhancements, Including Video on Claims***

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#### **Purpose of this Agenda Item – *Update***

To update the EOC on the 2023 website enhancements, including a video on claims.

#### **Background Information**

CAFII has now completed all of its 2023 deliverables around enhancements to the website, which includes a new video on the ease of making a claim, a modernized home page, and a streamlined events section.

#### **Recommendation / Direction Sought – *Update***

No action required.

#### **Attachments Included with this Agenda Item**

One (1) attachment.

## **CAFII: Summary of Now Completed 2023 Website Enhancements**

Keith Martin <Keith.Martin@cafii.com>

Mon 2024-01-08 10:50 AM

To: paul.cosgrove@assurant.com <paul.cosgrove@assurant.com>; valerie.gillis@td.com <valerie.gillis@td.com>; Louie Georgakis <louie\_Georgakis@canadalife.com>; simon.lacroixhubert@dsf.ca <simon.lacroixhubert@dsf.ca>; Peter.Thompson@bnc.ca <Peter.Thompson@bnc.ca>; andrew\_kugler@manulife.ca <andrew\_kugler@manulife.ca>; adam.vespi@ctfs.com <adam.vespi@ctfs.com>; wayne.hewitt@scotiabank.com <wayne.hewitt@scotiabank.com>; Nigel.Branker@securiancanada.ca <Nigel.Branker@securiancanada.ca>; Rahul.Kakar@Chubb.com <Rahul.Kakar@Chubb.com>; rohit.thomas@bmo.com <rohit.thomas@bmo.com>; konstance.allain@cibc.com <konstance.allain@cibc.com>; heather\_mclachlin@cooperators.ca <heather\_mclachlin@cooperators.ca>; julie.gaudry@rbc.com <julie.gaudry@rbc.com>; nbaron@dsf.ca <nbaron@dsf.ca>; martin.boyle@bmo.com <martin.boyle@bmo.com>; moushami.dullabh@bmo.com <moushami.dullabh@bmo.com>; isabelle.choquette@dsf.ca <isabelle.choquette@dsf.ca>; michelle.costello@cumis.com <michelle.costello@cumis.com>; Carmelina\_Manno@manulife.ca <Carmelina\_Manno@manulife.ca>  
Cc: Troy Woodland <Troy.Woodland@cafii.com>; Meighan Pears <events@cafii.com>; Wendy Bairos <wendy.bairos@gmail.com>; Shanay Smith <Shanay.Smith@cafii.com>; Robyn Jennings <Robyn.Jennings@cafii.com>

Hello CAFII Board member, EOC member, and Committee/Working Group member,

First of all, Happy New Year to each of you!

This is an update on the CAFII website. CAFII has now completed all website enhancements slated for 2023 with its external supplier.

On the CAFII homepage is an English and French version of a new video on the claims process for credit protection insurance:

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

[ACIFA](#)

If you wish to see other CAFII videos, on the right and left of the video are arrows. Click on one of these to more forward or backward to other videos.

Another major deliverable this year is to modify the English and French homepage so that you can see the different components of the website by scrolling down. Previously, the home page was static, and you would need to click on a link or tab to see another section of the website. That was best practices when the website was constructed seven years ago, but subsequently users expect to just scroll down to see features. You can see this new approach by going to the CAFII homepage and just scrolling down.

An example of this from a leading technology company is Apple's home page:

[Apple \(Canada\)](#)

The CAFII events section has been completely modified to make it cleaner and easier to navigate, and each event now has its own unique URL. You can see the events section overall in English and French here:

[Events \(cafii.com\)](#)

[Événements \(cafii.com\)](#)

In order to add content to the website and in particular to enrich the French side, each webinar or event has a summary write-up posted on the website and these are all translated and posted on the French section in French as well.

[Webinaire de l'ACIFA: Tendances en matière de voyage et développements relatifs à l'assurance voyage en 2023, présenté par Katia Umutohiwase, Helen Cosburn et Sheila Burns \(cafii.com\).](#)

In the backend, CAFII has continued to invest in improvements to search engine optimization.

We have also continued to invest in our LinkedIn page, which now has multiple postings:

<https://www.linkedin.com/company/canadian-association-of-financial-institutions-in-insurance/?viewAsMember=true>

We have also invested in the Google Business Profile page—this is the summary about CAFII you see on the right hand side after a Google search for “CAFII.”

Together these enhancements will continue us down the road of constantly enhancing our website and online information sources, and adding valuable content, to make the website and other online resources a source of important financial literacy information on credit protection insurance and travel insurance.

In 2024 we will continue down the road of continually enhancing the website and adding relevant content.

Thank you,

--Keith

**Keith Martin**

Executive Director / Directeur général

Canadian Association of Financial Institutions in Insurance

L'association canadienne des institutions financières en assurance

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[Visit the CAFII LinkedIn Page](#)



*Making Insurance Simple and Accessible for Canadians*

*Rendre l'assurance simple et accessible pour les Canadiens*

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## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(d)ii**

#### **Committees and Working Groups – Media Advocacy - *Plans to RFP New Supplier for Website Enhancements***

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#### **Purpose of this Agenda Item – *Update***

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To update the EOC on CAFII's plans to RFP new supplier for website enhancements.

#### **Background Information**

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CAFII has faced some challenges with Operatic Agency in 2023, especially around timely deliverables of some of the enhancements that the firm was contracted to deliver. While the quality of the ultimate outputs was excellent, the process was more time-consuming than it should have been. There is also significant turnover at Operatic Agency, resulting in inefficiencies in the past. The Media Advocacy Committee has discussed this and agrees that in 2024 CAFII should RFP the work done by the website supplier, which for 2024 will include the usual front-end enhancements but also a one-time back-end rebuild.

#### **Recommendation / Direction Sought – *Update***

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No action required.

#### **Attachments Included with this Agenda Item**

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No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(e) Committees and Working Groups – Research and Education**

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#### **Purpose of this Agenda Item – Update/Discussion**

To update and discuss with the EOC the Research and Education Committee's recommendations around public release of the LIMRA research study.

#### **Background Information**

Research and Education Committee Chair Andrea Stuska will update the EOC on the Committee's recommendations around public release of the LIMRA study.

#### **Recommendation / Direction Sought – Update/Discussion**

This is an update item with the opportunity for discussion.

#### **Attachments Included with this Agenda Item**

One (1) attachment.



### **January 2024 Research and Education Committee Update (Chair: Andrea Stuska)**

- December 11th, LIMRA/CAFII research report completed and shared with CAFII staff and R&E Chair and Vice Chair
- December 13th LIMRA/CAFII research report shared with R&E Committee, EOC Chair and Vice Chair and CAFII's Media Consultant
- December 19th LIMRA meet with R&E Committee, CAFII staff, EOC Vice Chair and CAFII's media consultant to review the findings of the research and answer questions.
- January 9th, meeting of the R&E Committee to discuss the findings, and to agree on a recommendation to make to the EOC and Board.
- Discuss outcomes of the January 9th R&E Committee meeting at the January 23 EOC meeting and propose our intentions to the EOC prior to the presentation by LIMRA to the EOC and Board
- LIMRA presentation to the EOC and Board tentative for week of January 29th

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(e)i**

#### **Committees and Working Groups – Research and Education - *Final Study from CAFII 2023 Research Project with LIMRA on CPI's Accessibility to and Utility for Canadian Consumer Segments***

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#### **Purpose of this Agenda Item – *Update***

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To update the EOC on the final study from CAFII's 2023 Research Project with LIMRA on *CPI's Accessibility to and Utility for Canadian Consumer Segments*.

#### **Background Information**

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CAFII Executive Director Keith Martin will update the EOC on the final study from CAFII 2023 research project with LIMRA on CPI's Accessibility to and Utility for Canadian Consumer Segments. A written update is included in the consolidated package. The Research & Education Committee and the Media Advocacy Committee have had a one-hour presentation the findings from LIMRA and have had a subsequent meeting to review the results, and the recommendation of the two Committees is to support a public release of the research results. However, the EOC is not being asked to approve such an approach yet, because first a presentation to the EOC (and to those Board members who are interested in hearing the research results) is being arranged for the week of 29 January, after which the EOC will be asked if it supports public release of the research results.

The LIMRA project has many interesting findings, including that 18% of Canadians are “at risk” because they meet multiple criteria: they have credit (like a mortgage), they have dependents, and they are traditionally underinsured or uninsured (as defined by FCAC, which says a person should have 7 years of their income protected through insurance). LIMRA feels that this group of Canadians would benefit from credit protection insurance to close the gap in their coverage.

#### **Recommendation / Direction Sought – *Update***

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No action required.

#### **Attachments Included with this Agenda Item**

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Two (2) attachments.



# Insurance among Canadian Homeowners

CAFII

December 2023

# Contents



- Background & Research Objectives
- Methodology
- Key Findings
- Low-Income Homeowners
- Insured vs Uninsured Homeowners
- “At Risk” Homeowners
- Recommendations
- Q&A





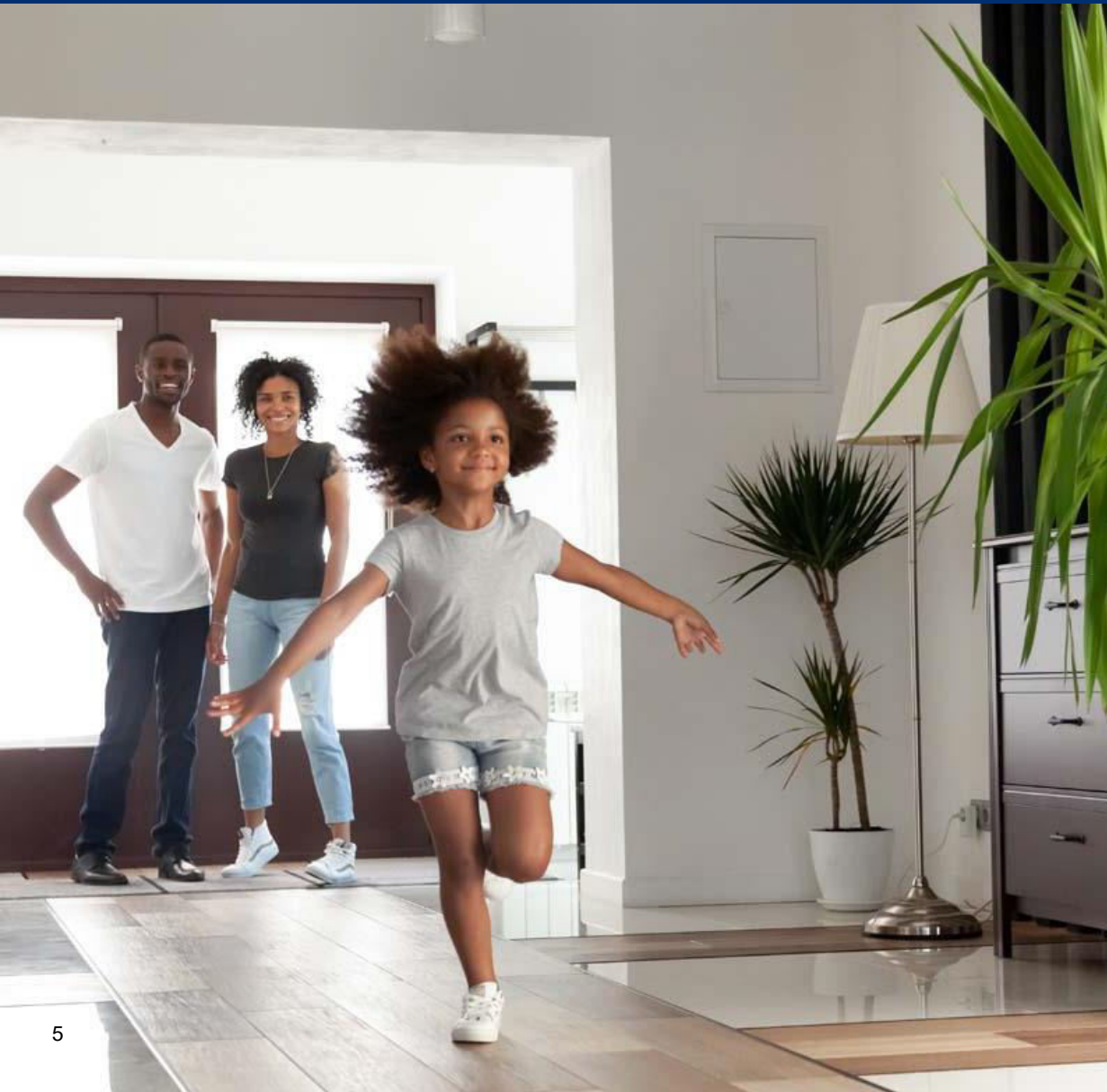
## Background & Research Objectives

# Background

The Canadian Association of Financial Institutions in Insurance (CAFII) is seeking to understand the prevalence of insurance products among Canadian homeowners.



# Research Objectives



The goal of this study was to answer the following questions:

- Are homeowners uninsured or underinsured?
- Do more homeowners with lower income have credit protection than others?
- Is credit protection playing a disproportionately important role in the marketplace for low-income homeowners?





# Methodology



# Sample

We sampled  $n = 1,175$  Canadian homeowners with the following household income bands:

- 34% Low (fewer than \$60,000)
- 37% Middle (\$60,000 - \$124,999)
- 29% High (\$125,000 or more)

At least 55% of each income band had a mortgage, a home equity line of credit, or both.



# Survey



Participants completed an online survey that took an average of 12.5 minutes.

The survey comprised of 46 questions and covered the following topics:

- Insurance Ownership
- Financial Attitudes
- Insurance Coverage
- Demographics



## Key Findings



# Some Definitions & Short Forms

- **Credit** = Mortgage or Home Equity Line of Credit (HELOC)

The only type of credit examined in the study were home-related loans.

- **CPI** = Credit Protection Insurance

This refers to mortgage or HELOC insurance (e.g., life, disability, critical illness, job loss).

- **TLI** = Traditional Life Insurance

This refers to term, whole, universal, and employee benefit life insurance.

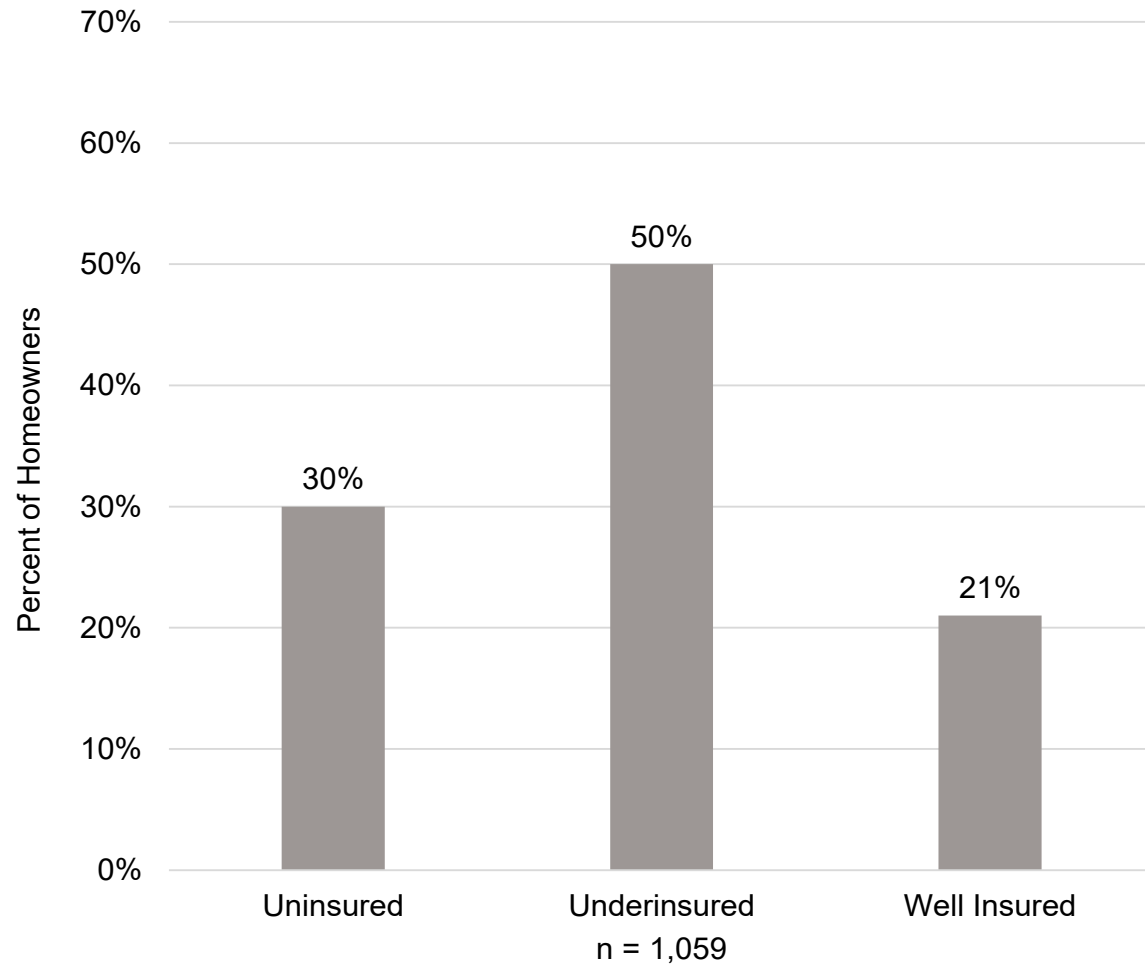
## Household Income Brackets:

- Low = fewer than \$60,000
- Middle = \$60,000 to \$124,999
- High = \$125,000 or more

## Insurance Status:

- **Uninsured:** Do not have any TLI.
- **Underinsured:** Have TLI that cover fewer than 7 years of income.\*
- **Well Insured:** Have TLI that covers 7 or more years of income.\*

# 1. Are homeowners uninsured or underinsured?



Yes

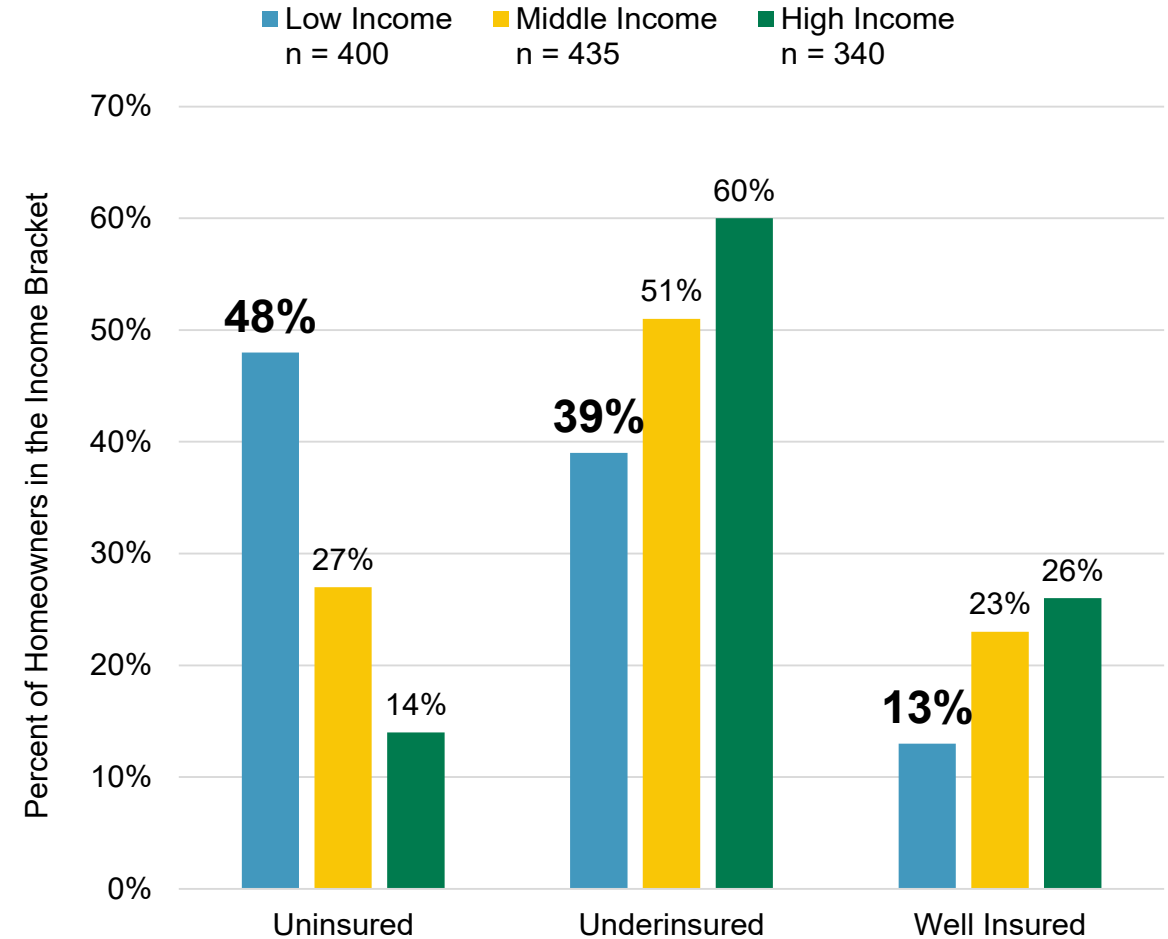
80% of Canadian homeowners uninsured (do not have traditional life insurance) or underinsured.

# 1a. Does that change depending on income bracket?

Yes

Significantly more low-income homeowners are uninsured as opposed to other income brackets.

