

## CAFII Executive Operations Committee Meeting Agenda

**Date:** Tuesday, July 18, 2023  
**Chair:** R. Dobbins  
**Location:** [Virtual MSTEams Meeting](#)

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

1. Call to Order, Welcome, and Priority Matters	2:00 p.m.	Presenter	Action	Document
a. Call to Order		R. Dobbins		

2. Consent Items	2:02 p.m.	Presenter	Action	Document
a. CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour: Meeting Summaries and Insights Highlights				✓
b. Consultations/Submissions Timetable				✓
c. June/July 2023 Regulatory Update				✓
d. Regulator and Policy-Maker Visit Plan Recap				✓
e. Summary of Board and EOC Action Items				✓
f. Board-Approved Schedule of CAFII 2023 Meetings and Events				✓

3. Financial Management Matters	2:03 p.m.	Presenter	Action	Document
a. CAFII Financial Statements as at June 30/23		D. Hinnecke	Update	✓
b. Forecast for CAFII 2023 Fiscal Year as at June 30/23		D. Hinnecke	Update	✓

4. Committee Updates	2:11 p.m.	Presenter	Action	Document
a. Diversity, Equity and Inclusion	2:11 p.m.			
i. Outcomes of July 10/23 Meeting of CAFII Diversity, Equity and Inclusion Working Group		T. Harri-Morar/ K. Martin	Update	
b. Market Conduct & Licensing	2:15 p.m.			
i. Insurer Proprietary/Competitive Issue Identified Re Complying with Section 45(1) of FCNB's Rule INS-001 Re RIR Licensee Disclosure of Compensation/Inducement/Benefit Received from Insurer That Exceeds 30% of Premium To Be Paid By Consumer; and Proposed Next Steps		K. Martin/B. Wycks	Update/ Discussion	
c. Media Advocacy	2:22 p.m.			
i. Outcomes of June 26/23 Media Advocacy Committee Meeting	2:22 p.m.	K. Martin	Update	
d. Quebec/AMF Issues	2:27 p.m.			
i. Insights Gained from Recent CAFII Discussions with CLHIA Re Quebec's "Bill C-30: An Act to amend various provisions mainly with respect to the financial sector" Clause 106 Which Bans Single Premiums For Multi-Year Insurance Contracts	2:27 p.m.	K. Martin	Update/ Discussion	✓
ii. Agenda Highlights for July 19/23 CAFII Quebec/AMF Issues Committee Meeting	2:33 p.m.	J. Russell/K. Martin	Update	✓
e. Research & Education	2:36 p.m.			✓ (Written Update)
i. Outcomes of Recent Research & Education Committee Meetings, Including Identification of Proposed CAFII 2023 Research Project	2:36 p.m.	A Stuska/K. Martin	Update	
ii. Outcomes of Recent CAFII Virtual Meetings with Brent Lemanski, AVP and Executive Director, LIMRA/LOMA Canada and Colleagues Re Possible CAFII-Commissioned Research	2:40 p.m.	K. Martin/B. Wycks	Update	✓
iii. Arranging Opportunities to Present CAFII's Current Research Results-Focused Powerpoint Deck to FSRA and AMF Regulator Audiences	2:45 p.m.	K. Martin	Update	
f. Networking & Events	2:48 p.m.			✓ (Written Update)
i. Plans for September 27/23 CAFII Webinar with Stuart Wilkinson, Director, Consumer Office, FSRA	2:48 p.m.	K. Martin		
ii. Plans for October 2023 CAFII Webinar on "Words Matter" Featuring Expert Perspectives/Advice on Inclusive Language	2:51 p.m.	K. Martin		
g. Travel Insurance Experts	2:54 p.m.			✓ (Written Update)
i. Insights Gained from Recent CAFII/CLHIA/THIA Meetings On Regulatory Issues	2:54 p.m.	B. Wycks	Update	