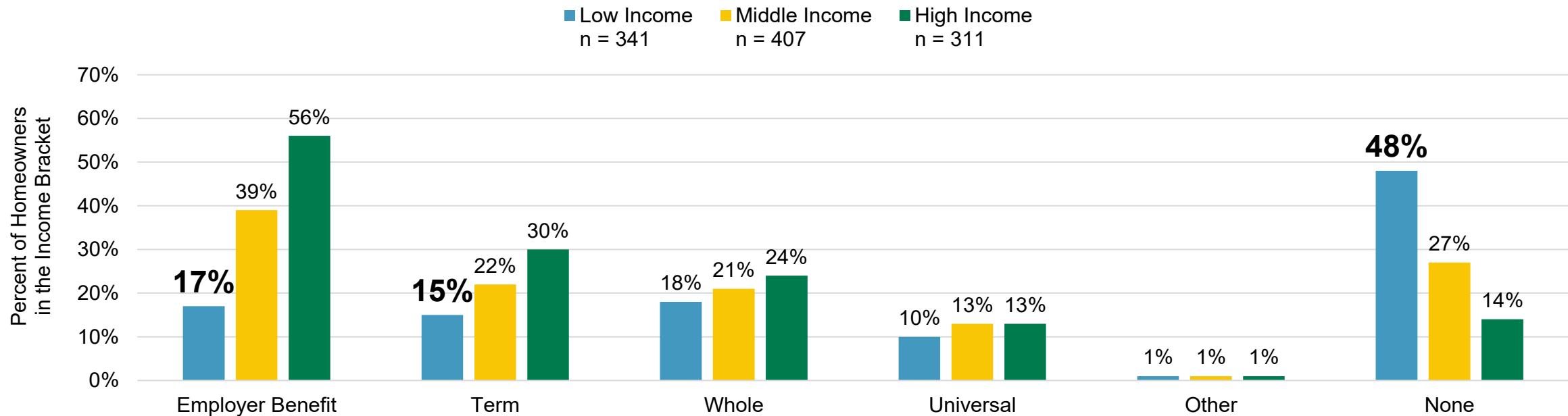
Of those insured, 75% of low-income homeowners are underinsured.



# 1b. Does ownership of TLI product depend on income bracket?

Yes

Significantly fewer low-income homeowners own employer benefit life and term life insurance than other income brackets.

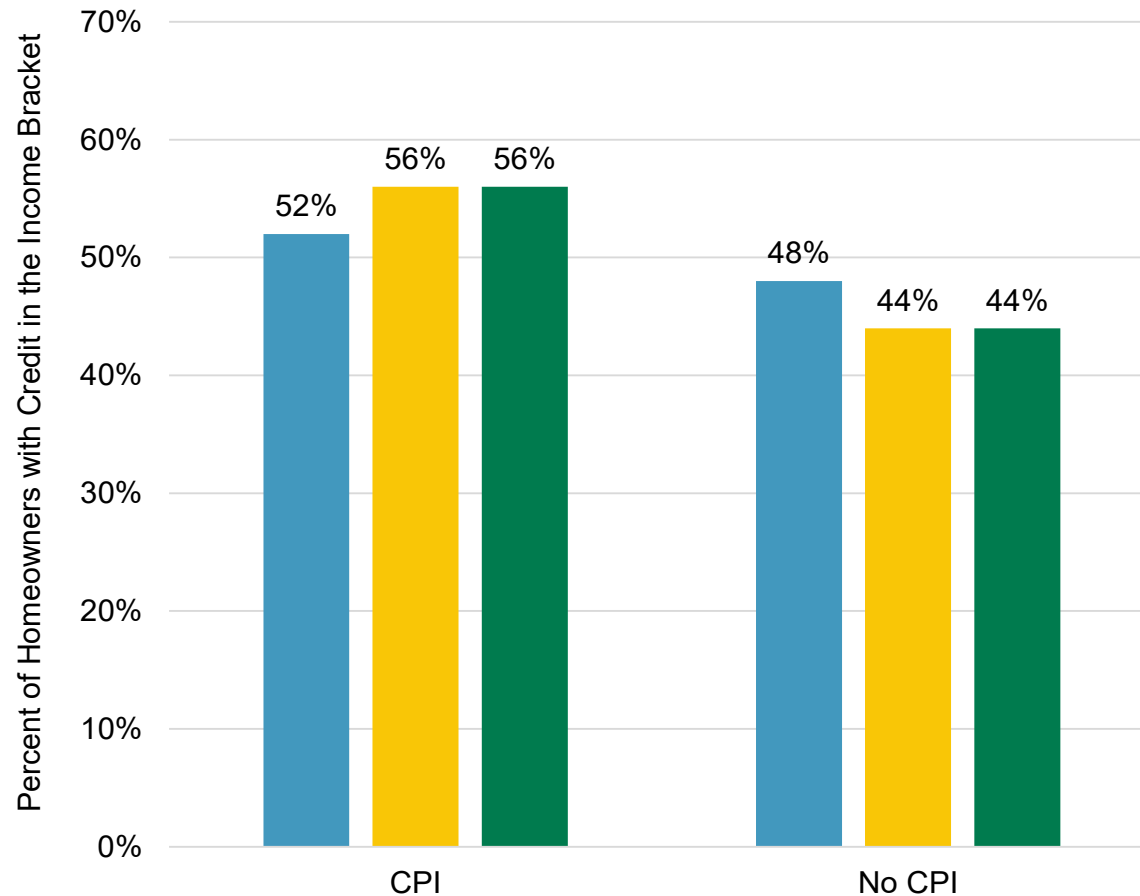


## 2. Do more homeowners with lower income own CPI than others?

Low Income  
n = 195

Middle Income  
n = 288

High Income  
n = 244



No

55% of all homeowners with credit own a form of CPI. There are no significant differences between income brackets.

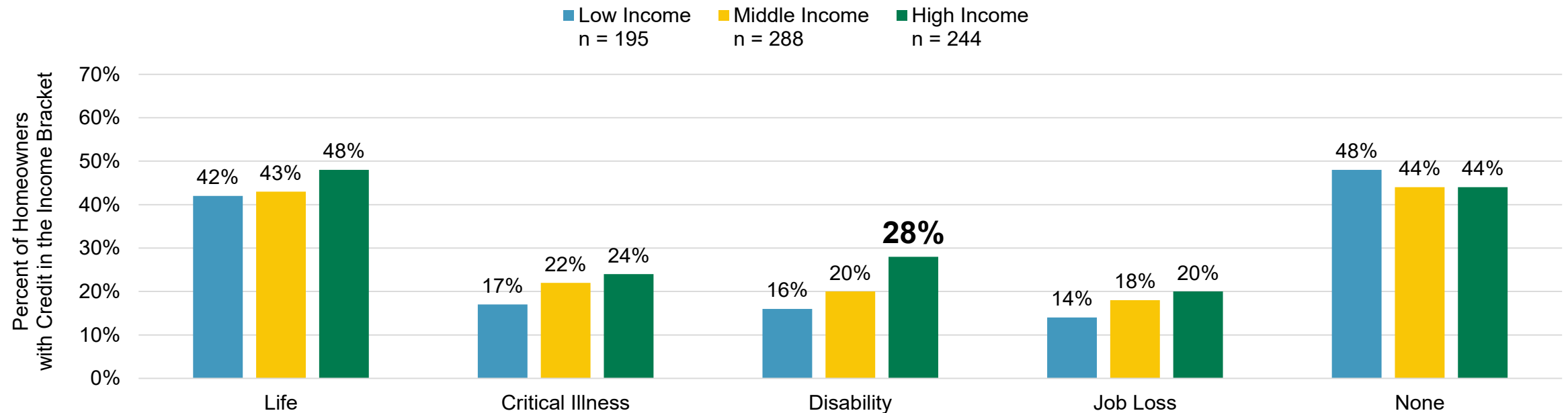
Additionally, low-income homeowners own significantly fewer CPI products ( $M = 1.78$ ) than high-income homeowners ( $M = 2.27$ ).



# 2a. Does ownership of CPI product depend on income bracket?

No

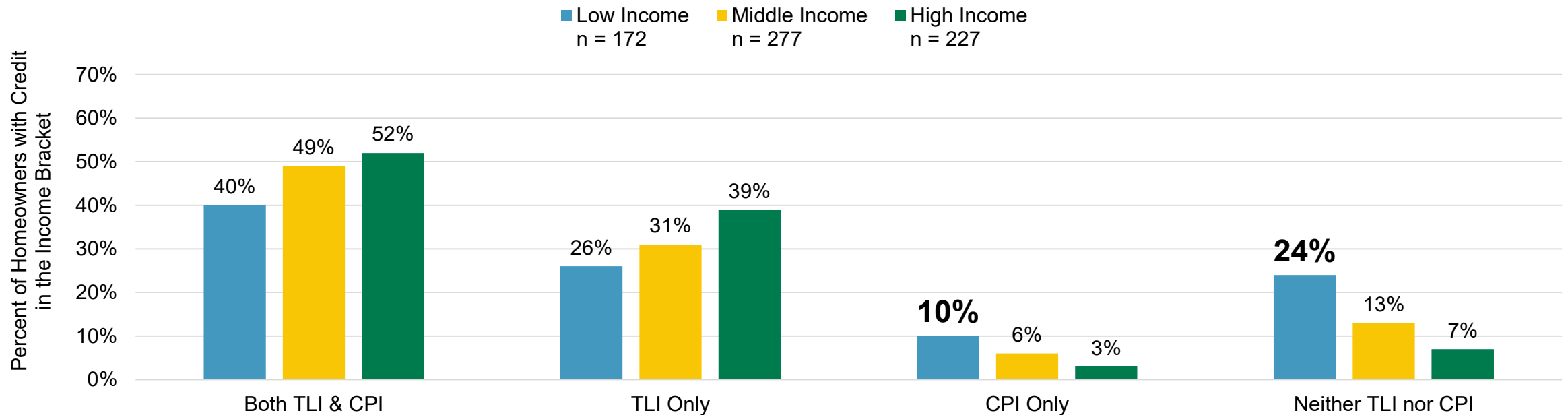
CPI product ownership follows the same pattern across all income brackets.



### 3. Is CPI playing an important role for low-income homeowners?

Possibly for a few.

Significantly more low-income homeowners with credit (10%) only own CPI compared to other income brackets.





## Low-Income Homeowners (with Credit)

# Quick Look at Demographics

- Avg 45 yrs old (30% are Boomers or older)\*\*
- 57% Female
- 52% Unpartnered (Single, Divorced, or Widowed)\*\*
- 61% No children or adult dependents\*\*
- 57% Some University or fewer\*\*
- 65% Less than \$50,000 in investible assets\*\*
- 75% Born in Canada
- 57% First-time homeowner

Low-income n = 221

\* Significantly fewer than other income groups

18 \*\* Significantly more than other income groups





# Financial Attitudes & Concerns

- 48% say they are somewhat or not at all financially knowledgeable.\*\*
- 38% say they don't have and don't want a financial professional.\*\*
- Top 3 Financial Concerns:
  1. Paying monthly bills (53%)\*\*
  2. Having enough money for a comfortable retirement (44%)\*
  3. Paying for long-term care services if I become unable to take care of myself (38%)
- 60% believe having life insurance is important or very important.\*

Low-income n = 221

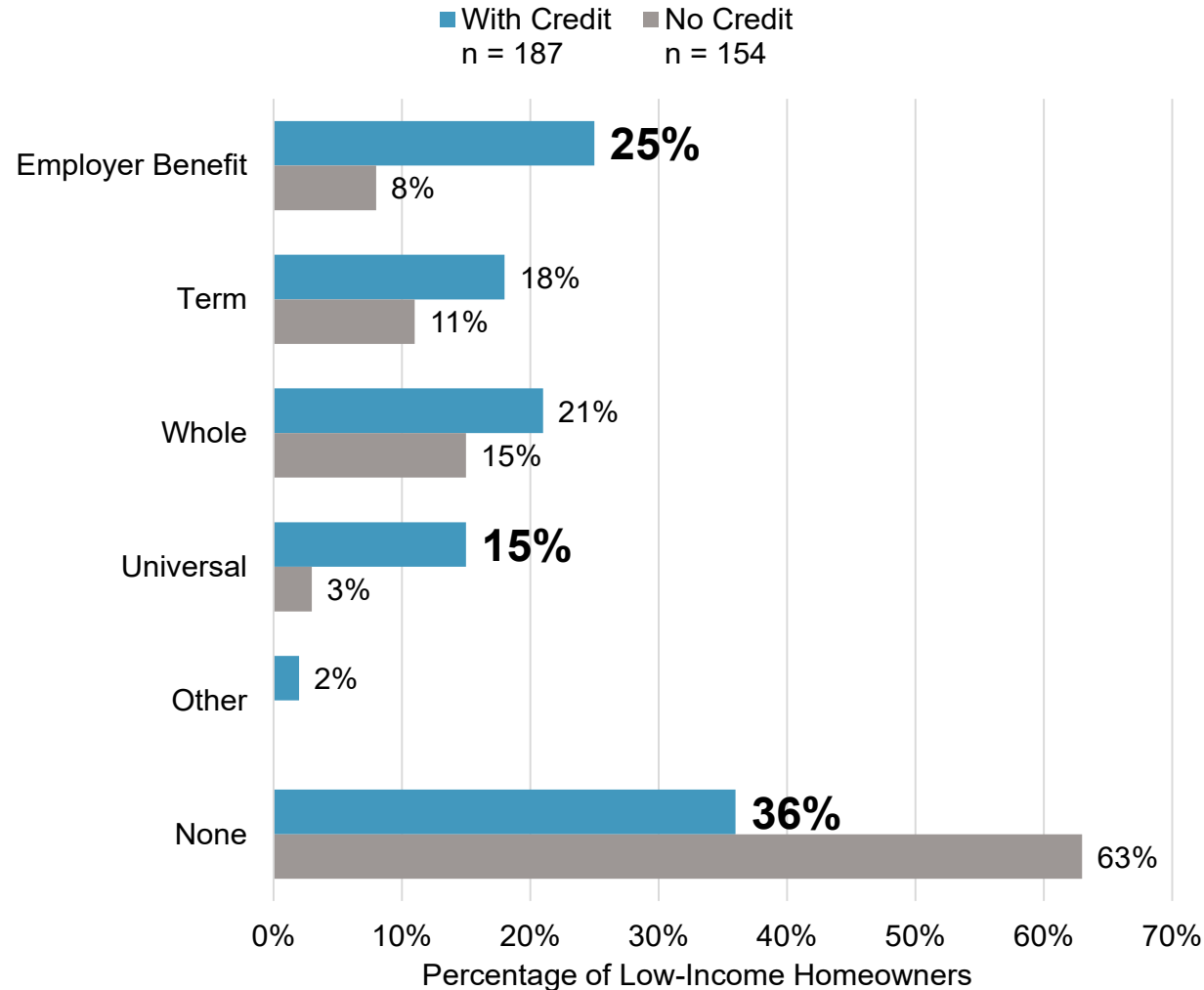
\* Significantly fewer than other income groups

\*\* Significantly more than other income groups



Navigate With Confidence

# Traditional Life Insurance Ownership



- More Homeowners with credit are traditionally insured (with more products on average), than their counterparts without credit.
- However, they are the least insured as compared to higher income brackets.
  - Less employer benefit insurance
  - Less term insurance
  - More uninsured

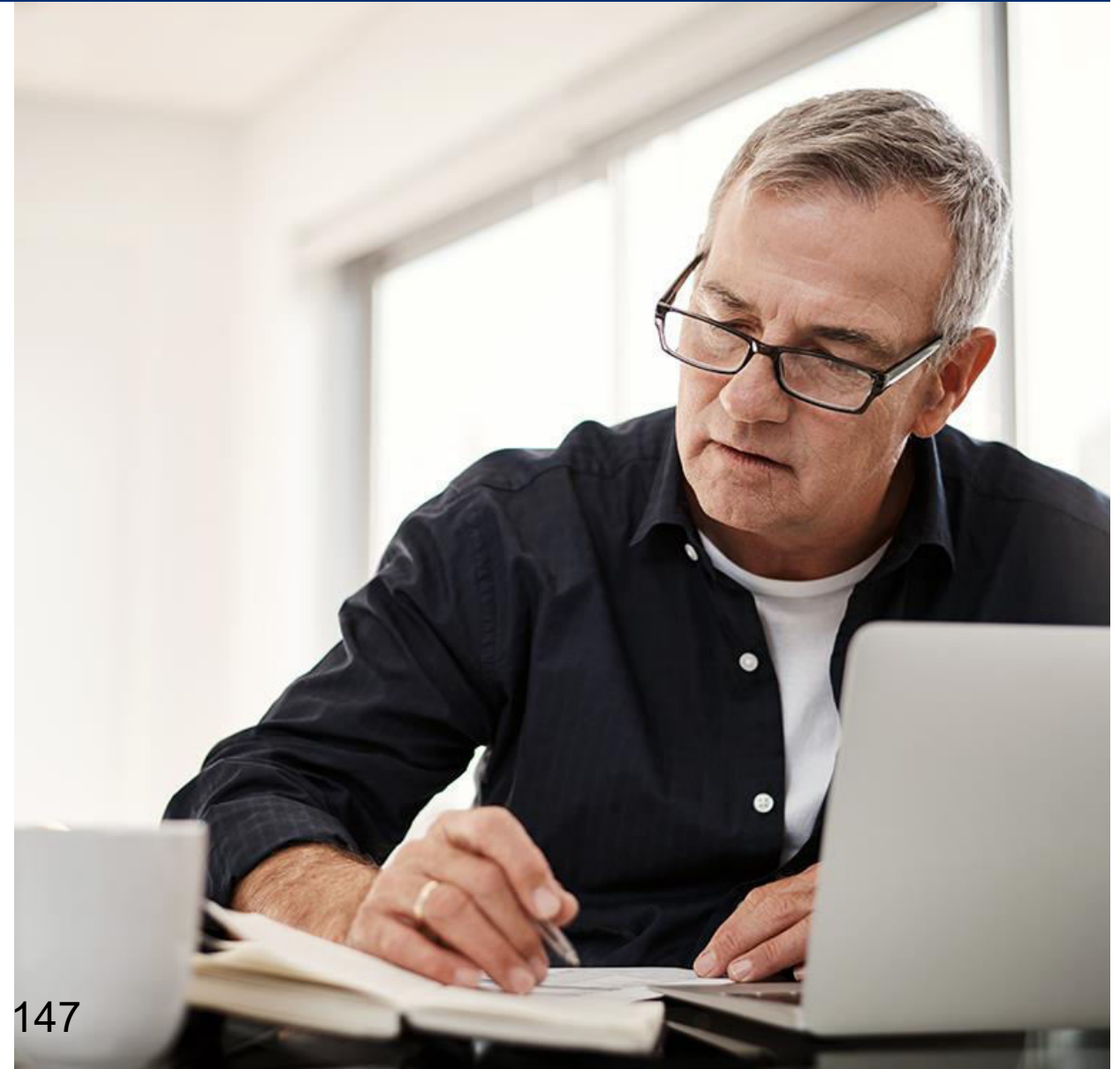
# Coverage

- 60% believe they have enough life insurance.
- 76% have insurance to cover income for fewer than 7 years and 31% for 2 years or fewer.
- 52% believe they should have insurance to cover income for fewer than 7 years.
- 61% say their families would have trouble covering living expenses if the primary wage earner passed away tomorrow.

Low-income insured n = 110

\* Significantly fewer than other income groups

21 \*\* Significantly more than other income groups





# The Low-Income Uninsured Homeowner with Credit

**46%** say they can't afford life insurance...

**50%** don't have an emergency fund or other personal savings to access in place of life insurance...\*\*

**53%** say their families would have trouble covering living expenses for several months or fewer if the primary wage earner passed away tomorrow...

Low-income uninsured n = 68

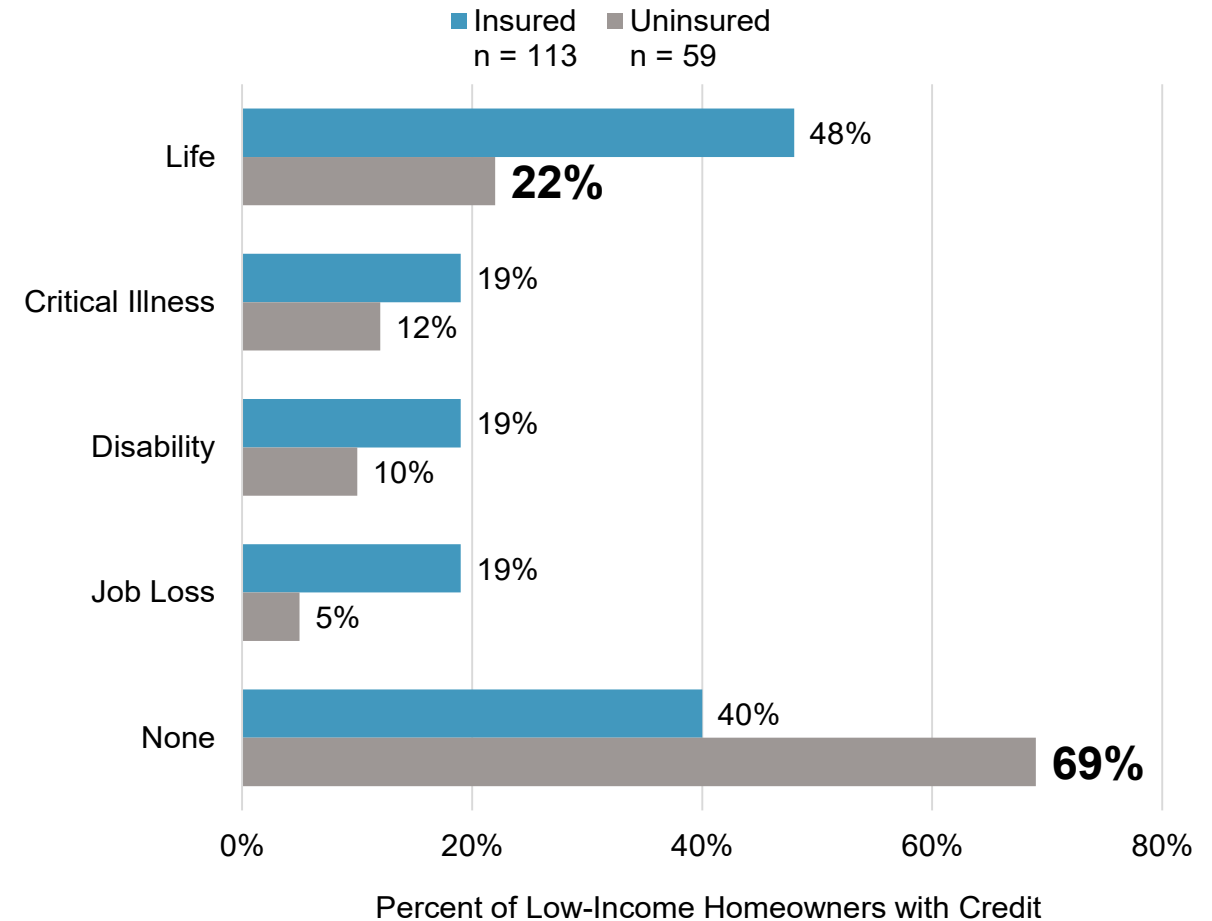
\* Significantly fewer than other income groups

\*\* Significantly more than other income groups

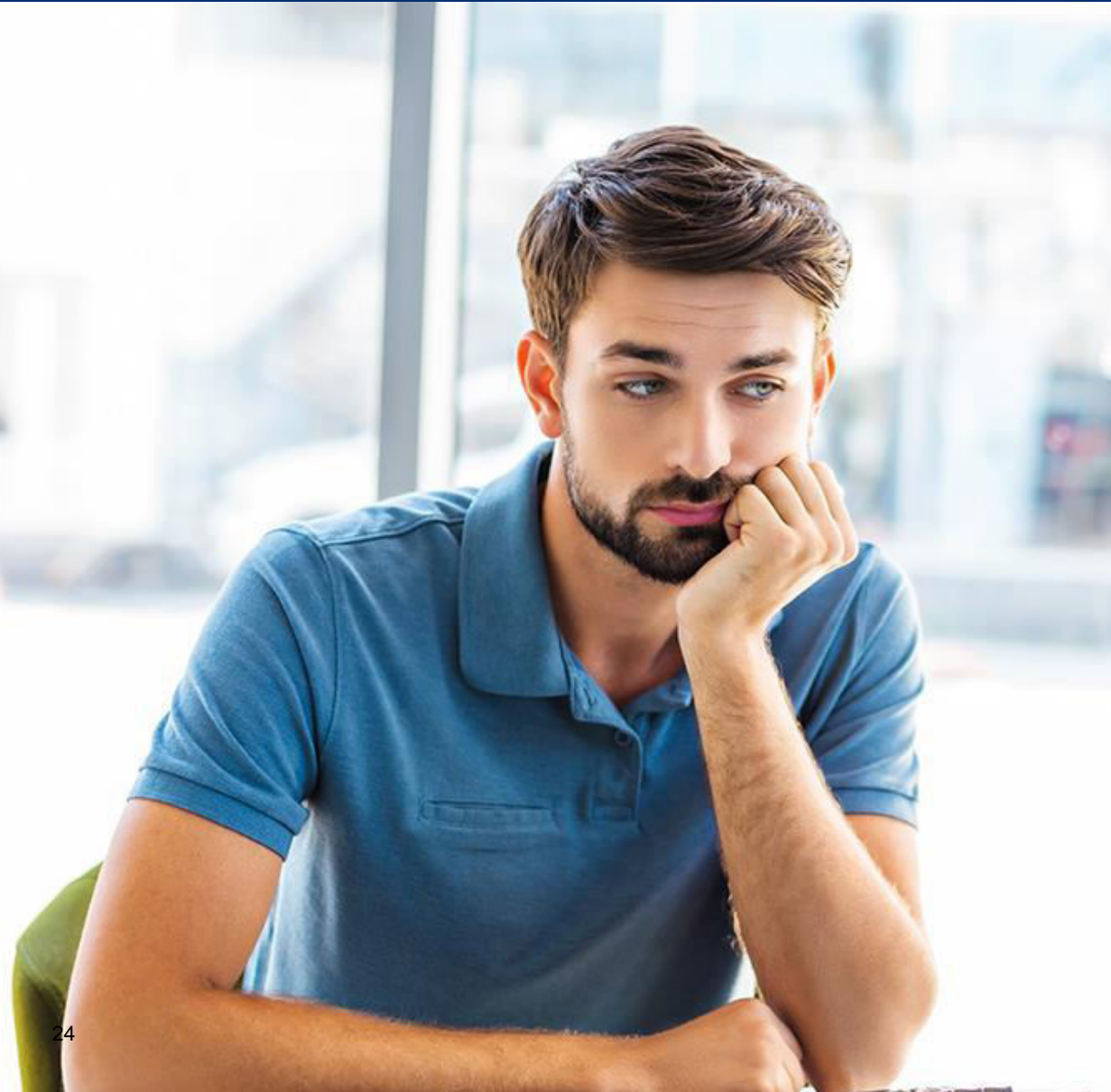


# Credit Protection Insurance Ownership

- 31% of uninsured homeowners own at least one CPI product.
- Significantly fewer homeowners that are uninsured own Life CPI than those who are traditionally insured.
- Significantly more homeowners that are uninsured also don't own CPI, than those who are insured.
- 10% of uninsured homeowners who don't have CPI intend on purchasing it at their next mortgage renewal.



# Low-Income Homeowner Summary



- Significantly more uninsured (do not have traditional life insurance)
- They have the least survivorship (partner and/or dependents)
- Lowest investible assets
- Say they can't afford traditional insurance
- CPI could be a great solution for the uninsured low-income homeowner... but not many utilize it!



## Traditionally Insured vs Uninsured Homeowners (with Credit)

# Quick Look at Demographics

## TRADITIONALLY INSURED

- Avg Age 43 yrs old (51% Millennials or younger)\*\*
- 52% Female
- 75% Partnered \*\*
- 52% Children or adult dependents\*\*
- 65% Completed a technical, an undergrad, or a post-grad degree
- 46% \$100,000 or more in investible assets\*\*
- 48% Household income \$100,000 - \$200,000\*\*
- 77% Born in Canada
- 54% First-time homeowner

## TRADITIONALLY UNINSURED

- Avg Age 52 yrs old (67% Gen X or older)\*\*
- 59% Female
- 41% Unpartnered \*\*
- 71% No children or adult dependents \*\*
- 51% Completed a technical, an undergrad, or a post-grad degree
- 40% fewer than \$50,000 in investible assets\*\*
- 58% Household Income fewer than \$80,000\*\*
- 77% Born in Canada
- 54% First-time homeowner

Insured n = 577

Uninsured n = 154

\* Significantly fewer than others

\*\* Significantly more than others

# Financial Attitudes

## TRADITIONALLY INSURED

- 41% say they are somewhat or not at all financially knowledgeable.
- 49% have a financial professional.\*\*
- 80% believe it is important or very important to have life insurance.\*\*

## TRADITIONALLY UNINSURED

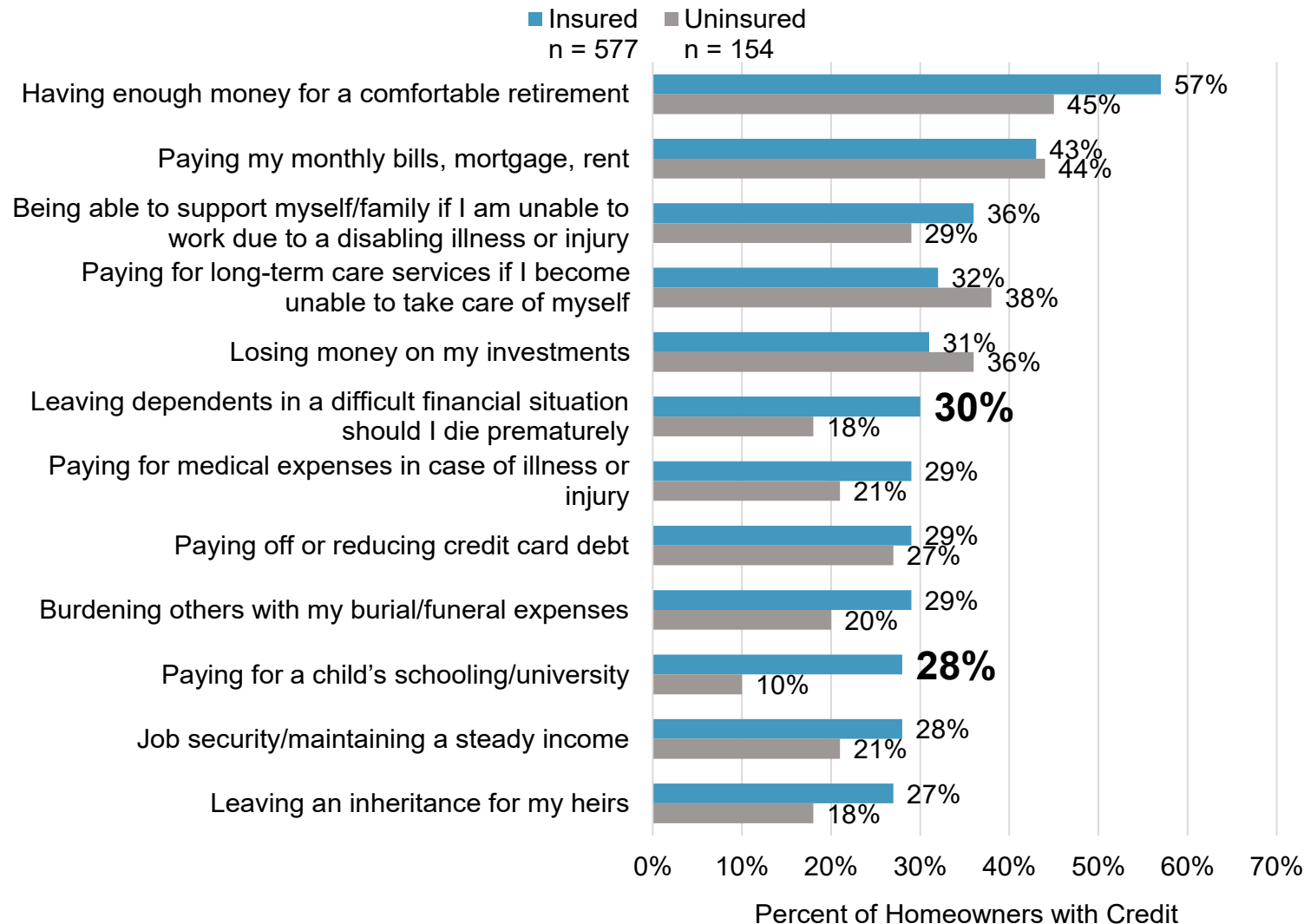
- 43% say they are somewhat or not at all financially knowledgeable.
- 45% don't have a financial professional and they don't want one.\*\*
  - Of those who don't have one, 79% have not had one in the past.\*\*
- 21% believe it is not very important or not at all important to have life insurance.\*\*
  - 47% are neutral to the importance of having life insurance

Insured n = 577  
Uninsured n = 154

\* Significantly fewer than others

\*\* Significantly more than others

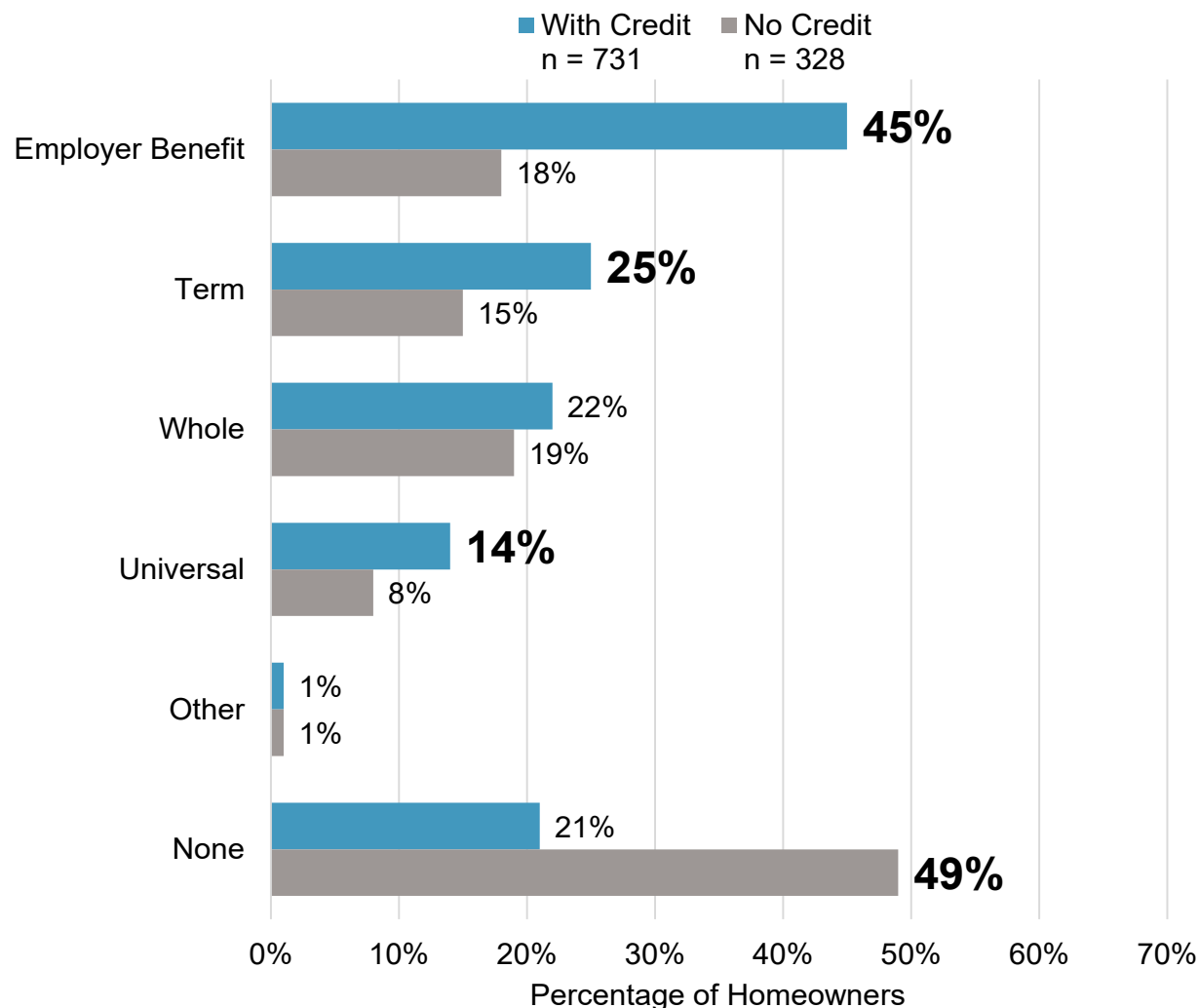
# Financial Concerns



- Top 2 financial concerns are the same among all homeowners with credit.
- Significantly more traditionally insured homeowners are concerned about leaving dependents in a difficult financial situation as well as paying for a child's education.



# Traditional Life Insurance Ownership



- Significantly more homeowners with credit have employer benefit term, and universal life insurance than those who have no credit.
- Significantly more homeowners without credit are traditionally uninsured than those with credit.

# Coverage

- 67% believe they have enough life insurance.\*
- 72% have insurance to cover income for less than 7 years and 29% for 2 years or fewer.
- 53% believe they should have insurance to cover income for less than 7 years.
- 58% say their families would have trouble covering living expenses in a few months or less if the primary wage earner passed away tomorrow.\*\*

Insured with credit n = 536

\* Significantly fewer than without credit

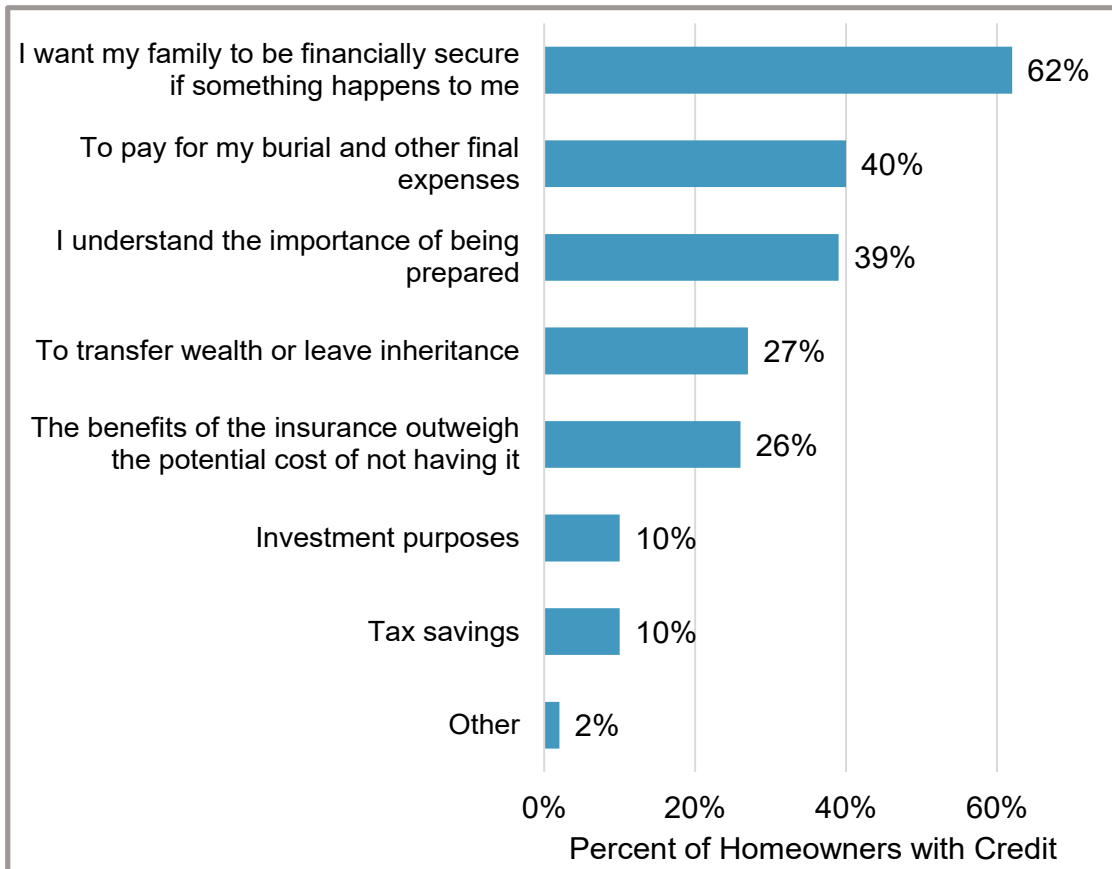
\*\* Significantly more than without credit



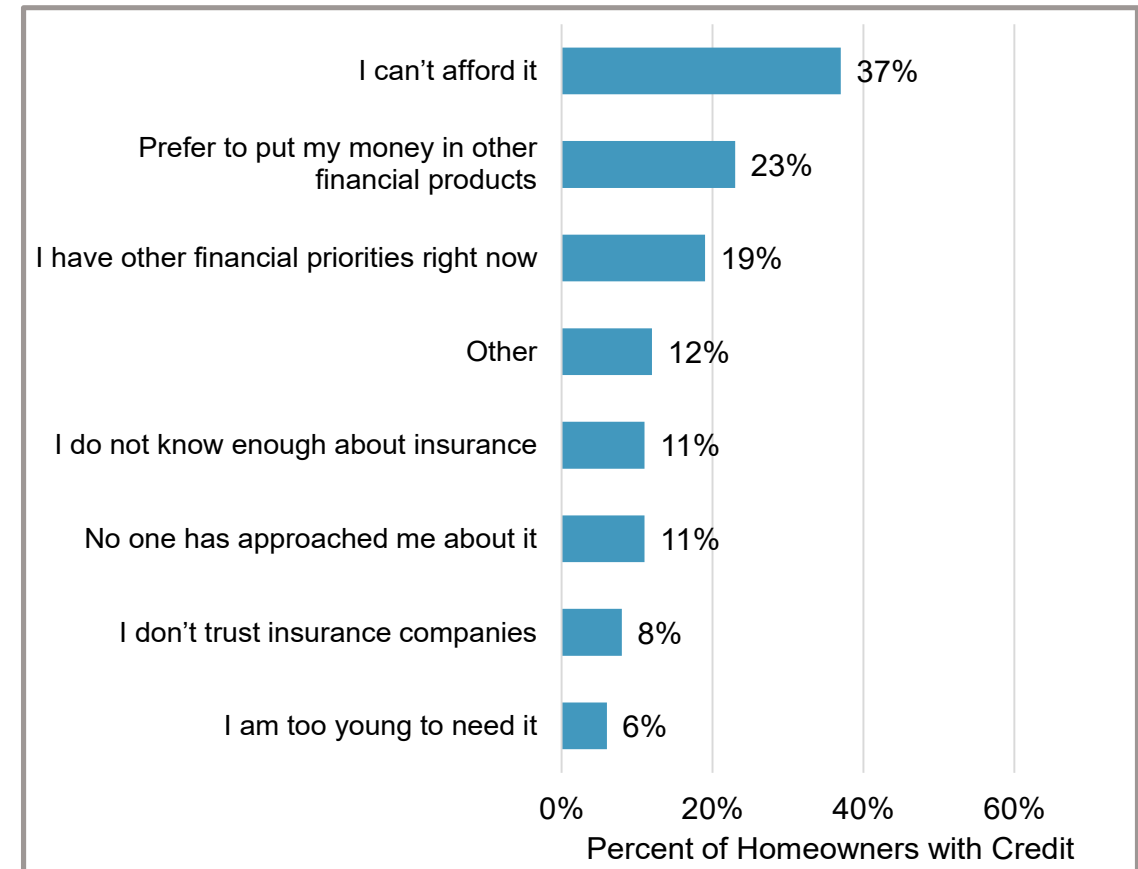


# Why do you / don't you have TLI?

## TRADITIONALLY INSURED



## TRADITIONALLY UNINSURED



# The Traditionally Uninsured Homeowner with Credit

**38%** don't have an emergency fund or personal savings to access in place of life insurance... \*\*

**52%** say their families would have trouble covering living expenses for several months or less if the primary wage earner passed away tomorrow... \*\*