5. Recent and Upcoming Strategic and Regulatory Initiatives	2:57 p.m.	Presenter	Action	Document
a. Insights Gained from July 4/23 Quarterly Virtual Meeting Between CAFII Board Chair Peter Thompson and AMF Superintendent, Client Services and Distribution Oversight Eric Jacob	2:57 p.m.	K. Martin	Update/ Discussion	✓
b. Insights Gained from Recent CAFII Correspondence Exchange with Louise Gauthier, AMF on Its Definition of Complaints and Related Complaints Handling Regime	3:02 p.m.	K. Martin	Update	✓
c. Adjusted Schedule and Outreach for Meeting Confirmations for CAFII Atlantic Canada Insurance Regulators and Policy-Makers Visits Tour in Late September and Early October 2023	3:06 p.m.	B. Wycks	Update	✓

6. Governance Matters	3:09 p.m.	Presenter	Action	Document
a. Confirmation or Cancellation of Tentative August 15/23 EOC Virtual-Only Meeting	3:09 p.m.	K. Martin/B. Wycks	Update/ Discussion	
b. Implementation of Board-Approved 'New CAFII Management Structure' (Post-2023)	3:13 p.m.	K. Martin	Update	✓
c. Draft Minutes of June 6/23 Board Meeting	3:18 p.m.	B. Wycks	Endorsement	✓
d. Draft Minutes of June 27/23 EOC Meeting	3:19 p.m.	B. Wycks	Approval	✓

7. Read Only Items		Presenter	Action	Document
a. Results of CAFII Media Release on Appointment of Wally Thompson as CAFII Board Vice-Chair				✓
b. Moira Gill, TD Insurance, One Of 13 Awardees In Insurance Business Canada's Elite Women 2023				✓
c. July 10/23 BCFSAs Advisory 23-029 on "Release of Insurer Code of Market Conduct"; and Related "Introducing BCFSAs's Insurer Code" Virtual Information Session on July 20/23				✓ (3)
d. LIMRA/LOMA Canada "Canadian Insurance Immersion Program": September 12-14/23				✓

8. In Camera Session	3:20 p.m.	Presenter	Action	Document

9. Tracking Issues and Bring Forward Items		Presenter	Action	Document
a. Summary of Insights/Intelligence Gathered From 2023 CLHIA Compliance and Consumer Complaints Virtual Conference, May 3-5/23				
b. Insights Gained from May 9/23 CAFII Annual Members and Associates Luncheon				
c. Insights Gained from April 27/23 CAFII Webinar on International Regulatory Developments with Nicholas Herbert-Young, UK Financial Conduct Authority (FCA) and IAIS				
d. AMF Consultation on Declaration of Operational Incidents				
e. FCAC: Phase 2 of Domestic Bank Retail Sales Practices Review				

**Reminder:** EOC Members are requested to remain after the conclusion of the open, minuted portion of each EOC meeting for an informal, unminuted *In Camera Session* discussion involving CAFII Member representatives alone – i.e. absent CAFII management/staff – typically of 10 to 15 minutes duration

**Next EOC Meeting:** Tuesday, September 19/23, 3:00 to 5:00 p.m. In-Person/Hybrid Meeting at TBA downtown Toronto location; followed by EOC Annual Appreciation Dinner, 5:30 to 8:30 p.m. at Hot House Cafe, 35 Church St., Toronto

**Next Board Meeting:** Tuesday, October 10/23, 2:20 to 4:00 p.m., In-Person/Hybrid Meeting, hosted by RBC Insurance in Montreal, Quebec, Immediately Following A Liaison Lunch and Industry Issues Dialogue with AMF Staff Executives from 12 Noon to 2:15 p.m.

## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—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**

Start of meeting.

### **Background Information**

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

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

No action required.

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

No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 18 July, 2023—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 decisioning.

#### **Background Information**

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

- a. CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour: Meeting Summaries and Insights Highlights
- b. Consultations/Submissions Timetable;
- c. July 2023 Regulatory Update;
- d. Regulatory and Policy-Maker Visit Plan Recap;
- e. Summary of Board and EOC Action Items;
- f. Board-Approved Schedule of CAFII 2023 Meetings and Events.

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

No action required.

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

Six (6) attachments.