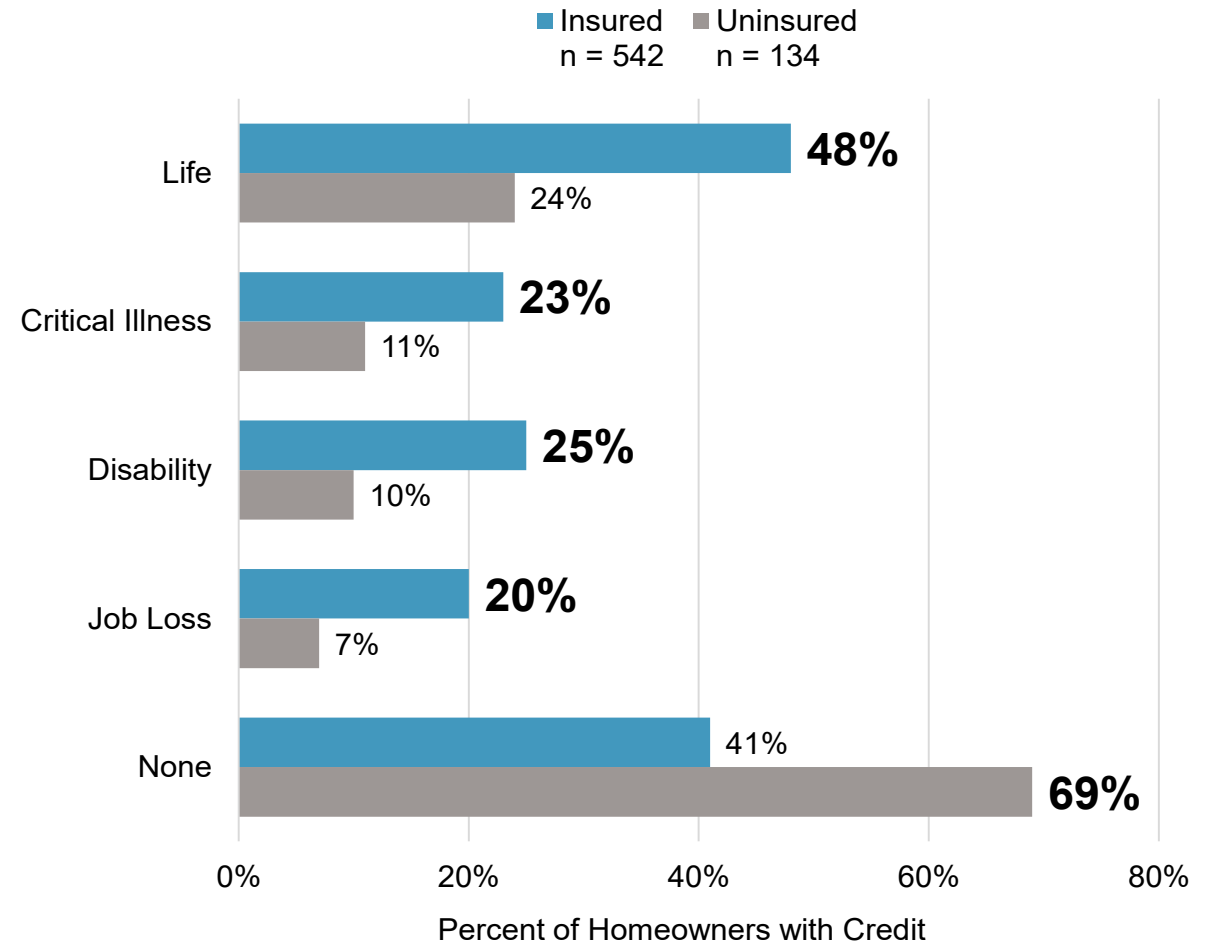
Uninsured with credit n = 154

\* Significantly fewer than without credit

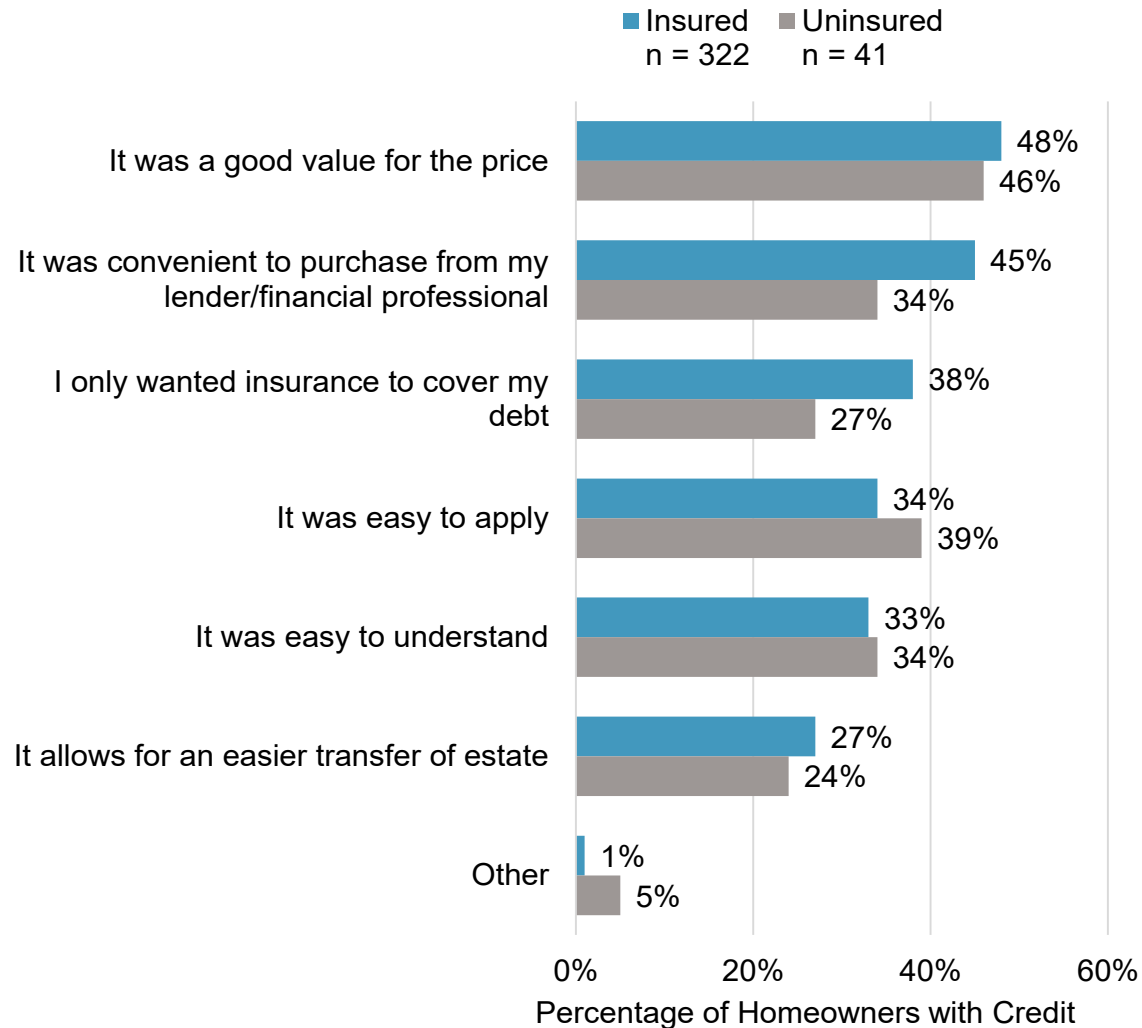
32 \*\* Significantly more than without credit

# Credit Protection Insurance Ownership

- Significantly more traditionally insured homeowners have **every** type of CPI product than those that are traditionally uninsured.
- 69% of traditionally uninsured homeowners have no CPI.



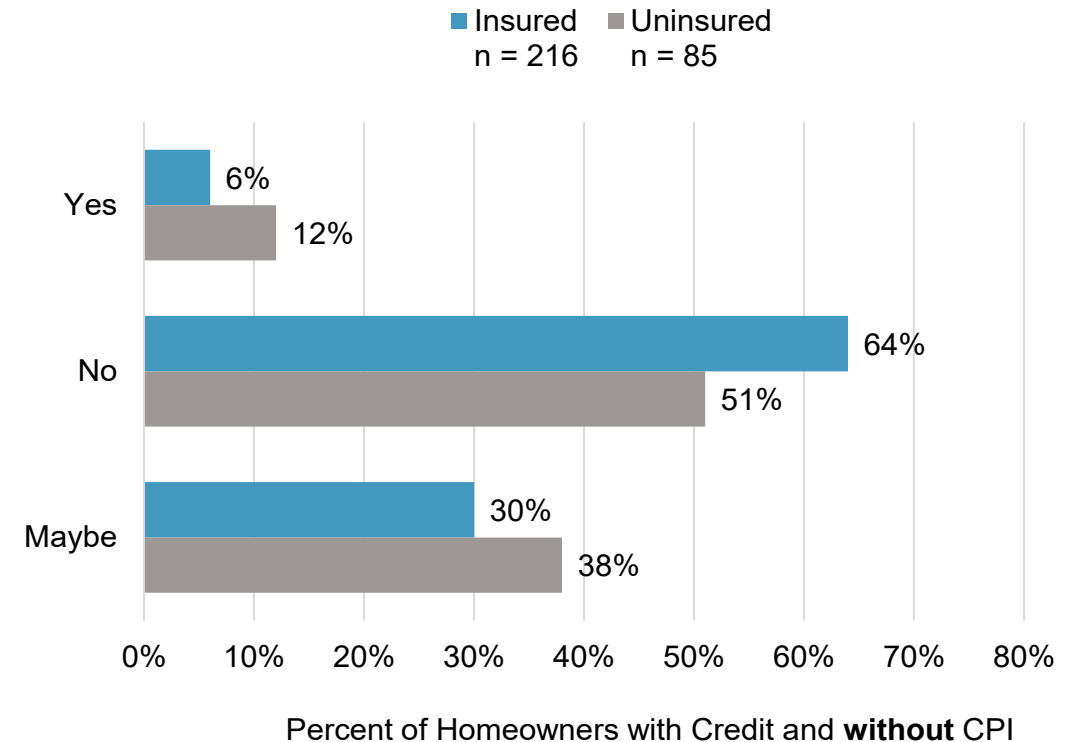
# Why do you have CPI?



- Top 3 reasons for purchasing CPI are the same among insured and uninsured homeowners.
- Of uninsured homeowners that have Life CPI (n = 32), 28% say that they only wanted insurance to cover their debt as their reason for purchasing one over the other.

# Do you intend to purchasing CPI?

- The traditionally uninsured who intend to purchasing CPI mention they would buy it for the protection it provides.
- The traditionally uninsured who don't intend to purchasing CPI mention they don't want to add additional cost to their budget.





# Traditionally Insured vs Uninsured Homeowner Summary



- The traditionally insured homeowners are utilizing CPI more than the traditionally uninsured.
- Insured have more survivorship (partner and/or dependents).
- Insured have inherent positive attitudes towards insurance.
- Majority are underinsured.
- The traditionally insured are using CPI for additional or specific coverage.



## “At Risk” Homeowners



# “At Risk” Definition



Homeowners with all three conditions:

- Credit
- Traditionally Uninsured or Underinsured
- Survivors (partnered or with young/old dependents)

**38% of all Homeowners**

# Quick Look at Demographics

- Avg 45 yrs old (78% Gen X or younger)\*\*
- 54% Female
- 89% Partnered (Married, Common law, or Living with a partner)\*\*
- 58% Children or adult dependents\*\*
- 63% Completed a technical, an undergrad, or a post-grad degree
- 51% Less than \$100,000 in investible assets
- 58% Household Income \$60,000 - \$149,999\*\*
- 75% Born in Canada
- 52% First-time homeowner

At Risk n = 431

\* Significantly fewer than others

39 \*\* Significantly more than others





# Financial Attitudes & Concerns

- 42% say they are somewhat or not at all financially knowledgeable.
- 26% say they don't have and are looking for a financial professional.\*\*
- Top 3 Financial Concerns:
  1. Having enough money for a comfortable retirement (57%)
  2. Paying monthly bills (43%)\*\*
  3. Being able to support myself/family if I am unable to work due to a disabling illness or injury (35%)\*\*
- 72% believe having life insurance is important or very important.\*

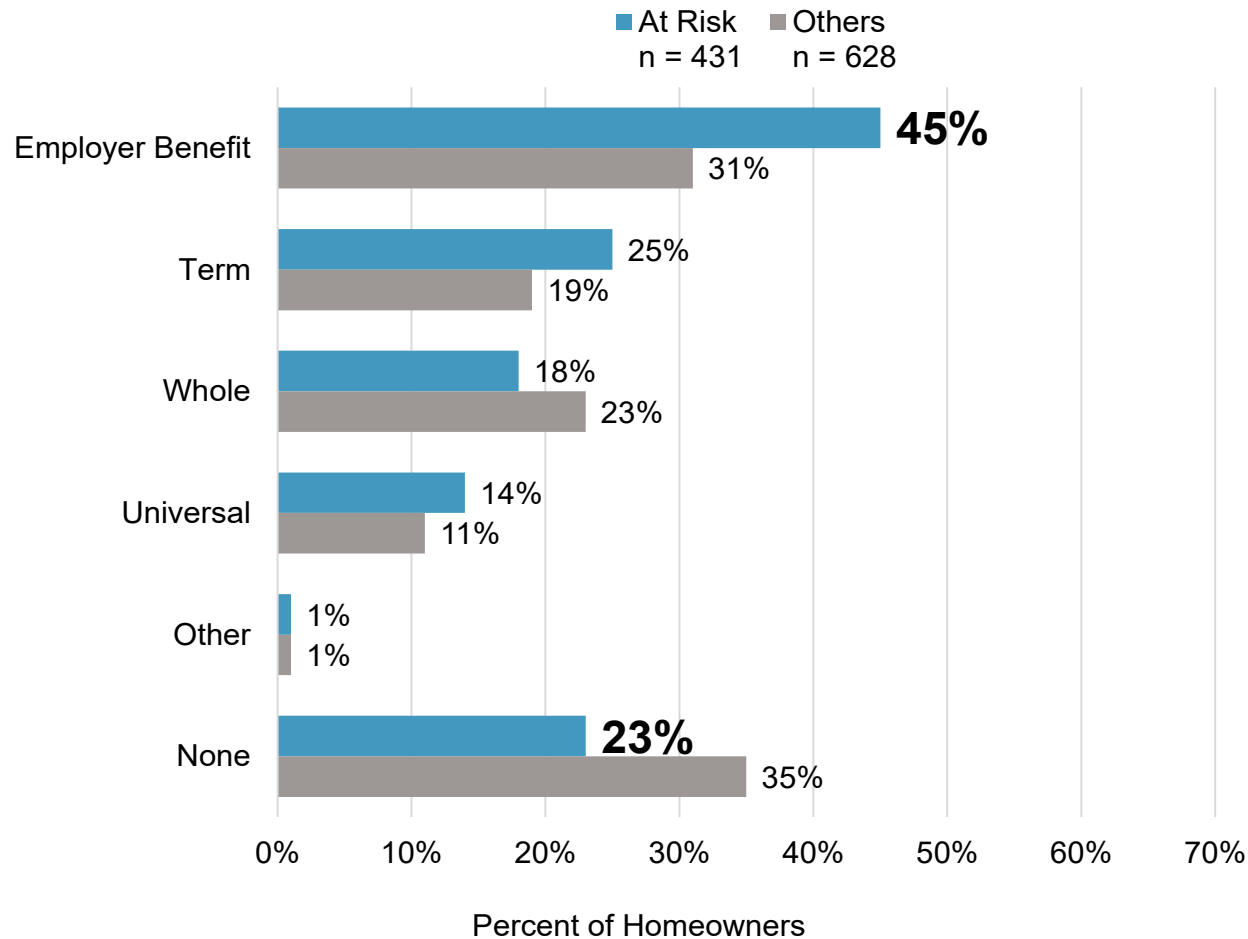
At Risk n = 431

\* Significantly fewer than others

40 \*\* Significantly more than others



# Traditional Life Insurance Ownership



- Significantly more “at risk” own life insurance through their employer than others.
- Significantly fewer “at risk” own whole life insurance than their counterparts **with credit**.
- Extremely underinsured homeowners (2 years or fewer of income coverage in traditional insurance) “at risk” own significantly fewer TLI products than others.

# Coverage

- 62% believe they have enough life insurance.\*
- 37% have insurance to cover income for 2 years or less.
- 68% believe they should have insurance to cover income for less than 7 years.\*\*
- 67% say their families would have trouble covering living expenses in a few months or less if the primary wage earner passed away tomorrow.\*\*

At Risk insured n = 311

\* Significantly fewer than others

42 \*\* Significantly more than others



Navigate With Confidence



# The Traditionally Uninsured “At Risk” Homeowner

**38%** say they can't afford life insurance...

**38%** don't have an emergency fund or personal savings to access in place of life insurance...

**62%** say their families would have trouble covering living expenses in a few months or less if the primary wage earner passed away tomorrow... \*\*

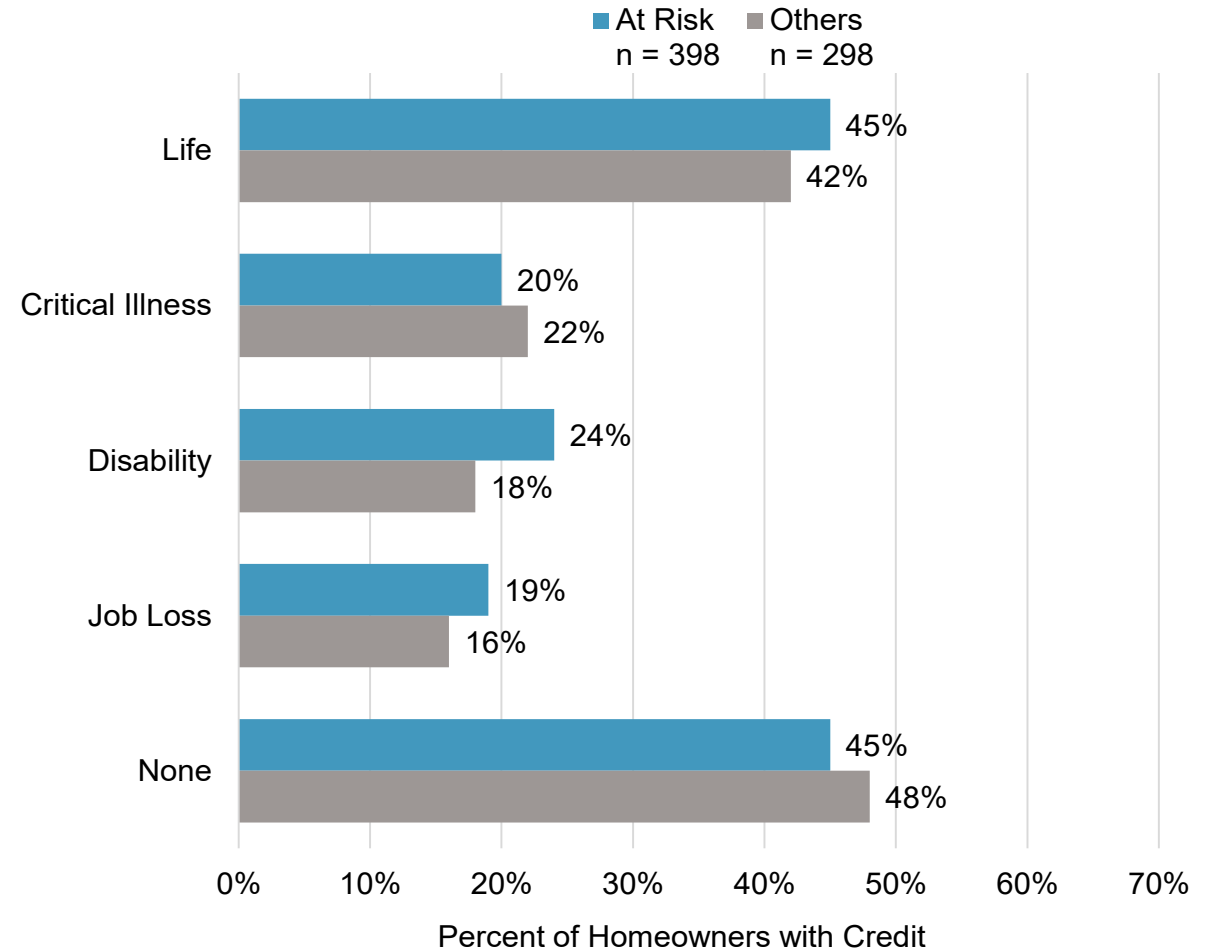
At Risk uninsured n = 97

\* Significantly fewer than others

43 \*\* Significantly more than others

# Credit Protection Insurance Ownership

- 55% of “at risk” homeowners own at least one CPI products.
  - Increases for traditionally underinsured (61%)
  - Decreases for traditionally uninsured (34%)
- 48% of extremely underinsured (2 years or less of income coverage in traditional insurance) homeowners own at least one CPI product.





# “At Risk” Homeowner Summary



- Significantly more are relying on employer benefit life insurance.
- Most believe their family will struggle with living expenses in a few months or less after the passing of the primary wage earner.
- More than half (55%) utilize CPI!

# Recommendations

- Educate Canadian homeowners on insurance and credit protection and appropriate coverage.
- Consider survivorship (having a partner and/or a dependent) as a critical qualification for CPI.
- Prioritize access to CPI for the 38% of homeowners “at risk” considering they have survivorship and are traditionally uninsured or underinsured.





Q&A



# Our Organization and Brands



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**Insurance**

**Retirement  
Income**

**Workplace  
Solutions**



Advancing the financial  
services industry by  
empowering our  
members with  
**knowledge, insights,  
connections, and  
solutions**

# LIMRA Applied Research Solutions

As the premier trade association for the insurance and financial services industries, with over 700 members, including 22 members in the Fortune 100, LIMRA has a privileged view into proven best practices and emerging trends. The breadth and depth of the data flow across the industry and our unique position within it enables us to provide you with insights no one else can provide. LIMRA combines industry knowledge and research expertise that translates into a thorough understanding of the marketplace and thoughtful research design and methodology.

## CUSTOM RESEARCH

LIMRA's Applied Research team partners with you to conduct quantitative and qualitative research to capture the specific insights you need to support decision making across all product lines and distribution channels. Custom research can help you improve the customer experience, design a new product, test a product concept, explore new markets, and more.

## CONSORTIA RESEARCH

Consortia research allows members to partner with and through LIMRA to cost-effectively research hot topics. Consortia research gives companies the opportunity to play an active role with other organizations to investigate a common area of need, including exploring opportunities in emerging markets, determining the market potential for new products, understanding the buying process, positioning with producers, and more.

# Applied Research Solutions Team

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January 23/24 2020

## **LIMRA Research**

### **Key Public Messages and Communication Narrative**

#### **Background**

Note that this is the latest in a regular series of in-depth CAFII-commissioned research studies by independent, third-party firms to understand the Canadian life insurance marketplace

Overview of methodology

This specific study by LIMRA is a study of homeowners in different income bands (low, middle, high) (Page 7)

#### **Canadians are Traditionally Uninsured or Underinsured**

80% of Canadian homeowners are traditionally uninsured or underinsured (Page 11)

This is higher in the low-income band, 87% of which are traditionally uninsured or underinsured (Page 12)

*Could make a statement here from Chair, Vice-Chair at the shockingly high number and the risk that it creates for Canadian households*

#### **Low-Income Canadians would Benefit from CPI**

There is no significant difference between homeowners in different income groups for the percentage with CPI (Page 14)

Because low-income Canadian homeowners have much lower levels of employer benefit life and term life insurance, this group would benefit from higher exposure to CPI (Page 13)

This is especially true because a much higher percentage of this group (38%) say they don't have and don't want a financial professional (Page 19)

#### **At Risk Homeowners Rely on CPI or Could Use CPI**

38% of all homeowners are "at risk" which is defined as homeowners with three conditions: have credit (mortgage or Home Equity Line of Credit); traditionally uninsured or traditionally underinsured; and have survivors (young or old dependents) (Page 38)

54% of this group are female and 89% are partnered (Page 39)

72% of this group nevertheless believe having life insurance is important or very important (Page 40)

55% of this group own at least one CPI product (Page 44)

For the other 45% who are not traditionally insured or are underinsured, CPI could reduce the gap in coverage they face (Page 44)

Additional breakdown if desired:

For 14% of this group who have no insurance at all, CPI could be the right the solution for them.

January 23/24 EOC

For 31% of this group who are traditionally underinsured, CPI could reduce the gap in coverage.

LIMRA's recommendations based on the study includes "Prioritize access to CPI for the 38% of homeowners "at risk" considering they have survivorship and are traditionally uninsured or traditionally underinsured."

*Conclude with a quote from Executive Director on CAFII's commitment to research to better understand the consumers who purchase CPI and the overall Canadian life insurance marketplace*

#### **Key Deliverables and Options**

- News release
- Webinar for regulators, record and post on website
- Video for website (maybe two?)

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(f)i**

#### **Committees and Working Groups – Networking & Events - *Discussion of Proposed Speakers for CAFII Receptions and Webinars 2024***

#### **Purpose of this Agenda Item – Update/Discussion**

To update and discuss with the EOC the proposed speakers for CAFII's receptions and webinars in 2024.

#### **Background Information**

CAFII Executive Director Keith Martin and Networking & Events Committee Chair Carmelina Manno will update the EOC, with the opportunity for discussion, on the proposed speakers for CAFII's receptions and webinars 2024. In 2024 we anticipate 6-7 webinars, three speakers at receptions following a Board meeting, and a keynote speaker at the Annual Members and Associates Luncheon.

<b><u>Date</u></b>	<b><u>Event</u></b>	<b><u>Host</u></b>
9 April, 2024	Reception following Board Meeting	Assurant Canada
28 May, 2024	Annual Members and Associates Luncheon (St. James Cathedral)	CAFII
4 June, 2024	Reception following Board Meeting	Securian Canada
3 December, 2024	Reception Following Board Meeting	Chubb Life Insurance Company of Canada



#### **Recommendation / Direction Sought – Update/Discussion**

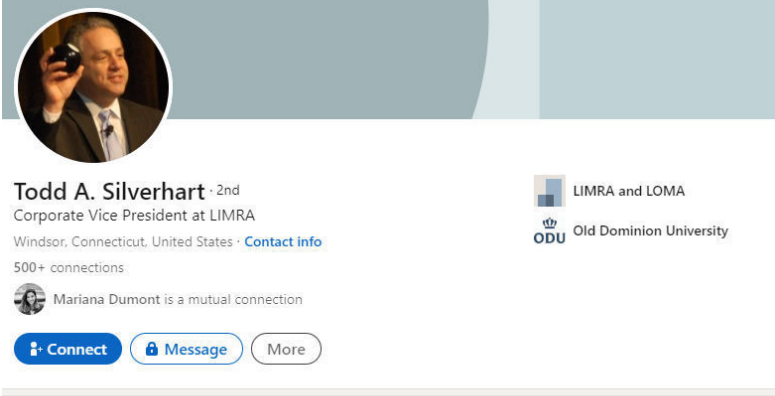

This is an update item with the opportunity for discussion.


#### **Attachments Included with this Agenda Item**

One (1) attachment.

Speaker/Panel	Date	Biography	Comments
Melissa Carruthers Partner at Deloitte's	Reception following Board meeting on Tuesday, April 9 (Assurant, venue TBD)	 <p>Melissa Carruthers is a Partner within Monitor Deloitte's Strategy Consulting practice where she is the National Life and Health Insurance Strategy and Transformation Leader in Canada. Her industry focus spans individual life, health and wealth insurance as well as Group Benefits and Group Retirement Solutions.</p> <p>Melissa joined Deloitte after working a number of years as a Life and Annuities actuary in both the direct insurance as well as reinsurance industries. Her breadth of prior industry experience included roles in pricing and product development as well as corporate actuarial and biometric research. In her current role as a strategy and transformation advisor she works with a number of the leading Canadian Life and Health insurance carriers and financial institutions as they define and execute on various strategic priorities across the organization. She focuses primarily on defining future growth strategies across customers, products and distribution.</p> <p>She is a frequent speaker at industry events on topics such as the future of life and health insurance and the applications of emerging technology within insurance operations. She is a Fellow of the Society of Actuaries and a Fellow of the Canadian Institute of Actuaries.</p>	Excellent speaker Has done work for CAFII in the past Presented in December 2019 at Manulife reception, very well-received
Leslie Martin Senior Vice President at Pollara	Reception following Board Meeting on Tuesday, June 4 (Securian Canada, venue TBD)	 <p>Lesli Martin Senior Vice President</p> <p>A research industry veteran of more than 20 years, Lesli leads many of Pollara's major client accounts as well as many of our research model and product initiatives. Over the years, Lesli has earned a reputation for client service excellence that is second to none – in no small part driven by her experience as a manager of research departments at a number of storied Canadian brands. Our clients benefit from her research expertise, rooted in a career wherein she has designed and analysed hundreds of surveys and</p>	Excellent speaker Knows CAFII well Has done a webinar on general trends in financial services

Speaker/Panel	Date	Biography	Comments
		<p>moderated thousands of focus groups for clients in every sector.</p> <p>Although her client portfolio encompasses every sector, she is well known as a research thought leader in the health care, mental health, ad testing, reputation, retail, financial, and municipal and provincial government spaces. She specializes in discovering the belief and motivational systems at the root of each relevant audience, and illuminating the informational messaging that will provoke and inspire these targets, influencers, and stakeholders.</p> <p>Lesli is a Certified Analytics &amp; Insights Professional (CAIP). Prior to joining Pollara, she was a senior researcher and account lead at Leger and comScore, and led research departments at Sears, Cossette, and Great Gulf Homes. She has published numerous research-based articles in peer-reviewed medical journals, and her research has been reported in most Canadian media outlets. Lesli holds a BA in Business Communication from Brock University.</p>	
Senior researcher at LIMRA/LOMA	Reception following Board meeting on Tuesday, December 3 (Chubb, downtown offices of Chubb)	<p><b>LIMRA Hires Two Industry Executives to Join Research Leadership Team</b></p> <p>4/14/2022</p>  <p>Bryan Hodgens</p>  <p>Keith Golembiewski</p> <p>WINDSOR, Conn., April 14, 2022—LIMRA today announced it hired Bryan Hodgens and Keith Golembiewski to lead its Distribution and Retirement Income Research programs and Strategic Initiatives, respectively. They will report to Alison Salka, Ph.D., senior vice president and director of LIMRA Member</p>	<p>LIMRA has researchers specializing in life and health insurance and general trends</p> <p>Would require modest travel / hotel costs to be defrayed (have a budget for this)</p>

Speaker/Panel	Date	Biography	Comments
		<p>Benefits and Research.</p> <p>“We are pleased to have Bryan and Keith join our research leadership team,” said Salka. “Their experience and expertise in financial services will help expand the breadth and relevancy of our research agenda for our members. They are valuable additions to LIMRA.”</p> <p>In his new role, Hodgens will be responsible for developing and executing the research strategy for both the distribution and retirement income research programs. Under his leadership, LIMRA’s distribution and retirement income research divisions will continue to conduct a broad variety of critical research, focused on providing insight and best practices to address the emerging business challenges facing LIMRA members.</p> <p>Hodgens has served in executive positions for leading financial services companies over the past 20 years, including AIG, Wells Fargo Advisors and Asset Growth Partners. Most recently, he was senior vice president and head of LPL Financials’ Retirement Plans and Financial Planning Group. In this role, he established and led the internal and external sales teams, driving double-digit growth during his tenure.</p>  <p><b>About</b></p> <p>Silverhart is responsible for directing select strategic research initiatives as well as implementing and managing processes to assure the quality of LIMRA’s research program. In this recently created role, he oversees the development of research agendas, the practices followed in conducting research, and the procedures for assuring the quality of research deliverables.</p> <p>A frequent industry speaker and author, he also serves as staff representative for LIMRA’s Customer Insight Advisory Council.</p>  <p><a href="https://www.limra.com/en/about/governance/executive-profiles/">https://www.limra.com/en/about/governance/executive-profiles/</a></p>	

Speaker/Panel	Date	Biography	Comments
Perrin Beatty President and CEO, Canadian Chamber of Commerce	Annual Members and Associates Luncheon Tuesday, May 28 St. James Cathedral, Toronto	 <p>The Honourable Perrin Beatty, PC, OC, is the President and Chief Executive Officer of the 200,000-member Canadian Chamber of Commerce, Canada's largest and most representative national business association. Before joining the Canadian Chamber in August 2007, Perrin held the same role at Canadian Manufacturers &amp; Exporters (CME). A descendant of one of Canada's most prominent manufacturing families, he grew up in Fergus, Ontario and graduated from the University of Western Ontario in 1971. Perrin was first elected to the House of Commons as a Progressive Conservative in 1972. During his 21 years in Parliament, he served as Minister in seven different portfolios, including Treasury Board, National Revenue, Solicitor General, Defence, National Health and Welfare, Communications and External Affairs. In 1994, Perrin joined a number of private sector boards and worked as a consultant in communications. In addition, he was an Honorary Visiting Professor in Western University's Department of Political Science. From 1995 to 1999, he served as President and Chief Executive Officer of the Canadian Broadcasting Corporation. In keeping with his long-standing interest in education, Perrin served as Chancellor of the University of Ontario Institute of Technology from 2008 to 2015. He has received honorary Doctor of Law degrees from Western University, the University of Ontario Institute of Technology and Wilfrid Laurier University. Perrin is currently a member of the board of directors of Mitsui Canada and in 2018, he was made an Officer of the Order of Canada for his lifetime of public service and for his devotion to the development of our nation as a community leader and corporate visionary. In 2020, the Government of Japan awarded Perrin the Order of the Rising Sun, Gold and Silver Star, in recognition of his many distinguished achievements in international relations and advancements in Canada-Japan business relations</p>	Well-known speaker with great familiarity of the regulatory environment in Canada

### Other possible speakers



**Sonia Baxendale**  
President and Chief Executive Officer, Global Risk Institute

Sonia Baxendale is a highly respected executive who has more than 20 years' experience in senior leadership roles in the financial services industry. Ms. Baxendale serves on the Board of Directors for a number of Canadian and international corporate and not-for-profit organizations. As the President and CEO of GRI, Ms. Baxendale leads the premier risk management organization for the financial services industry globally.

[Read more](#)



In this role, Ms. Baxendale brings together leaders from industry, academia and government to focus on emerging risk management issues. The global pandemic has brought to the forefront a confluence of domestic and global concerns – geopolitical tensions, climate change, systemic racism, social and economic disparities. Under Ms. Baxendale's leadership, GRI has stepped up to develop strategic research and education. She has brought together experts from across the country and the globe to focus on long-term, sustainable solutions for Canada's economic recovery.

In addition to her role with GRI, Ms. Baxendale is a Director on the Board of Laurentian Bank, Foresters Financial, and The Bank of N.T. Butterfield & Son Limited. She is Chair of the Board of SickKids Foundation and a member of the Board of Trustees for the Hospital for Sick Children.

Prior to joining GRI, Ms. Baxendale was President of CIBC Retail Markets where she led Retail and Wealth Management businesses. Ms. Baxendale played a key role in developing strategy and direction for CIBC and held various leadership roles including Senior Executive Vice-President, CIBC Wealth Management, Executive Vice-President, Asset Management, Card Products and Collections, and Executive Vice-President of Global Private Banking and Investment Management Services. Prior to CIBC, Ms. Baxendale held various positions with American Express Canada and Saatchi & Saatchi.

Ms. Baxendale is a graduate of the University of Toronto, where she was named University of Toronto, Victoria College Alumni of Distinction in 2017. She was named one of the "Top 100 Most Powerful Women in Canada" for three years in a row and then joined the ranks of the Top 100 Hall of Fame in 2010. In 2000, she was recognized as one of Canada's Top 40 Under 40.



Giles Gherson  
**President and Chief Executive Officer**

Giles Gherson is the President and Chief Executive Officer of the Toronto Region Board of Trade, one of the largest and most influential business organizations in North America. Giles leads the Board's efforts to advocate on behalf of our members and enhance the business competitiveness of our Region. He is charged with leading the implementation of the Board's new strategic plan to renew our mission as a catalyst for a vibrant, globally competitive Toronto Region business community.

Prior to joining the Board in 2022, Giles spent over 25 years in the private and public sector in progressively senior roles. He spent 15 years with the Province of Ontario, where he held multiple influential Deputy Minister roles – most extensively and recently as Deputy Minister, Economic Development. Previously, Giles has led the government's economic growth and competitiveness policy, overseen the recent creation of two new agencies, Invest Ontario and IP Ontario, and worked to attract a wave of technology and manufacturing investments, including the retooling of the province's auto sector for next generation battery electric vehicles. He currently sits on Ontario's Advanced Manufacturing Council, working to boost the long-term competitiveness and resilience of this sector by attracting key investments and creating opportunities for businesses across the province.

Prior to his role in government, Giles worked as editor-in-chief of the Toronto Star, political editor of the National Post and editor of the Globe and Mail's Report on Business. Giles is the immediate past President of the Board of Directors at the Institute of Public Administration of Canada, the country's leading professional organization supporting excellence in the public sector.


**CAFII Members and Associates Luncheon**  
**Possible future speakers**

2025: Yves Ouellet, President and CEO, AMF

2026: Lawyers panel

2027: Mark White, President and CEO, FSRA

### Webinar Possible Panelists 2024

<u>Date</u>	<u>Speaker/Panel</u>	<u>Comments</u>
February 1	Amber Mac, on technology, AI	Spoke to THIA and was very well-received
MID FEBRUARY	Justeena Zaki-Azat, LIMRA	Lead researcher on CAFII LIMRA study If this is released, this would be part of the public release of the research Regulators and Policy-Makers would be invited
March 27/28	Supriya Syal, Deputy Commissioner, Research, Policy and Education   Financial Consumer Agency of Canada 	Keeping a connection with FCAC, good speaker, interesting observations
April 14/15	Mental Health Issues in the Workplace	Paula Allen, Telus Health Two panelists from CAFII members who have not participated in the past (Have participated: Sun Life, Manulife, Securian Canada)
Sept. 11/12	Two new Atlantic Canada regulators: David McCarron (Nova Scotia) and Jean Bishop (Newfoundland and Labrador)	Panel
October 8/9	Éric Jacob, new Head of Enforcement, on his priorities	Knows CAFII well
November 13/14	Travel and Travel Insurance Trends in the Workplace Katia Umutoniwase, Manulife and CAFII Sheila Burns, CLHIA Someone from THIA	Very popular webinar every year

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(f)ii**

#### **Committees and Working Groups – Networking & Events - *Insights Gained from November 22/23 Webinar on “Travel Insurance Trends”***

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#### **Purpose of this Agenda Item – *Update***

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To update the EOC on the insights gained from the November 22/23 webinar on “Travel Insurance Trends.”

#### **Background Information**

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CAFII Executive Director Keith Martin will update the EOC on the insights gained from the November 22, 2023, Webinar on “Travel Insurance Trends.”

A written summary of the event was included in the November Regulatory Update and has also been posted on the website on both the English and French side. This was one of the best attended webinars in 2023 and solicited much positive feedback.

#### **Recommendation / Direction Sought – *Update***

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No action required.

#### **Attachments Included with this Agenda Item**

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No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 4(f)iii**

#### **Committees and Working Groups – Networking & Events - *Plans for February 1/24 Webinar on Artificial Intelligence with Amber Mac***

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#### **Purpose of this Agenda Item – *Update***

---

To update the EOC on CAFII's plans for a February 1/24 Webinar on artificial intelligence with Amber Mac.

#### **Background Information**

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CAFII Executive Director Keith Martin will update the EOC on the plans for a February 1/2024 webinar on artificial intelligence with Amber Mac. The panelist is a leading author, speaker, and thought leader on technology issues. CAFII's Research Analyst Robyn Jennings attended a THIA conference at which she was the guest speaker.

| <https://ambermac.com/>

#### **Recommendation / Direction Sought – *Update***

---

No action required.

#### **Attachments Included with this Agenda Item**

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One (1) Attachment.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 5(a)**

### **Strategic and Regulatory Initiatives – Outcome of Survey of CAFII Members on Distribution Methods of CPI Fulfilment Packages in Jurisdictions Across Canada**

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#### **Purpose of this Agenda Item – Update**

To update the EOC on the outcome of CAFII's survey of CAFII Members on distribution methods of CPI fulfillment packages in jurisdictions across Canada.

#### **Background Information**

CAFII Research Analyst Robyn Jennings will update the EOC on the outcome of CAFII's survey of CAFII Members on the distribution methods of CPI fulfillment packages in Jurisdictions across Canada. The aggregated survey results have been included in the consolidated package. The survey was conducted to understand whether CAFII members distribute fulfillment packages digitally, physically, or both.

#### **Recommendation / Direction Sought – Update**

No action required.

#### **Attachments Included with this Agenda Item**

One (1) attachment.

**CAFII Member Company Survey On**  
**Distribution Methods of CPI Fulfillment Packages**  
**Across Canada At This Time: November 2023**

CAFII is surveying its Member companies to determine the scope of their approaches to credit protection insurance fulfilment package document distribution currently, including Certificates of Insurance. The results of this survey will be aggregated and anonymized, and no individual member responses will be disclosed. When all responses have been tabulated and aggregated/anonymized, a results summary will be shared with all Member company participants.

<b><u>PROVINCE/TERRITORY</u></b>	<b><u>My institution distributes credit protection insurance fulfilment documentation via electronic/internet-based channels only</u></b>	<b><u>My institution distributes credit protection insurance fulfilment documentation in physical/hard copy form only</u></b>	<b><u>My institution distributes credit protection insurance fulfilment documentation via both electronic/internet-based channels and in physical/hard copy form</u></b>	<b><u>Comments and Elaborations</u></b>  <b><u>(if you indicated fulfilment via both electronic/internet-based channels and physical/hard copy form, please indicate why/how the differentiation occurs; and, similarly, if your response varies by jurisdiction, why that is so). Provide separate notes outside this table, if necessary</u></b>
British Columbia	0	4	6	*See pages below for comments per Province*
Alberta	0	4	6	
Saskatchewan	0	4	6	
Manitoba	0	5	6	
Ontario	0	4	7	
Quebec	0	4	7	
New Brunswick	0	3	6	
Nova Scotia	0	4	6	
PEI	0	3	6	
Newfoundland and Labrador	0	4	6	
Yukon	0	2	6	
Nunavut	0	3	6	
Northwest Territories	0	3	6	

While responses to this survey will be aggregated and anonymized, please provide the following information to help ensure proper administration of the survey.



**Name and Company Title of Respondent:**

- Susan Gibaut, Compliance Manager (Assurant);
- Martin Boyle, Head of Insurance Governance (BMO);
- Farhad Eslah, Product Manager (Canadian Tire Bank);
- Lauren Ross, Senior Director (CIBC);
- Casandra Litniansky, Market Conduct Specialist (CUMIS);
- Pierre-Olivier Cyr, Manager, Direct Sales Product Development and Pricing Department (Desjardins);
- Janet Pacini Thibodeau, National Account Executive (Manulife);
- Peter Thompson (and Jonathan Poulin), President of National Bank Insurance & National Bank Insurance Firm Inc. (National Bank Insurance);
- Iman Muntazir – Senior Manager, Regulatory Initiatives (Creditor Insurance) (RBC Insurance);
- Wayne Hewitt, Senior Vice President (Scotia Insurance); and
- Altamash Hashmi, Manager, Doc & Comms (TD Insurance).

**CAFII Member Company:** Assurant, BMO, Canadian Tire Bank, CIBC, CUMIS, Desjardins, Manulife, National Bank Insurance, RBC Insurance, Scotia Insurance, and TD Insurance.

**Comments & Elaborations (per Province and Territory)**

**All Provinces and Territories (uniform commentary):**

commented that in all provinces except Manitoba only customers who have selected digital communication as an option will receive fulfillment/coms electronically. All other customers receive hard copies. See Manitoba section for distinct distribution channels.

, and commented that, across all provinces, they offer both electronic/internet- and hard copy-based distribution channels; it is left to either customer or distributor preference.

indicated that, across all locations, the method of distribution is based on their customers' preferences.

For all locations, commented that, while it offers both electronic/internet and hard copy-based distribution channels, if a request is made in the branch, the customer will receive a hard copy; however, if the request is made electronically, then the customer receives an electronic copy.

offers both in-person and digital enrolment for mortgages, loans, and lines of credit. Depending on the service and type of enrollment, enrollment may require fulfillment via mail.

**British Columbia:**

N/A.

**Alberta**

N/A.

**Saskatchewan**

In Saskatchewan, the [REDACTED] customer's enrollment process is initiated on the phone then a paper application is sent to the customer to fill out and mail or email back for fulfillment.

#### **Manitoba**

[REDACTED] commented that physical copies are provided to Manitoba customers to satisfy fulfillment requirements. However, fulfilling via physical copies does not prevent it from providing customers with electronic versions as well. As a result, customers in Manitoba receive physical and electronic copies of the required documents.

#### **Ontario**

[REDACTED] offers CPI through both distribution channels and, therefore, leaves the choice to its clients.

In Ontario, the [REDACTED] customer completes enrollment digitally in the branch with assistance from a Bank advisor. The fulfillment is then completed via the mail.

#### **Quebec**

[REDACTED] offers CPI through both distribution channels and, therefore, leaves the choice to its clients.

#### **New Brunswick**

[REDACTED] is not currently offering CPI at all in New Brunswick, but it will again in 2024 and plans to do so via hard-copy-only distribution channels.

#### **Nova Scotia**

N/A.

#### **PEI**

[REDACTED] does not distribute CPI in PEI.

#### **Newfoundland and Labrador**

N/A.