***Agenda Item 2(a)***  
***July 18/23 EOC Meeting***

**CAFII 2023 Western Canada  
Insurance Regulators and Policy-Makers  
Visits Tour:  
Meeting Summaries and Insights Highlights**

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**CAFII 2023 WESTERN CANADA INSURANCE REGULATORS AND POLICY-MAKERS VISITS TOUR**

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## CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour—Key Messages Delivered Via Powerpoint Presentation

*CAFII Delivers Key Messages to Regulators and Policy-Makers via Presentation that Includes Results of 2022 Pollara Research on Consumer Attitudes towards CPI*

CAFII's presentations, all but one made via a 90 minute meeting, focused on education about CAFII and the industry; key priorities for our Association; and the findings from the 2022 Pollara research on the attitudes of holders of credit protection insurance towards CPI. CAFII's recently expanded, current membership was highlighted, and there was a review of the improvements that have been made to the Association's website, which is a source of consumer-oriented financial literacy information.

The point was made that there had been a tremendous level of regulatory activity in the past year and a half, as regulators caught up on initiatives after a pause due to the COVID-19 pandemic. CAFII's commitment to regulator and policy-maker relationship building was emphasized, including the importance of these sorts of in-person meetings. CAFII deals with 31 different regulator/policy-maker/ombudservice bodies across Canada on behalf of its members, and the complexity of the regulatory environment makes harmonization critical to the industry. There was discussion of the difference between harmonization versus alignment. CAFII's commitment to regulators having rule-making authority was noted.

There was a review of some of the key points made by the guest speakers at CAFII Reception events in recent months, and an update on the Association's many webinars. With respect to CAFII webinars, many regulators and policy-makers whom CAFII met with in Western Canada offered unsolicited favourable feedback about how informative and useful they have found CAFII webinars to be and how much they enjoyed attending them.

There was a review of technology and digitization changes taking place in the insurance marketplace, including artificial intelligence (AI) deployment, and how these could impact upon the industry and regulators.

CAFII noted that according to LIMRA research, a significant proportion of Canadians is underinsured or uninsured, and that it was important to not restrict Canadians' access to life and health insurance products including credit protection insurance.

CAFII emphasized its members' commitment to the fair treatment of customers, and reviewed how CAFII members plan for, execute on, and monitor activity with respect to proper sales practices not only through employee training, but also by embedding fair treatment of customers-based sales practices in processes and in technology mechanisms.

There was reference made to CAFII's commitment to fostering and supporting diversity, equity and inclusion (DEI).

It was noted that Brendan Wycks would be retiring at the end of 2023, and that two new hires reporting into Keith Martin were currently being recruited.

The 2022 Pollara research results were then summarized, with the following being the key highlights:

CAFII 2023 WESTERN CANADA INSURANCE REGULATORS AND POLICY-MAKERS VISITS TOUR

*Canadians with CPI indicate that they are highly satisfied with the products and do not know what they would do without them if an unforeseen life and health insurable event were to occur. It was noted that 69% of CPI holders believe that the products are affordable and 66% believe that they provide good value for the money. According to Pollara, those two data points actually are very good results, as people always feel that the products they purchase are too expensive.*

*CPI holders are confident that they understand what would happen if they make a claim, and 77% held the view that a claim would be paid as expected.*

*More than half of CPI holders had sought information from sources other than the firm from which they had obtained the insurance.*

*On digitization, it was noted that the research results were a bit contradictory, with consumers wanting digital options but also wanting the ability to meet representatives in-person. The key take-away is that a hybrid model will be required going forward.*

*Consumer comprehension of CPI documentation is good but not great, with 65% saying that they found the documents easy to understand; and this will be a continued area of investment and focus for CAFII and its members going forward.*

*The Pollara consumer survey respondents reported that more than 8 in 10 processed CPI claims were paid, and 95% of mortgage life insurance claims were paid out.*

*While 8 in 10 CPI holder claimants were satisfied with the claims experience, complaints about claims went up in 2022 (33%) relative to 2018 (25%); and satisfaction with how the complaints were handled dropped from 85% to 62%. Context for these findings was provided, including the temporary drop in service levels during the pandemic, the increased tendency of people to complain and their increased levels of stress and frustration overall, and the greater ease today, relative to pre-pandemic, to be able to file a complaint. It was noted that while complaints have increased, claims payout levels remained the same.*