#### **Yukon**

[REDACTED] is not currently offering, nor has it ever offered, CPI in the Yukon. It has no plans to do so in the future. [REDACTED] also does not distribute CPI in the Yukon.

In the Yukon, [REDACTED] customers have the option of both distribution channels for CPI, however, for online, customers must first enrol through their device (mobile app). Fulfillment is then completed via the mail.

#### **Nunavut**

[REDACTED] does not distribute CPI in Nunavut.

#### **Northwest Territories**

[REDACTED] does not distribute CPI in the Northwest Territories.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 6(a)**

#### **Governance – Board Appointment of New CAFII Director from CIBC Insurance**

---

#### **Purpose of this Agenda Item – *Update***

---

To update the EOC on the Board appointment of new CAFII Director from CIBC Insurance.

#### **Background Information**

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CAFII Operations Manager Shanay Smith will update the EOC on the Board Appointment of the new CAFII Director from CIBC Insurance, Konstance Allain.

#### **Recommendation / Direction Sought – *Update***

---

No action required.

#### **Attachments Included with this Agenda Item**

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Two (2) attachments.

## **CAFII Electronic Board Vote Results: Konstance Allain Appointed To CAFII Board of Directors**

**Shanay Smith** <Shanay.Smith@cafii.com>

Tue 2024-01-16 12:58 PM

To: Peter Thompson <Peter.Thompson@bnc.ca>; Paul Cosgrove <paul.cosgrove@assurant.com>; Thomas, Rohit <Rohit.Thomas@bmo.com>; Nigel Branker <Nigel.Branker@canadianpremier.ca>; Adam Vespi <adam.vespi@ctfs.com>; Rahul.Kakar@Chubb.com <Rahul.Kakar@Chubb.com>; Ian Oncea <ian.oncea@cibc.com>; Heather McLachlin <heather\_mclachlin@cooperators.ca>; Simon Lacroix-Hubert <simon.lacroixhubert@dsf.ca>; Wayne Hewitt <wayne.hewitt@scotiabank.com>; Valerie Gillis <valerie.gillis@td.com>; Louie Georgakis <louie\_Georgakis@canadalife.com>; Julie Gaudry <julie.gaudry@rbc.com>; Andrew Kugler <Andrew\_Kugler@manulife.ca>; Konstance Allain <konstance.allain@cibc.com>  
Cc: Keith Martin <Keith.Martin@cafii.com>; Rob Dobbins <rob.dobbins@assurant.com>; Karyn Kasperski <karyn.kasperski@rbc.com>; Jennifer Russell <Jennifer.russell@assurant.com>; Martin Boyle <martin.boyle@bmo.com>; Dullabh, Moushami <moushami.dullabh@bmo.com>; John Burns <john.burns@securiancanada.ca>; Asma Desai <Asma.Desai@securiancanada.ca>; Farhad Eslah <Farhad.Eslah@ctfs.com>; Cynthia Golubic <Cynthia.Golubic@ctfs.com>; Catherine Latulippe <Catherine.Latulippe@ctfs.com>; Afzal Baig <afzal.baig@chubb.com>; John Juba <john.juba@chubb.com>; Lauren Ross <Lauren.Ross@cibc.com>; David Self <David.Self@wi.cibc.com>; Michelle Costello <michelle.costello@cumis.com>; Casandra Litniansky <casandra.litniansky@cumis.com>; Diane Quigley <diane.quigley@cumis.com>; Almas Satwat <almas\_satwat@cooperators.ca>; Nathalie Baron <nbaron@dsf.ca>

 1 attachments (152 KB)

Capsule Biography - Konstance Allain.pdf;

### **CAFII Board Members (c.c. EOC Members and Board Surrogates):**

Good afternoon,

I am pleased to announce that Konstance Allain, AVP, Creditor Insurance, Personal Banking Products, CIBC Insurance, has been appointed to the CAFII Board of Directors as the Director from CIBC Insurance, effective January 16, 2024.

Eleven (11) of the current fourteen (14) CAFII Directors voted on the Motion proposed by Wayne Hewitt and seconded by Rahul Kakar In Favour, well in excess of the two-thirds majority affirmative vote required for a Motion to be passed as per Article 5.14 of CAFII's By-Law No.1.

Konstance - welcome to the CAFII Board of Directors! I know that your fellow CAFII Directors and everyone else involved in our Association looks forward to meeting you at the CAFII Board meeting on April 9, 2024, and to having the benefit of your experience and insights in the Board's deliberations.

**Shanay Smith**

Operations Manager

Canadian Association of Financial Institutions in Insurance

L'Association Canadienne des Institutions Financières en Assurance

[shanay.smith@cafii.com](mailto:shanay.smith@cafii.com)

T: 647.234.7090

[www.cafii.com](http://www.cafii.com)

[Visit the CAFII LinkedIn Page](#)

## Konstance Allain AVP, Creditor Insurance

Konstance is currently **Associate Vice President, Creditor Insurance, CIBC**, providing leadership of all aspects of the Creditor Insurance business including product, acquisition and direct channel teams. Konstance's mandate is to drive greater value into CIBC Creditor Insurance protection product offering and to maintain and build on the delivery of consistent and quality protection conversations with CIBC clients.

Konstance is a seasoned insurance professional and has been with CIBC Insurance for over 21 years. She has held senior roles across CIBC Insurance including leadership within the product, strategy and risk teams within CIBC, CIBC Life Insurance Company, CIBC Insurance Agency and including Life & Health, Home & Auto, Travel & Creditor Insurance.

Prior to CIBC, Konstance worked in multiple insurance sectors including CIGNA Insurance Company and Aon Direct Group where she led various teams accountable for product, sales, marketing and relationship management. Konstance holds an Honours Bachelor of Business Administration from Brock University and is a Chartered Insurance Professional (CIP).

Outside of work Konstance fills her time with her family and friends and enjoys fundraising for the Canadian Cancer Society including CIBC Run for the Cure.



## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 6(b)**

#### **Governance – Update on Policies and Procedures Document and Related New Management Structure Issues**

---

#### **Purpose of this Agenda Item – *Update***

To update the EOC on CAFII's Policies and Procedures manual and related new management structure issues.

#### **Background Information**

CAFII Executive Director Keith Martin and CAFII Operations Manager Shanay Smith will update the EOC on CAFII's Policies and Procedures manual and related new management structure issues. The manual is intended to document every policy, procedure, and output from CAFII in one central repository.

#### **Recommendation / Direction Sought – *Update***

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No action required.

#### **Attachments Included with this Agenda Item**

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No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 6(c)**

#### **Governance – CAFII Electronic Payables and Cheque Signing Authority Policy**

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#### **Purpose of this Agenda Item – *Update/Endorsement***

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To update and seek endorsement from the EOC on CAFII's *Electronic Payables and Cheque Signing Authority Policy*.

#### **Background Information**

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CAFII Executive Director Keith Martin will update and request endorsement from the EOC on CAFII's *Electronic Payables and Cheque Signing Authority Policy*. The policy reflects recommended modifications to a previous version of the policy made by EOC members at a previous 2023 EOC meeting.

Specifically, at an EOC meeting on September 19, 2023, the EOC supported CAFII's recent transition to electronic payments and the need to document current practices in a new policy; however, members expressed the need for some amendments, including a change that stipulates that, when approving payables which include Managing Matters as a payee, two CAFII staff members/representatives must be the approvals of all such electronic payables.

This is an opportunity for the EOC to review and endorse an amended version of the Proposed Electronic Payables and Cheque Signing Authorities Policy.

#### **Recommendation / Direction Sought – *Update/Endorsement***

---

This is an update item with a request for endorsement.

#### **Attachments Included with this Agenda Item**

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One (1) attachment.



## **DRAFT ONLY**

### **MEMORANDUM**

**To:** CAFII Board of Directors

**From:** Keith Martin, Executive Director

**Date:** January 23, 2024

**Subject:** Proposed CAFII Electronic Payables and Cheque Signing Authorities Policy

**Recommendation:** The Board of Directors is asked to approve the proposed CAFII Electronic Payables and Cheque Signing Authorities Policy set out below (as Appendix A, Parts 1 and Part 2), as a replacement for the former CAFII Cheque Signing Authorities Policy; and to indicate that, once approved, the new CAFII Electronic Payables and Cheque Signing Authorities Policy should come into immediate force and effect.

As part-and-parcel of this Recommendation for Board approval via a formal Resolution/Motion, the following positions/individuals with responsibility for CAFII financial stewardship shall be designated as the Association's Electronic Payables and Cheque Signing Authorities, revoking any previous such appointments in those capacities:

- CAFII (Co-) Executive Director (currently Keith Martin; becomes sole Executive Director effective January 1/24)
- CAFII Co-Executive Director (currently Brendan Wycks; retiring December 31/23)
- CAFII Operations Manager (currently Shanay Smith)
- CAFII Research Analyst (currently Robyn Jennings)
- CAFII Treasurer (currently Donald Hinnecke, RBC Insurance)
- CAFII EOC Chair and Board Secretary (currently Rob Dobbins, Assurant Canada)
- CAFII Vice-EOC Chair and Vice-Board Secretary (currently Karyn Kasperski, RBC Insurance)
- President at the Association Management Company providing support services to CAFII (currently Jenny Faucher, President and CEO, Managing Matters)
- Controller/Accountant at the Association Management Company providing support services to CAFII (currently Ricky Nason, Controller/Accountant, Managing Matters)

**Background and Rationale:** The Board of Directors has the authority to appoint CAFII's Electronic Payables and Cheque Signing Authorities; and similarly to change or replace the former *CAFII Cheque Signing Authority Policy* (see Appendix B), as it deems necessary from time-to-time. CAFII's bank, TD Canada Trust, requires that it be presented with a formal resolution passed by the Association's Board in order for a change in, or replacement of, such a policy to be affected.

***Appendix A***

### **CAFII Electronic Payables and Cheque Signing Authorities Policy**

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<b>Document Owner:</b>	Executive Operations Committee (EOC)
<b>Practice Applies to:</b>	CAFII Electronic Payables and Cheque Signing Authorities
<b>Process Responsibility:</b>	Executive Director
<b>Final Accountability:</b>	Executive Operations Committee

---

### **Part 1: CAFII Electronic Payables**

This policy applies to all electronic payables initiated and processed/approved by the Canadian Association of Financial Institutions in Insurance (CAFII).

1. Payment by electronic means of invoiced amounts owed by CAFII (Electronic Payables) – provided that the relevant invoice has been reviewed and approved for payment by at least one of the Electronic Payables Authorities designated in Group A below -- shall normally be initiated by the Controller/Accountant at the Association Management Company which provides support services to CAFII. In exceptional circumstances, another designated Electronic Payables Authority may initiate CAFII Electronic Payables via the process required by CAFII's bank.
2. All CAFII Electronic Payables must be approved, via the Electronic Payables process established by CAFII's bank, by any two of the Executive Director, Co-Executive Director, Operations Manager, Research Analyst, Treasurer, Executive Operations Committee Chair, or Executive Operations Committee Vice-Chair.
3. A designated CAFII Electronic Payables Authority may participate as an Approver in an Electronic Payables process which includes an item that is payable to himself/herself personally or is payable to his/her company or organization, but only if that particular payables item was previously reviewed and approved for payment by at least two other designated CAFII Electronic Payables and Cheque Signing Authorities.

## Part 2: CAFII Cheque Signing

This policy applies to all Cheques prepared and issued by the Canadian Association of Financial Institutions in Insurance (CAFII).

1. Payment by Cheque of invoiced amounts owed by CAFII – provided that the relevant invoice has been reviewed and approved for payment by at least one of the Cheque Signing Authorities designated in Group A below -- shall normally be initiated by the Controller/Accountant at the Association Management Company which provides support services to CAFII. In exceptional circumstances, another designated Cheque Signing Authority may initiate CAFII payment by cheque via the related process required by CAFII's bank.
2. All CAFII Cheques in amounts greater than \$2,500 must be signed by any two of (Group A): the Executive Director, Co-Executive Director, Operations Manager, Research Analyst, Treasurer, Executive Operations Committee Chair, or Executive Operations Committee Vice-Chair.
3. All CAFII Cheques in amounts of less than \$2,500 may be signed by any two of (Group A): the Executive Director, Co-Executive Director, Operations Manager, Research Analyst, Treasurer, Executive Operations Committee Chair, or Executive Operations Committee Vice-Chair; **or** (Group B): Controller/Accountant at the Association Management Company which provides support services to CAFII; or the President at the Association Management Company which provides support services to CAFII. At least one of the designated Cheque Signing Authorities who signs a Cheque in an amount of less than \$2,500 must come from Group A.
4. A designated Cheque Signing Authority may not be a signatory to a CAFII cheque that is payable to himself/herself nor to a cheque that is payable to his/her company or organization.
5. At least semi-annually, the Treasurer -- or in his/her absence, the EOC Chair -- shall review and initial-off on all cheque stubs and their backup invoices/documentation, as a post-issuance internal audit and control measure.

## Authority and Periodic Review

The Board of Directors has the authority to change or modify the CAFII Electronic Payables and Cheque Signing Authorities Policy as it may from time-to-time deem required.

This policy will be reviewed by the Board of Directors from time-to-time. At a minimum, it will be reviewed every five (5) years.

## **Appendix B**

### **CAFII Cheque Signing Authorities Policy (last updated April 2017)**

<b>Document Owner:</b>	Executive Operations Committee (EOC)
<b>Practice Applies to:</b>	CAFII Signing Authorities
<b>Process Responsibility:</b>	Executive Director
<b>Final Accountability:</b>	Executive Operations Committee

This policy applies to all cheques prepared and issued by the Canadian Association of Financial Institutions.

1. All Canadian Association of Financial Institutions (CAFII) cheques in amounts of greater than \$2,500 must be signed by any two of the Treasurer, Executive Operations Committee (EOC) Chair, or Executive Director.
2. All CAFII cheques in amounts of less than \$2,500 must be signed by any two of (a) the Treasurer, EOC Chair, or Executive Director; and (b) the Controller of Managing Matters, or the President of Managing Matters. At least one of the two signatories for cheques in amounts of less than \$2,500 must be one of the Officers of the Association listed in (a) above.
3. A designated signing authority, as noted above, may not be a signatory to a CAFII cheque that is payable to himself/herself nor to a cheque that is payable to his/her company or organization.
4. At least quarterly, the Treasurer -- or in his/her absence, the EOC Chair -- shall review and sign-off on all cheque stubs and their backup invoices/documentation, as a post-issuance internal audit and control measure.

#### **Authorization**

The Board of Directors has the authority to change or modify the policy on cheque signing authority as it may from time-to-time deem required.

The policy will be reviewed by the Board of Directors from time-to-time. At a minimum it will be reviewed every five (5) years.

Any changes to the Cheque Signing Authority Policy may not be ratified by electronic means.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 6(d) Governance – Draft Minutes of December/23 Board Meeting**

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#### **Purpose of this Agenda Item – Endorsement**

To seek the EOC's endorsement of the draft minutes of the December/23 Board meeting.

#### **Background Information**

CAFII Research Analyst Robyn Jennings will request endorsement from the EOC on the draft minutes of the December/23 Board meeting.

#### **Recommendation / Direction Sought – Endorsement**

This is a request for endorsement.

#### **Attachments Included with this Agenda Item**

One (1) attachment.

**BOARD MEETING**  
**CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE**  
**In-Person/Hybrid Meeting at Scotiabank in Toronto, Ontario**  
**Tuesday, December 5, 2023**  
**3:00 to 5:00 p.m. EDT**  
**Minutes**

**Board Members**

**Present In Person:**

Peter Thompson	National Bank Insurance and Chair
Paul Cosgrove	Assurant and Vice Chair
Rohit Thomas	BMO Insurance
Louie Georgakis	The Canada Life Assurance Company
Konstance Allain	CIBC Insurance (representing Ian Oncea)
Heather McLachlin	CUMIS/The Co-operators
Julie Gaudry	RBC Insurance
Wayne Hewitt	Scotia Insurance
Nigel Branker	Securian Canada
Valerie Gillis	TD Insurance
Louie Georgakis	The Canada Life Assurance Company
Nicole Benson	Valeyo

**Virtually:**

Adam Vespi	Canadian Tire Bank
Simon Lacroix-Hubert	Desjardins
Andrew Kugler	Manulife Financial

**Regrets:**

Rahul Kakar	Chubb Life Insurance Company of Canada
Ian Oncea	CIBC Insurance

**Also Present:**

Brendan Wycks, *Co-Executive Director*  
Keith Martin, *Co-Executive Director*  
Rob Dobbins, *Secretary*  
Karyn Kasperski, *Vice-Secretary*  
Donald Hinnecke, *Treasurer*  
Robyn Jennings, *Research Analyst*  
Shanay Smith, *Operations Manager*  
Troy Woodland, *Association Administrator*

## Item 1: Welcome, Call to Order, Meeting Confirmation, and Board Construction Matters

### Item 1(a): Welcome and Call to Order

CAFII Board Chair Peter Thompson welcomed all to this meeting of the CAFII Board of Directors, which was hosted by Scotiabank in Toronto, Ontario, as well as virtually on the Microsoft Teams platform, and called the meeting to order at 3:05 p.m. CAFII's Research Analyst, Robyn Jennings, acted as Recording Secretary.

### Item 1(b): Land Acknowledgement

CAFII Board Member Wayne Hewitt shared a land Acknowledgement for the meeting.

### Item 1(c): Welcome to New CAFII Director: Andrew Kugler, Manulife

CAFII Board Chair Peter Thompson welcomed CAFII's New Director, Andrew Kugler (Manulife), who joined virtually. A. Kugler was officially voted onto CAFII's Board of Directors by electronic vote on November 9/2023. A. Kugler made some brief introductory comments.

### Item 1(d): Declaration of Meeting Properly Called and Constituted

Board Secretary Rob Dobbins confirmed that there was a quorum of Board members present for the meeting; and that the meeting had been properly called and constituted.

### Item 1(e): Approval of Agenda

*On a motion duly made, seconded, and unanimously carried, IT WAS RESOLVED that the meeting Agenda be and is approved.*

## Item 2: Consent Items

*On a motion duly made, seconded, and unanimously carried, IT WAS RESOLVED that the Consent Agenda items itemized below be and are approved or received for the record, as indicated in the Action column in the Consent section of the agenda.*

- a. Draft Minutes, October 10, 2023, CAFII Board Meeting
- b. Summary of Board and EOC Action Items
- c. October 2023 and November 2023 Regulatory Updates
- d. Consultations/Submissions Timetable
- e. Regulator and Policy-Maker Visit Plan Recap
- f. Committee Reports Addressing CAFII Priorities
- g. Board-Approved CAFII 2024 Schedule of Meetings and Events

*Further, IT WAS RESOLVED that the minutes of the meeting of the CAFII Board of Directors held October 10, 2023, be and are adopted in the form presented and that copies of those minutes be signed and placed in the minute book of the Corporation.*

## Item 3: Governance Matters

### Item 3(a): CAFII-Relevant News from Securian Canada

CAFII Board Member Nigel Branker shared Securian Canada's decision to reintegrate Valeyo under the Securian Canada banner. N. Branker will remain Securian Canada's CAFII Board representative, but Nicole Benson, who



represented Valeyo, will be stepping down as a CAFII Board Member. This is N. Benson's final meeting with CAFII, and Peter Thompson thanked her for her service as a Board member and as a former Board Chair.

#### **Item 3(b): Implementation of Board-Approved "New CAFII Management Structure (Post-2023)"**

CAFII Co-Executive Director Keith Martin updated the Board on CAFII's new management structure, which included a significant overlap between the new hires and Co-Executive Director Brendan Wycks' retirement. To adequately prepare for B. Wycks' departure, Operations Manager Shanay Smith has created a Policies and Procedures manual, which will aid in the transfer of knowledge from B. Wycks to the rest of the team. The manual will act as a permanent repository for the documentation of all CAFII deliverables, processes, documents, and records.

#### **Item 4: Financial Management**

##### **Item 4(a): CAFII Financial Statements as at October 31/23**

CAFII Treasurer Donald Hinnecke provided an overview of the Association's financial statements as at October 31/23, noting that the Association's finances were in a strong position, with additional revenues over the budget due to a new member joining, and with expenses being managed effectively.

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that the CAFII financial statements as at October 31/23 be and are approved.*

##### **Item 4(b): Forecast for CAFII 2023 Fiscal Year as at October 31/23**

CAFII Treasurer Donald Hinnecke provided an update on the forecast for CAFII's 2023 fiscal year, noting that revenue was ahead of expectations due to higher investment income and an additional member. Overall, while there are still outstanding expenses accruing, CAFII is well positioned for ending 2023 with a lower than budgeted deficit.

##### **Item 4(c): Proposed 2024 Operating Budget<sup>1</sup> (may be assigned to In Camera Session, following initial discussion, if desired by Board)**

CAFII Treasurer Donald Hinnecke and Co-Executive Director Keith Martin provided an overview of CAFII's Proposed 2024 Operating Budget, noting that CAFII will continue with the implementation of the Board-approved strategic plan. While CAFII's proposed 2024 budget has taken a conservative approach to spending, there is a one-time 40k new spend recommended in 2024 to rebuild CAFII's website's backend. The proposed budget does not plan for a major regulatory tour in 2024, but there is a provision for some visits to Quebec to meet with the AMF. The operating budget recommendation includes provisions for a research initiative in 2024, for investments to the CAFII website, and a \$30K provision for legal fees in the event that such an expenditure is necessary.

#### **Item 5: Strategic and Regulatory Matters**

##### **Item 5(a): CAFII Implications of Éric Jacob's Transition into AMF Head of Enforcement Role and Departure as Superintendent, Client Services and Distribution Oversight**

<sup>1</sup> Plan/expectation is that Proposed 2024 Operating Budget will be discussed in open portion of this Board meeting; further discussed in In Camera Session of this meeting, if desired by the Board; and then approved in January 2024 via either an Electronic Vote of the Board, Outside of a Board Meeting or a Special Purpose Board Meeting.

Co-Executive Director Keith Martin reported that, although it is unfortunate for CAFII that Éric Jacobs will no longer be AMF's Superintendent of Client Services and Distribution Oversight, it is important that CAFII maintain its strong working relationship with his replacement and, more generally, with the AMF. Furthermore, É. Jacob communicated to Peter Thompson and Keith Martin that, though his role will be different, he will remain accessible within the AMF.

**Item 5(b): Insights Gained from November 24/23 Quarterly Virtual Liaison Meeting Between CAFII Board Chair P. Thompson and AMF Superintendent É. Jacob**

CAFII Board Chair Peter Thompson reported that the virtual meeting between himself and the AMF's Superintendent Clients Services and Distribution Oversight Éric Jacobs went well. He reassured P. Thompson that, concerning credit card embedded insurance, the verbal agreement established between CAFII and É. Jacobs will be honoured, regardless of E. Jacob's new position within the AMF—that agreement, he stated, was not with Mr. Jacobs but rather with the AMF. Furthermore, P. Thompson expressed his confidence that if CAFII can provide the AMF with a report on the attrition of spousal policies, É. Jacobs will remain a vocal ally for CAFII on this topic. É. Jacobs communicated that Christian Beaulieu would play an important role after Mr. Jacob left his current role and that he was a solution-finder and collaborative.

**Item 5(c): Plans for December 14/23 Hybrid Get Acquainted and Dialogue Meeting with AMF's New CEO Yves Ouellet**

Co-Executive Director Keith Martin informed the Board that there will be a hybrid get acquainted and dialogue meeting on December 14/23 between the AMF's new CEO, Yves Ouellet, and CAFII. CAFII Chair Peter Thompson, Vice Chair Paul Cosgrove, and K. Martin will attend in person, with Mr. Martin making a presentation on CAFII's priorities and key messages.

**Item 5(d): Insights Gained from Recent CAFII Insurance Regulator and Policy-Maker Tour Visits:**

- i. Meeting with Nova Scotia Superintendent of Insurance and Staff Members, October 18/23**
- ii. Meeting with Newfoundland and Labrador Superintendent of Insurance and Staff Members, October 19/23**

Co-Executive Directors Keith Martin and Brendan Wycks reported how appreciative both the Nova Scotia and Newfoundland and Labrador Superintendents of Insurance and staff were of the meetings and information sharing with them during the Atlantic portion of the Regulatory and Policy-Maker Tour. Both superintendents were open to participating in a webinar with CAFII in 2024.

**Item 5(e): Update on November 29/23 Special-Purpose EOC and Quebec/AMF Issues Committee Meeting on the RSM Canada Study on Attrition of Spousal Insurance Policies in Quebec**

- i. Possible Release of RSM Canada Study on Attrition of Spousal Insurance Policies in Quebec to the AMF**

Co-Executive Director Keith Martin with RMS Canada was joined by RSM Canada partner Fabricio Naranjo and staff lead Jamie Wong to update the Board on the Study on Attrition of Spousal Insurance Policies in Quebec. The goal completion date for the final version of the study is the end of December 2023 or the first week of January 2024.

From Dec. 31, 2019, to Dec. 31, 2023, the report found an average attrition rate of 9.8% annually and projects that attrition rate or higher will continue moving forward to the end of Dec. 31, 2029, and beyond. At the end of 2024, the report projects that 41% or 367,332 of the number of policies in force at the beginning of 2020 will

have been eliminated. At the end of 2029, approximately 579,224 spousal policies are projected to be eliminated, representing 65% of the 2020 figures. CAFII will suggest to the AMF that these figures show that the natural attrition strategy is working and will continuously reduce the number of policies over time. In the discussion, it was suggested that the comment that “spousal policies are free” be removed from the report, and instead, the report simply says that removing the policy from a spouse will not result in a reduction of premium.

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that CAFII moving ahead with the RMS Canada Study, as well as RMS Canada participating in a presentation to the AMF, be and is approved.*

**Item 5(f): Next Steps in Completed CAFII 2023 Research Project with LIMRA on CPI’s Accessibility to and Utility for Canadian Consumer Segments**

This item was not discussed due to time constraints.

**Item 5(g): Introduction of CAFII’s New Media Consultant, Wendy Bairos**

Co-Executive Director Keith Martin introduced CAFII’s new Media Consultant, Wendy Bairos, who then provided a brief overview of her vision for CAFII’s media and communications strategy.

**Item 5(h): Plans for December 5/23, 5:30 to 7:30 p.m. CAFII Year-End/Holiday Season Reception, Immediately Following This Board Meeting**

CAFII Operations Manager Shanay Smith briefly reminded the Board of CAFII’s Holiday Reception Party occurring immediately following the Board Meeting.

**Item 6: Meeting Termination**

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that this meeting of the CAFII Board of Directors be terminated at 4:35 p.m.*

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 6(e) Governance – Draft Minutes of November/23 EOC Meeting**

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#### ***Purpose of this Agenda Item – Approval***

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To seek the EOC's approval of the draft minutes of the November/23 EOC meeting.

#### ***Background Information***

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CAFII Research Analyst Robyn Jennings will request approval from the EOC of the draft minutes of the November/23 EOC meeting.

#### ***Recommendation / Direction Sought – Approval***

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This is a request for approval.

#### ***Attachments Included with this Agenda Item***

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One (1) attachment.

**EXECUTIVE OPERATIONS COMMITTEE IN-PERSON AND VIRTUAL MEETING**  
**CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE**  
**Tuesday, November 14, 2023, 2:00-4:00pm**  
**At the offices of Chubb Insurance, 25<sup>th</sup> Floor, Commerce Court West, Toronto**  
**MINUTES**

<b>EOC Present:</b>	Rob Dobbins	Assurant and EOC Chair
<b>In-Person &amp; Virtually</b>	Karyn Kasperski	RBC Insurance and Vice Chair
	Donald Hinnecke	RBC Insurance and Treasurer
	Jennifer Russell	Assurant
	Martin Boyle	BMO Insurance
	Tejal Harri-Morar	BMO Insurance
	Afzal Baig	Chubb Life Insurance Company of Canada
	John Juba	Chubb Life Insurance Company of Canada
	David Self	CIBC Insurance
	Konstance Allain	CIBC Insurance
	Lauren Ross	CIBC Insurance
	Cassandra Litniansky	CUMIS/The Co-operators
	Michelle Costello	CUMIS/The Co-operators
	Isabelle Choquette	Desjardins Insurance
	Janet Pacini-Thibodeau	Manulife Financial
	Katia Umutoniwase	Manulife Financial
	Sharon Murrell-Foster	Manulife Financial
	Suzie Blanchard	Manulife Financial
	Jonathan Poulin	National Bank Insurance
	Charles MacLean	RBC Insurance
	Shannon Dowe	RBC Insurance
	John Burns	Securian Canada
	Brad Kuiper	ScotiaLife Financial
	Prithipal Rajasekaran	ScotiaLife Financial
	Sean Kradjian	ScotiaLife Financial
	Andrea Stuska	TD Insurance
	Fergal Murphy	TD Insurance
	Peter Thorn	TD Insurance
	Fay Coleman	TD Insurance
	Jason Beauchamp	The Canada Life Assurance Company
	Marco DeiCont	Valeyo
<b>Regrets:</b>	Farhad Eslah	Canadian Tire Financial Services
	Catherine Latulippe	Canadian Tire Financial Services
	Cynthia Golubic	Canadian Tire Financial Services
	Almas Satwat	CUMIS/The Co-operators
	Diane Quigley	CUMIS/The Co-operators
	Nathalie Baron	Desjardins Insurance
	Pierre-Olivier Cyr	Desjardins Insurance

Carmelina Manno	Manulife Financial
Ivan Murray	National Bank Insurance
Fernando Heleno	RBC Insurance
Iman Muntazir	RBC Insurance
Stacey Hughes-Brooks	RBC Insurance
Alfonzo Movilla	ScotiaLife Financial
Mais El-Magraby	ScotiaLife Financial
Asma Desai	Securian Canada
Deliska Beauregard	Securian Canada
Moir Gill	TD Insurance
Dallas Ewen	The Canada Life Assurance Company
Catherine Laspina	The Canada Life Assurance Company
Jacqlyn Marcus	Valeyo

**Also Present:** Brendan Wycks, *Co-Executive Director*  
Keith Martin, *Co-Executive Director*  
Robyn Jennings, *Research Analyst*  
Shanay Smith, *Operations Manager*  
Wendy Bairos, *Media Consultant*  
Troy Woodland, *Association Coordinator*

## **Item 1: Welcome, Call to Order, and Priority Matters**

### **Item 1 (a): Call to Order and Welcome to New EOC Members**

The meeting was chaired by EOC Chair Rob Dobbins, who called the meeting to order.

### **Item 2: Consent Items**

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

- Consultations/Submissions Timetable;
- November 2023 Regulatory Update ;
- Regulator and Policy-Maker Visit Plan Recap;
- Summary of Board and EOC Action Items;
- Board-Approved Schedule of CAFII 2023 Meetings and Events;
- Board-Approved Schedule of CAFII 2024 Meetings and Events.

## **Item 3: Financial Management Matters**

### **Item 3 (a): CAFII Financial Statements as at October 31/23**

CAFII Treasurer Donald Hinnecke provided an update on CAFII's financial statements as at October 31/23, noting that the Association was in a strong financial position and was tracking closely to budget without any significant variances so far this year. CAFII's investment income was higher than planned due to the purchase of a GIC at a higher rate than budgeted, and CAFII also had additional revenue due to one additional initiation member. Expenses are tracking as expected, with the expectation that the legal fees line will be lower than budgeted. On a year-to-date basis, CAFII is substantially ahead of plan.

The operations ratio is at 61%, which is above the range of 25-50%. The Association should end the 2023 year in a healthy capital position.

### **Item 3 (b): Forecast for CAFII 2023 Fiscal Year as at October 31/23**

CAFII Treasurer Donald Hinnecke projected that CAFII will remain in good financial shape over the remaining month and a half of 2023, thanks to modest incremental revenue (higher member dues and interest income) and prudent expense management. The Association is forecasted to end the fiscal year with a higher level of financial reserves as a percentage of annual operating expenses than budgeted for.

### **Item 3 (c): 2024 CAFII Operating Budget**

CAFII Treasurer Donald Hinnecke explained that CAFII's 2024 revenue is going to be lower than last year due to two members consolidating into one, resulting in the loss of revenue of one lower-tier member. CAFII is not expecting any membership fee increases for 2024 for members. There is a modest fee increase projected for Associates.

CAFII Co-Executive Director Keith Martin explained some of the major features of the proposed budget for 2024. Overall, the budget intends to continue with the major spending initiatives from recent years, including investing in the front-end website and a major research initiative. There is a one-time 40k fee for the rebuild of CAFII's backend website. Based on last year's spending, K. Martin has reduced CAFII's legal fees from 90k to 30k. On revenue, the loss of Valeyo as a member is potentially offset by the addition of Canadian Western Bank as an initiation member. Finally, no funds were allocated for regulatory tours in 2024, but provisions were made for the CAFII management team to attend the CLHIA Compliance and Consumer Complaints conference in Vancouver in May 2024 and for additional trips by K. Martin to Quebec to meet with the AMF.

### **Item 3 (d) Updated Critical Path for Development and Approval of CAFII 2024 Operating Budget**

CAFII Co-Executive Brendan Wycks explained that the Updated Critical Path will be circulated to all EOC members to provide feedback on the Proposed Budget, with a deadline of a week for comments. The objective is to have a draft budget prepared by November 28/23 to finalize and include for the final Board of Directors Meeting on December 5, 2023.

## **Item 4: Committee Updates**

### **Item 4 (a): Diversity, Equity, and Inclusion**

DEI Working Group Chair Tejal Harri-Morar provided a written update on the recent activities of the DEI Working Group.

### **Item 4 (b): Marketing Conduct & Licensing**

#### **i. Plans for In-Person/Hybrid Presentation of CAFII's 2023 Research Results-Focused PowerPoint Deck to FSRA Staff Executives on November 15/23**

CAFII Co-Executive Director Keith Martin reported that CAFII will be presenting its regulatory and policy-maker deck to FSRA on November 16/23, with many members of FSRA's senior team expected to be in attendance. This presentation will conclude CAFII's 2023 Regulatory and Policy-Maker Tours.



**ii. Outcomes of Committee Meeting Re CCIR Consultation on Type and Nature of Complaints to Be Disclosed Through Annual Statement on Market Conduct (ASMC) via Complaint Report Tool (Original Submission Deadline of November 3/23 Extended to November 17/23)**

CAFII Co-Executive Director Keith Martin reported that, after receiving excellent feedback and input from the Market Conduct & Licensing Committee, he has put together a letter to CCIR, which has been circulated, explaining our members' concerns with their proposed new initiatives around complaint reporting. The letter will express CAFII's members' sentiment that the new request from CCIR is not something that is achievable and would require significant changes and investments to IT and processes from our members.

**iii. Ontario Government Consultation on Changing Minimum Time Period for Consultations From 90 days to 60 days (Submission Deadline: December 4/23)**

CAFII Co-Executive Director Keith Martin explained that, since the Ontario government has proposed reducing the consultation period for new rules from 90 to 60 days, CAFII will express its concern over this time reduction and recommend that FSRA ensure that it has the necessary processes in place to provide as much pre-consultation dialogue as possible to industry so that industry can prepare for changes with a longer timeline. The submission deadline for this consultation is December 4/23.

**iv. Insights Gained from November 2/23 FSRA Life and Health Insurance Stakeholder Advisory Committee Meeting Re FSRA Consultation on "2024-25 Statement of Priorities and Budget" (Submission Deadline: November 13/23), and Update on CAFII's Submission**

CAFII Co-Executive Director Keith Martin reported that FSRA has received CAFII's submission regarding its "2024-25 Statement of Priorities and Budget." FSRA has not yet provided feedback or an official response to CAFII's input.

**v. CAFII Written Submission to FCNB on Ongoing Issues/Concerns Re Rule INS-001 and FCNB Portal Process for Obtaining Restricted Insurance Representatives (RIR) Licences**

CAFII Co-Executive Director Keith Martin reported that, during the Atlantic Regulatory Tour, CAFII expressed to the FCNB that its new RIR regime wasn't as harmonized with the regimes in place elsewhere as CAFII would have liked, and there were implementation challenges, especially around the portal to register with FCNB as a licensee. Co-Executive Director Brendan Wycks asked if CAFII could make a written submission to the regulator detailing how the consultation and implementation could have gone better, in particular with respect to the concerning clause mandating that consumers be told that they may wish to consult with a licensed individual before purchasing credit protection insurance. The FCNB Superintendent agreed to receiving such a letter, which will be drafted with input from the Market Conduct & Licensing Committee.

**vi. Plans for CAFII Hybrid Presentation of 2023 Research Results-Focused PowerPoint Deck to FCAC Staff Executives in Q1 2024**

CAFII Co-Executive Director Keith Martin reported that CAFII has not had an in-person meeting with the FCAC since 2020 and that the timing might be right to reach out to Judith Robertson about making a presentation in Ottawa in 2024. K. Martin highlighted the importance of reestablishing CAFII's relationship with the FCAC and reopening channels of communication and dialogue. K. Martin also mentioned the possibility of asking Judith Robertson to be the keynote speaker at CAFII's May 28/24 Annual Members and Associates Luncheon.

**vii. Insights Gained from November 1/23 FCAC In-Person Launch Event for Financial Literacy Month in Ottawa**

CAFII's Research Analyst Robyn Jennings provided a written summary of the insights gained from her attending in Ottawa of the FCAC's Launch of the Financial Literacy Month on November 1/23.

**Item 4 (c): Quebec/AMF Issues**

**i. CAFII-Commissioned RSM Canada Study on Attrition Rate of Spousal Insurance Policies in Quebec and Related Projections to 2030**

Quebec/AMF Issues Committee Chair Jennifer Russell and Co-Executive Director Keith Martin reported that the Committee is currently tracking the approaching due date for spousal coverage withdrawal and asked all members to submit their policy attrition data to the consulting firm, RSM Canada, which is preparing a study on the attrition of spousal policies.

The Committee is also tracking the draft regulation from the AMF with respect to changes to the guidelines on complaints procedures. Jason Beauchamp commented that, after a meeting with the AMF, he learned that the Regulator does not intend to release the guideline until January 2024.

**ii. Plans for Hybrid Get Acquainted and Dialogue Meeting with AMF's New CEO Yves Ouellet**

Co-Executive Director Keith Martin reported that AMF's new CEO, Yves Ouellet, has agreed to meet with CAFII in December; it will be a small in-person meeting at the AMF's offices in Montreal, Quebec but will have a option for all board members to join virtually.

**Item 4 (d): Media Advocacy**

**i. Welcome to and Dialogue with Wendy Bairos, New CAFII Media Consultant**

Co-Executive Director Keith Martin introduced CAFII's new Media Consultant, Wendy Bairos. W. Bairos spoke briefly about her communications vision for CAFII.

**Item 4 (e): Research & Education**

**i. Update on EOC-Approved CAFII 2023 Research Project with LIMRA on CPI's Accessibility to and Utility for Canadian Consumer Segments**

The Chair of the Research & Education Committee Andrea Stuska reported that LIMRA has collected all the responses from the survey and is now in the process of developing the report.

**Item 4 (f): Networking & Events**

**i. Insights Gained from October 26/23 CAFII Webinar on "Words Matter" with Elissa Gurman, MacPhie Consulting**

Co-Executive Director Keith Martin informed the EOC of the insights gained from CAFII's "Words Matter" webinar with Elissa Gurman that took place on October 26/23. This was a very successful webinar with a high attendance, including regulators and policy-makers. CAFII's research analyst Robyn Jennings has produced a written summary of the webinar that will be available on CAFII's website.

**Item 4 (g) Travel Insurance Experts**

There were no updates for this agenda item.

**Item 6: Governance Matters**

**Item 6 (a): Board Appointment of New CAFII Director from Manulife**

CAFII's Operations Manager Shanay Smith reported that, by electronic BOD vote, Andrew Kugler (Vice President, Head of Distribution and Affinity Markets Canada, Manulife) has been appointed CAFII's new Director from Manulife as of November 9th. Out of 14 Board votes, 12 were received in favour of A. Kugler's appointment.

**Item 6 (b): Implementation of New CAFII Management Structure, Including Development of Comprehensive "Policies and Procedures Manual"; and Development of Document Re CAFII Succession Plan**

Keith Martin provided an update on CAFII's new management structure, including the hiring of two new employees: Shanay Smith (Operations Manager) and Robyn Jennings (Research Analyst). As part of the new management structure, CAFII has been developing a Policies & Procedures (P&P) manual to document all of CAFII's critical procedures, policies, and outputs. As Brendan Wycks' retirement approaches, K. Martin will focus on establishing a succession plan for CAFII for 2024, which will be brought forward at a subsequent EOC meeting.

**Item 6 (c): Draft Minutes of October 10/23 Board Meeting**

The EOC endorsed the minutes of the October 10/23 CAFII Board Meeting, for presentation to the Board for approval at its next meeting.

**Item 6 (d): Draft Minutes of October 24/23 EOC Meeting**

The EOC approved the minutes of the October 24/23 CAFII EOC Meeting.

## **Briefing Note**

### **CAFII EOC Meeting 23 January 2024—Agenda Item 7(a-e)**

#### **Read Only Items**

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#### **Purpose of this Agenda Item – Information Only**

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

#### **Background Information**

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

- a. Efforts to Attract More Associates to CAFII in 2024;
- b. Critical Path with KPMG for CAFII 2023 Fiscal Year Audited Financial Statements;
- c. Upcoming Rendez-Vous Meeting Organized by the AMF in Montreal (February 12/24);
- d. FSRA Exchange Event in Toronto (March 4/24);
- e. Response from the Ontario Minister of Finance to CAFII's Submission on the Ontario Government Consultation on Changing the Minimum Time Period of Consultations from 90 days to 60 days.

#### **Recommendation / Direction Sought – Information Only**

No action required.

#### **Attachments Included with this Agenda Item**

Five (5) attachments.

## **Exclusive Invitation To Become A "CAFII Associate" In 2024 and Benefit From a Significant Suite of Industry Intelligence and Insights Materials, as Well as Networking and Business Development Opportunities for a Modest \$5,000 Annual Fee**

Keith Martin <Keith.Martin@cafii.com>

Fri 2023-12-22 1:28 PM

To:Koker Christensen <kchristensen@fasken.com>;sbourdeau@fasken.com <sbourdeau@fasken.com>

Cc:Shanay Smith <Shanay.Smith@cafii.com>;Robyn Jennings <Robyn.Jennings@cafii.com>

 5 attachments (3 MB)

1.46 Weekly Digest ( December 1 -7).pdf; 1.47 Weekly Digest ( December 8 -15).pdf; 1.48 Weekly Digest ( December 15 - 22).pdf; November 2023 Regulatory FINAL.pdf; October 2023 Regulatory FINAL.pdf;

Hello, Kathleen and Sylvie,

As a key supplier of professional services to the Canadian insurance industry, including many of CAFII's 15 members which include the big 6 Canadian banks, credit unions including Desjardins, and leading Canadian insurance companies -- which collectively comprise the vast majority of the credit protection insurance/bancassurance sector in Canada -- you may be aware that our Association has a Member-like category of affiliate/supporter called "CAFII Associate."

Given your firm's status as an important supplier to and supporter of the credit protection insurance/travel insurance/bancassurance sector in Canada and your existing relationship with CAFII, the purpose of this outreach email is to invite Fasken to join CAFII as a new Associate in 2024.

For modest annual dues of \$5000, CAFII Associates gain access to a range of benefits which focus on (i) industry intelligence and actionable insights; and (ii) networking and business development opportunities through exposure to and engagement with senior representatives from CAFII Members.

CAFII Associates receive the following direct access benefits:

### **CAFII Alerts Weekly Digest**

#### **Insider information and industry intelligence delivered once a week**

The CAFII Alerts Weekly Digest is an insider information industry intelligence benefit which was introduced for both Members and Associates in 2020. The Weekly Digest is a compilation of domestic and international news items relevant to the Canadian credit protection insurance/travel insurance/bancassurance sector. Each issue of the Digest features synopses up to 10 of the week's most relevant articles, categories into "Government/Legal/Regulatory Developments" and "Other CAFII Member-Relevant News," along with a section on "Upcoming CAFII-Relevant Webinars & Events; and Related Education Content."

The Weekly Digest includes a summary of the articles themselves; links to the full articles at the source publications; and a helpful Table of Contents with embedded links to the synopsis articles in that week's issue. Each week, the Digest is distributed directly to the designated contacts at each Associate company, and those designates are invited to share the Digest with colleagues within their organization.

I am pleased to attach three recent issues of the CAFII Alerts Weekly Digest, as samples of this information/intelligence/insights compilation which you can expect to receive each week as a CAFII Associate.