*Nevertheless, the fundamental point made was that CAFII and its members are committed to understanding and responding to these findings, and to always seeking to improve the customer experience.*

## CAFII Regulatory and Policy-Maker Tour—Phase 1, Saskatchewan and Manitoba

### Saskatchewan

Saskatchewan Financial and Consumer Affairs Authority (FCAA)

*CAFII Holds Liaison and Relationship-Building meeting with Saskatchewan Financial and Consumer Affairs Authority (FCAA) as part of 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 1 (Saskatchewan and Manitoba).*

CAFII held a session in Regina, Saskatchewan with the Saskatchewan Financial and Consumer Affairs Authority (FCAA) on 31 May, 2023. In attendance in-person at the meeting from CAFII were:

- Michelle Costello, CUMIS/The Co-operators;
- Shawna Sykes, CUMIS/The Co-operators;
- Keith Martin, CAFII;
- Brendan Wycks, CAFII.

In attendance virtually were Greg Caers (BMO Insurance), Sean Kradjian (Scotia Insurance), Dallas Ewen (Canada Life Assurance), Nicole Benson (Valeyo), and Lauren Ross (CIBC Insurance).

The delegation met for 90 minutes in-person at FCAA office in Regina with Jan Seibel, Executive Director, Insurance and Real Estate Division; and Ann Ottenbrite, Lawyer, FCAA.

CAFII began with a presentation on its key priorities and the findings of the Pollara research on consumer attitudes towards credit protection insurance. The discussion was open and collegial, with Jan Seibel projecting a warm and friendly demeanour. She noted the importance of open and transparent consumer disclosures, with a view to ensuring that they understand the insurance contracts that they were entering into, including any exclusions.

Ms. Seibel noted that she had not previously heard of the CAFII member company Valeyo; and CAFII Board member Nicole Benson, President and CEO of Valeyo who participated in this meeting virtually, provided an overview of her organization in response.

In dialogue with the CAFII delegation, Ms. Seibel asked what are the reasons why 5% of CPI mortgage life insurance claims are denied. CAFII representatives responded with the information requested, including a death that resulted from suicide and for material mis-representation on the insurance application. CAFII clarified that Medical Assistance In Dying (MAID) does not constitute suicide and is not a cause for a CPI life insurance claim denial.

Ms. Seibel shared that a young, 20-something man of her acquaintance had recently died tragically due to a severe adverse reaction to Tylenol 3s taken for a prolonged headache/pain situation; and she had assisted the family in question in clarifying for the insurer that this was not a case of suicide.

Ms. Seibel observed that since the last time that CAFII had visited with the FCAA in October 2019, the following CAFII-relevant FCAA initiatives had taken place:

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- FCAA had finalized and posted the following regulatory documents:  
 -G1/2019 Records to be Kept in Saskatchewan or approved locations; and  
 -IB1/2019 Notice of Dispute Resolution Process.
- FCAA has hired, as new team members, or promoted the following individuals who may have some contact/interplay with CAFII member companies:  
 -Lisa Liesch, Director, Insurance and Real Estate Division;  
 -Jennifer Schmidt, Financial Institutions Officer;  
 -Kayode Osobu, Senior Policy and Program Analyst; and  
 -Margherita Vittorelli, Director of Communications.

Ms. Seibel noted that Saskatchewan had explicitly adopted Fair Treatment of Customers in the province through recent amendments to the Insurance Councils of Saskatchewan's bylaws. She also advised that under the province's recently amended Insurance Act, appeals no longer come to her as Executive Director of the Insurance and Real Estate Division, but rather they are heard by a panel of FCAA authorities.