### **CAFII Monthly Regulatory Updates**

**The Regulatory Update is a deeper dive and more precisely focused intelligence piece, filled with insights about industry and regulatory developments**

Produced monthly by the Association's new Research Analyst in conjunction with the Executive Director (except in July, August, and December) -- primarily for the CAFII Board of Directors and the Association's Executive Operations Committee, but with expanded distribution to CAFII Associates since early 2020 -- the Regulatory Update features information and insights about Canadian and international insurance policy-maker and regulator developments which are relevant to the credit protection insurance/travel insurance/bancassurance sector. We are pleased to attach two editions of the Regulatory Update that were produced in 2023, as samples of this insurance policy and regulation-focused intelligence and insights compendium which you can expect to receive nine months of the year as a CAFII Associate.

The Regulatory Update will also provide you to our insights in our ongoing meetings with regulators and policy-makers. In 2023 we met with 13 different groups of regulators and policy-makers in every province in Canada, and summaries of these meetings, and links to the full reports on these meetings, are available to you in the Regulatory Update.

**Annual Members and Associates Luncheon: Superb Profile-Raising, Networking and Business Development Opportunity**

**Annual in-person luncheon event with a leading industry guest speaker or panel of presenters**

The CAFII Annual Members and Associates Luncheon is a major networking/relationship-building, business development, and education opportunity for CAFII Associates. Up to five of your company's representatives can attend the Annual Members and Associates Luncheon, at no charge (additional attendees beyond five may attend at a fee of CAFII's marginal-cost-only). The Annual Members and Associates Luncheon is an in-person event, held at a premiere downtown Toronto location, which features a prominent guest speaker or panel of presenters on a thought leadership topic of high relevance to the credit protection insurance/travel insurance/bancassurance sector in Canada.

In 2024 the event will again be held at St. James' Cathedral in downtown Toronto, on 28 May. In 2023 we featured a panel with Partner Stuart Carruthers of Stikeman Elliott, and Jill McCutcheon of Torys (both of those firms are CAFII Associates), moderated by CAFII Co-Executive Director Keith Martin. In 2022 the event featured a "fireside chat" with FSRA CEO Mark White and CAFII Co-Executive Director Keith Martin.

**CAFII Reception Events: Three Tailor-Made Profile-Raising, Networking and Business Development Opportunities Each Year**

**Opportunity to network with executives from CAFII Member companies, as well as insurance regulators, policy-makers, and allied industry Association representatives**

CAFII's Receptions are in-person events typically held in April, June, and late November/early December each year, which are typically hosted by a Member company at its downtown Toronto corporate premises and usually feature a guest speaker who provides a short educational presentation of relevance to the CAFII Member and Associate audience. These recurring 2.5 hour, host bar Receptions (typically 5:00 to 7:30 p.m.) provide excellent networking and business development opportunities for CAFII Member and Associate representatives and other industry guests, which are enjoyed and eagerly anticipated by everyone in the CAFII community. The audience includes CAFII member executives, regulators and policy-makers, and representatives from other Associations like CLHIA and THIA.

In 2023 our guest speakers were Kartik Sakthivel, Global Chief Information Officer, LIMRA and LOMA, at a Reception on 4 April, 2023, and Anthony Ostler, CEO of the Canadian Bankers' Association, on 6 June. At our 5 December reception we substituted a guest speaker for speeches and presentations to honour soon-to-retire Co-Executive Director Brendan Wycks.

**CAFII Webinars**

**Intelligence and insights via exclusive webinars with insurance regulator, policy-maker, and industry leader presenters**

CAFII annually holds 6-7 highly-rated webinars on a variety of relevant topics. While we selectively invite people from the insurance community to attend, there is no limit on the number of attendees from Associate companies at CAFII webinars. In 2023 we held webinars on mental-health issues in the workplace, on inclusive language, on the Quebec Charter of the French language, on trends in the travel insurance industry, as well as regulatory webinars with the head of the FSRA Consumer Office Stuart Wilkinson, and with the CEO of the BCFA Bill Morrison. You can see the list of recent webinars here: <https://www.cafii.com/category/events/>

***With that as background, we cordially invite and encourage Fasken to join our Association and start to experience the benefits of CAFII Associate status in 2024.***

***We strongly believe that your company will find that the value of the benefits delivered far surpasses the \$5,000 price tag associated with this affiliate status (paid once per annum, in February each calendar year).***

***In that connection, I would like to offer to have a short virtual meeting with you and any colleagues you would like to bring (20 to 30 minutes over Zoom or MSTeams at any mutually convenient date/time between now and the end of January 2024) to discuss this invitation and answer any questions you may have about CAFII Associate status. Please let me know if that would be of interest to you.***

<b>CAFII Members</b>	<b>CAFII Associates</b>
BMO Insurance	RSM Canada
CIBC Insurance	Willis Towers Watson
National Bank Insurance	KPMG
RBC Insurance	Optima Communications
Scotia Insurance	RGA Life Reinsurance Company of Canada
TD Insurance	Torys
Desjardins	Stikeman Elliott
Canadian Tire Bank	Norton Rose Fulbright
Valeyo	Royal & Sun Alliance Insurance Company
Assurant	
Canada Life	
Chubb	
CUMIS	
Manulife	
Securian Canada	

#### **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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[www.cafii.com](http://www.cafii.com)

[Visit the CAFII LinkedIn Page](#)



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**Exclusive Invitations Sent in December 2023 to Become a “CAFII Associate” in 2024**

<b><u>Company</u></b>	<b><u>Contacts</u></b>
Fasken	Koker Christensen <kchristensen@fasken.com>
	Sylvie Bourdeau <sbourdeau@fasken.com>
Allianz	Helen Cosburn <Helen.Cosburn@allianz-assistance.ca>
	Richard Ollier <Richard.Ollier@allianz-assistance.ca>
Deloitte	Melissa Carruthers <mecarruthers@deloitte.ca>
	James Colaco <jacolaco@deloitte.ca>
	Marc Lewis <marclewis@deloitte.ca>
Dentons	Tashcina Ashmeade <taschina.ashmeade@dentons.com>
Munich Re	Bernard Naumann <BNaumann@munichre.ca>
	Puneet Bakshi <PBakshi@munichre.ca>
PwC	Allan Buitendag <allan.c.buitendag@pwc.com>
	Alodie Brew <alodie.brew@pwc.com>
	Matthew Lawrence <matthew.h.lawrence@pwc.com>
	Keegan Iles <keegan.a.iles@pwc.com>
Swiss Re	Monica Ningen <monica_ningen@swissre.com>
	Mary Moffett <mary_moffett@swissre.com>
Axa Assistance	Isabelle Jaegly <isabelle.jaegly@axa-assistance.ca>
Cassels	Gordon Goodman <ggoodman@cassels.com>
CSI Brokers	Michael Camacho <mcamacho@csibrokers.com>
DGA Careers	Gerald <gerald@dgacareers.com>
McCarthy	Nancy Carroll <ncarroll@mccarthy.ca>

**Critical Path With KPMG For CAFII 2022 Audited Financial Statements**

Task	Responsible	Timing/Deadline
Prepare Draft CAFII 2023 Financial Statements	R. Nason, Managing Matters	February 5/24
Distribute Critical Path to KPMG and inquire about the audit process and who they are assigning as a Lead	S. Smith, H. Lopez (KPMG)	February 6/24
Conduct audit of Draft CAFII 2023 Financial Statements	KPMG	February and early March 2024
Provide Draft 1 of CAFII 2023 Audited Financial Statements for circulation prior to March 26/24 CAFII EOC Meeting	KPMG (reviewed and facilitated by S. Smith, D. Hinnecke, K. Martin, R. Nason)	March 18/24
Provide feedback on Draft 1 of CAFII 2023 Audited Financial Statements	EOC	March 26/24
Provide Draft 2 of CAFII 2023 Audited Financial Statements for circulation prior to April 9/24 CAFII Board Meeting	KPMG (reviewed and facilitated by S. Smith, D. Hinnecke, K. Martin, R. Nason)	April 2/24
Approve Draft 2 of CAFII 2023 Audited Financial Statements for presentation to membership at 2024 Annual Meeting of Members	CAFII Board	April 10/24
Provide Final Draft of CAFII 2023 Audited Financial Statements for inclusion in CAFII 2024 Annual Meeting of Members Materials Package	KPMG (facilitated by R. Nason, T. Woodland)	April 23/24
Circulate CAFII 2024 Annual Meeting of Members Materials Package	T. Woodland	April 24/24
Approve CAFII 2023 Audited Financial Statements At 2024 Annual Meeting of Members	Membership	June 4/24

## CAFII: Notice of AMF Rendez-Vous in Montreal on 12 February, 2024: FW: Participez au Rendez-vous avec l'Autorité!

Keith Martin <Keith.Martin@cafii.com>

Wed 2023-12-13 4:16 PM

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Hello member of the CAFII Quebec/AMF Issues Committee (copy to additional CAFII volunteers and CAFII staff):

Please find attached the invitation to the AMF Rendez-Vous on 12 February, 2024, which will include speeches by AMF President and CEO Yves Ouellet, and Quebec Minister of Finance Eric Girard.

I will be attending. The event is entirely in French with, to the best of my knowledge, no provisions for translation.

### 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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*Making Insurance Simple and Accessible for Canadians*

*Rendre l'assurance simple et accessible pour les Canadiens*

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**From:** AMF | Autorité des marchés financiers <evenements@lautorite.qc.ca>

**Sent:** Wednesday, December 13, 2023 2:30 PM

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

**Subject:** Participez au Rendez-vous avec l'Autorité!

# RENDEZ-VOUS avec l'Autorité



12  
février  
2024

## Assistez au Rendez-vous avec l'Autorité

Le 12 février prochain, ne ratez pas l'occasion d'assister à l'événement annuel incontournable destiné aux professionnels de l'industrie des produits et services financiers du Québec.

[Je veux  
m'inscrire](#)

Une programmation diversifiée portant sur les sujets de l'heure vous attend.

**Au plaisir d'échanger avec vous!**

### Conférenciers et panélistes



**Yves Ouellet**  
Président-directeur général  
Autorité des marchés financiers



**Eric Girard**  
Ministre des Finances  
Gouvernement du Québec

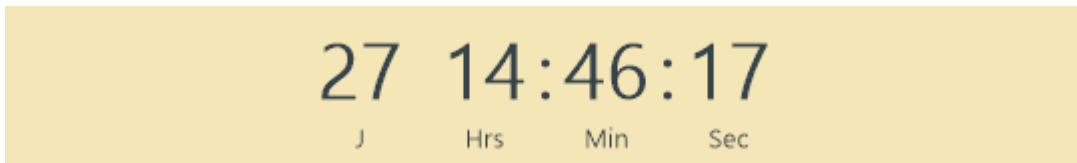
- **Janie C. Béïque**, présidente et cheffe de la direction, Fonds de solidarité FTQ

- **Charles Brindamour**, président et chef de la direction, Intact Corporation financière
- **Geneviève Fortier**, chef de la direction, Promutuel Assurance
- **Andrew Kriegler**, président et chef de la direction, Organisme canadien de réglementation des investissements

## Programmation

- 11 h 30** Accueil
- 12 h 00** Allocution d'ouverture d'Yves Ouellet, président-directeur général de l'AMF
- 13 h 00** Échange entre Eric Girard, ministre des Finances du Québec, et Yves Ouellet
- 14 h 00** Panel « Transformations profondes dans l'industrie : l'intelligence artificielle dans le secteur financier, les changements climatiques et la littératie financière »
- 15 h 00** L'actualité de l'AMF en bref
- 15 h 30** Fin de l'événement

## L'événement a lieu dans



**Les places sont limitées! Inscrivez-vous rapidement.**

[Je veux m'inscrire](#)

### AUTORITÉ DES MARCHÉS FINANCIERS

Place de la Cité, tour Cominar  
2640, boulevard Laurier, bureau 400  
Québec (Qc) G1V 5C1



Ce courriel a été envoyé à l'adresse [keith.martin@cafi.com](mailto:keith.martin@cafi.com), en raison de votre intérêt à recevoir nos communications. Vous pouvez [modifier vos coordonnées](#), [votre sélection d'infolettres](#) ou vous [désabonner](#) pour ne plus recevoir nos communications.



[Home](#) › 2024 FSRA Exchange



## 2024 FSRA Exchange

**Annual FSRA Exchange Event**

**Cross Sector**

**March 4, 2024**



All Day

### Regulating in a Rapidly Changing Environment

Join us for the third annual FSRA Exchange event as our lineup of top industry and regulatory leaders discuss current issues and innovations. It's also a great opportunity to network with your peers and the FSRA team.

We are honoured to have some special speakers for this event, such as: The Honourable Peter Bethlenfalvy, Minister of Finance; Joanne De Laurentiis, FSRA's Board Chair; and Mark White, FSRA's CEO.

The morning sessions feature a candid fireside chat with FSRA's CEO, Mark White. Then a deep dive with experts on the transformational impact of climate change in financial services and regulation. This will be followed by an expert AI Panel who will review AI financial services case studies and explore the regulatory challenges with this evolving technology.

**Tailored Afternoon Sessions:** Customize your afternoon by choosing a session from the diverse sectors regulated by FSRA. Whether it's auto insurance, credit union, life insurance, non-auto insurance, pensions, mortgage brokering, Financial Planners and Financial Advisor title protection - immerse yourself in discussions relevant to your sector.

Don't miss your chance to be part of our annual thought leadership experience that will help inform the future of financial services regulation in Ontario.

FSRA Exchange provides you with unparalleled networking opportunities. Come connect, collaborate.

**March 4, 2024**

**Start time:**

- 8:00 a.m.** In-person continental breakfast
- 8:30 a.m.** Join the meeting virtually

In-Person	Virtual
<b>Cost:</b> \$325	<b>Cost:</b> \$160
<b>Location:</b> Sheraton Centre Toronto Hotel 123 Queen St W, Toronto, ON M5H 2M9	<b>Location:</b> If you register to attend virtually, we will send you a link closer to the date
<a href="#">Register today! (in person)</a>	<a href="#">Register today! (virtual)</a>

**Registration deadline: February 19, 2024**

**Note:** if you are a consumer and would like to attend, there is no charge. A definition of a consumer is anyone who is not employed by the financial services industry or providing services to any financial service company or organization. If you are a consumer, please email [fsraexchange@fsrao.ca](mailto:fsraexchange@fsrao.ca).

**Cancellations and refunds**

Cancellations must be received no later than February 19, 2024, and in writing to [fsraexchange@fsrao.ca](mailto:fsraexchange@fsrao.ca) to receive a full refund. Cancellations received after February 19, 2024, will be charged the entire conference fee and are not eligible for a refund. At any time, you are welcome to send an alternate to the event in your place. Any attendee name changes should be communicated by February 19, 2024.

2024 FSRA Exchange is being delivered on a cost recovery basis.

All registrations must be received by 5:00 p.m. EST on February 19, 2024.

**Sheraton Centre Downtown Toronto / Virtual**

Time	
8:00 a.m.	In-person – continental breakfast outside room in lobby
8:45 a.m.	General session begins



**Time**

8:45 a.m. – 8:55 a.m.

**WELCOME BY HOST, JUDY PFEIFER, CHIEF PUBLIC AFFAIRS OFFICER**

8:55 a.m. – 9:05 a.m.

**GREETINGS FROM FSRA'S BOARD CHAIR, JOANNE DE LAURENTIIS****INTRODUCTION TO THE MINISTER**

9:05 a.m. – 9:15 a.m.

**GREETINGS FROM THE HONOURABLE PETER BETHLENFALVY, MINISTER OF FINANCE**

9:15 a.m. – 9:20 a.m.

Introduction to Mark White

9:20 a.m. – 10:15 a.m.

**MARK WHITE, CEO, FSRA****FIRESIDE CHAT WITH MARK WHITE, FSRA CEO**

10:15 a.m. – 10:30 a.m.

Break (15 min) Refreshments in lobby/ Virtual break

10:30 a.m. – 10:35 a.m.

Introduction to next session

10:35 a.m. – 11:10 a.m.

**EXPERT PANELISTS EXPLORE HOW CLIMATE CHANGE IS IMPACTING FINANCIAL SERVICES, CONSUMERS AND THE ROLE OF THE REGULATOR**

Climate change poses significant risks to the financial system and the economy. Our panel of experts will explore how climate risk is impacting financial services and consumers, what we need to do to mitigate the risks and the role of the regulator in this quickly evolving environment.

11:10 a.m. – 11:20 a.m.

Break (10 min)

11:20 a.m. – 11:25 a.m.

Introduction to next session

**Time**

11:25 a.m. – 11:55 a.m.

**THE RISE OF AI, ITS APPLICATION FOR FINANCIAL SERVICES AND THE IMPLICATIONS FOR REGULATORS**

Artificial Intelligence (AI) is emerging as one of the most significant technological developments since the internet; its broad use and ability to transform processes will have profound implications across every aspect of the economy, including financial services and the sectors FSRA regulates. This panel of leading experts will consider the application of AI in financial services and the risks of cyber liability implications, the impact of those uses and how AI will also transform regulatory decision-making.

11:55 a.m. – 12:05 p.m.

**CLOSING REMARKS MARK WHITE, CEO, FSRA**

12:05 p.m. – 1:00 p.m.

**LUNCH IN LOBBY OR VIRTUAL BREAK**

1:00 p.m. – 1:05 p.m.

Attendees make their way to the various Breakout Rooms for the afternoon sessions/ Virtual log-in open

1:05 p.m. – 1:15 p.m.

Introduction in each breakout

1:15 p.m. – 2:30 p.m.

**BREAKOUT SESSIONS – CHOOSE WHICH SESSION YOU WOULD LIKE TO ATTEND.**

Want to see more than one? FSRA will share the recordings with you after the event.

1:05 p.m. – 2:30 p.m.

Session #1

**MORTGAGE BROKERING: WHAT DOES DRIVING A POSITIVE CONDUCT CULTURE LOOK LIKE? – SCALING THE APPROACH FOR BROKERAGES OF VARYING SIZES**

Supporting a strong conduct culture within the mortgage broker industry is not only helpful for ensuring good outcomes for consumers and confidence in the sector, but it can also benefit a brokerage's bottom line. Given the present economic environment (rising interest rates, volatile housing market) strong conduct leadership from the top (Principal Brokers) will be even more important to ensure that mortgage brokers continue to be a trusted resource for consumers, who will now, more than ever, need their expertise and advice.

**Time**

## Session #2

**LIFE & HEALTH: KEEPING THE FOCUS ON CONSUMERS: WHAT DOES STRONG CONDUCT CULTURE & EFFECTIVE OVERSIGHT IN L&H INSURANCE LOOK LIKE?**

Our panel of industry and FSRA representatives will discuss the key themes informing FSRA's supervisory approach in Life & Health insurance. Panel members will share how they are addressing and operationalizing around these themes in support of fair outcomes for consumers.

## Session #3

**P&C INSURANCE (NON-AUTO): ENSURING THE FAIR TREATMENT OF (NON-AUTO) P&C CONSUMERS FROM HOME INSURANCE CLAIMS HANDLING AND IMPROVING OUR POLICY AND SUPERVISORY APPROACH FOR INSURER OUTSOURCING.**

Learn how FSRA is focusing on customer needs by engaging with stakeholders to address key consumer issues in P&C Insurance, including our work on home insurance claims handling and improving our policy and supervisory approach for insurer outsourcing. Hear directly from industry leaders about how this ongoing dialogue with insurers and MGAs is promoting strong market health and consumer confidence in the P&C Insurance industry.

## Session #4

**FINANCIAL PLANNER (FP)/FINANCIAL ADVISOR (FA): APPROVAL OF CREDENTIALING BODIES AND THEIR ROLE IN CONSUMER PROTECTION UNDER THE FINANCIAL PROFESSIONALS TITLE PROTECTION FRAMEWORK**

Explore how this new title protection is unfolding and how it benefits consumers. Learn more about the credentialing bodies, supervision requirements and the changes that have been made and how they can benefit the financial services industry.

## Session #5

**CREDIT UNION: LONG TERM VISION AND TRANSFORMATION OF THE CREDIT UNION SYSTEM**

Given the changing landscape in the financial services sector, this session will discuss strategies to foster the vision and long-term sustainability of the Ontario Credit Union sector and the important role Credit Union Senior Management and Boards will play in this transformation.

**Time**

Session #6

**PENSIONS: RISK MANAGEMENT & PRINCIPLES-BASED REGULATION (PBR)**

Learn about risk management and what it means to FSRA and to Ontario’s Pensions sector. Hear success stories of PBR in practice, including insights from FSRA’s pension plan examinations and supervisory approach for defined benefit single employer pension plans (DB SEPPs), benchmarking of multi-employer pension plans (MEPPs), and engagement with large public sector pension plans (LPSPs).

Session #7

**AUTO: AUTO RATE & UNDERWRITING REGULATION REFORM: IMPROVING CONSUMER OUTCOMES THROUGH RISK-BASED SUPERVISION**

Showcasing FSRA’s new risk-based supervisory framework in auto insurance rating and underwriting and how FSRA will use its Operational Risk Management Framework to supervise the auto insurance sector more effectively, ultimately helping FSRA to better protect consumers.

2:30 p.m. – 3:30 p.m.

**Reception**

**Add to Calendar**

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7 Queen's Park Crescent  
Toronto ON M7A 1Y7  
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Tél.: 416-325-0400

Minister of Finance | Ministre des Finances  
**PETER BETHLENFALVY**

880-2023-2106

Rob Dobbins  
Board Secretary and Chair, Executive Operations Committee  
The Canadian Association of Financial Institutions in Insurance  
[rob.dobbins@assurant.com](mailto:rob.dobbins@assurant.com)

Dear Mr. Dobbins:

Thank you for your submission regarding amendments to the *Securities Act*, *Commodity Futures Act*, and the *Financial Services Regulatory Authority of Ontario Act, 2016*, on the minimum consultation period for proposed rules made by the Ontario Securities Commission (OSC) and the Financial Services Regulatory Authority of Ontario (FSRA). I appreciate you taking the time to write.

The *Less Red Tape, More Common Sense Act, 2023* (Bill 139) amendments to the aforementioned Legislative Acts only refer to minimum consultation periods for the OSC and FSRA. The agencies continue to be able to establish longer consultation periods when they consider it necessary given the complexity of the initiative.

I encourage you to continue to provide your advice and valuable feedback to both the OSC and FSRA through their respective consultation processes.

Thank you again for writing.

Sincerely,

Peter Bethlenfalvy  
Minister of Finance