## Manitoba

Manitoba Superintendent of Insurance, and the Insurance Council of Manitoba  
*CAFII Holds Liaison and Relationship-Building Joint Meeting with Manitoba Superintendent of Insurance (Financial Institutions Regulation Branch (FIRB), Government of Manitoba) and Insurance Council of Manitoba (ICM) as part of 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 1 (Saskatchewan and Manitoba).*

CAFII held a joint meeting on 1 June, 2023 in Winnipeg, Manitoba with the Manitoba Superintendent of Insurance and the Insurance Council of Manitoba (ICM). In attendance from CAFII were:

- Michelle Costello, CUMIS/The Co-operators;
- Dallas Ewen, The Canada Life Assurance Company;
- Catherine Laspina, The Canada Life Assurance Company;
- Marco DeiCont, Valeyo;
- Keith Martin, CAFII;
- Brendan Wycks, CAFII.

In attendance virtually were Casandra Litniansky (CUMIS/The Co-operators), Sean Kradjian (Scotia Insurance), Shawna Sykes (CUMIS/The Co-operators), Deliska Beauregard (Securian Canada), and John Burns (Securian Canada).

The CAFII delegation met for 90 minutes in-person at the ICM office in Winnipeg (with other CAFII member representatives attending virtually) with Scott Moore (attended virtually), Manitoba Superintendent of Insurance, and Stacey Aubrey (attended in-person), Executive Director, Insurance Council of Manitoba (ICM).

The discussion was open and collegial, with both Stacey Aubrey and Scott Moore thoroughly engaged.

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Scott Moore shared that there would not be much insurance policy activity in Manitoba in the coming months as the next provincial general election in the province was scheduled for October 3, 2023. He also observed that there would not likely be any major Insurance Act or related Regulation changes in the province in 2024 or for the foreseeable future.

There was discussion of the important roles that CCIR and CISRO play as national co-ordinating bodies, and CAFII emphasized the difference between alignment between regulators and harmonization.

Artificial intelligence was raised and its potential to be used in insurance, with underwriting noted as an obvious first area for AI to make an impact. Scott Moore asked a question about what sort of process industry players would follow in assessing and deciding how and when to start deploying AI in insurance, whether in underwriting or other areas. Brendan Wycks offered to share an article on that very subject which he had just come across, and Scott Moore and Stacey Aubrey both asked that Mr. Wycks forward the article to them (see Appendix A for article shared with Mr. Moore and Ms. Aubrey on June 2/23).

In one surprising interjection, Scott Moore responded to the 2022 Pollara research statistic indicating a 95% payout rate on credit protection mortgage life insurance claims by asking how that compared to other life insurance products which “did not practise post-claims underwriting.” Keith Martin said that the CPI industry did not practise post-claims underwriting, and that was a myth propagated and perpetuated by the advice-based channel. Questions are asked at the time of application, and at the time of a claim the applicant’s responses are reviewed to ensure that the questions were answered truthfully. Dallas Ewen, Canada Life Assurance, added that adjudication after a claim is made occurs across all life insurance products, and that the same major life and health insurers are using the same process for adjudicating credit protection insurance claims as they do in the case for adjudicating claims made under other types of coverage such as term life insurance (see Appendix B for a more complete version of the response delivered by CAFII to Mr. Moore’s question in this Manitoba meeting).

## CAFII Regulatory and Policy-Maker Tour—Phase 2, British Columbia and Alberta

### British Columbia

British Columbia Ministry of Finance

*CAFII Holds Liaison and Relationship-Building Meeting with British Columbia Ministry of Finance, as part of CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 2 (BC and Alberta).*

CAFII met with the British Columbia Ministry of Finance officials on 13 June, 2023 at the BCFSA office in Vancouver. In attendance from CAFII were:

- Rob Dobbins, Assurant Canada;
- Karyn Kasperski, RBC Insurance;
- Pete Thorn, TD Insurance;
- Casandra Litniansky, CUMIS Services/The Co-operators;
- John Burns, Securian Canada;
- Lindsey Leclair, Valeyo;
- Keith Martin, CAFII;
- Brendan Wycks.



## CAFII 2023 WESTERN CANADA INSURANCE REGULATORS AND POLICY-MAKERS VISITS TOUR

The delegation met for 60 minutes in-person at the BCFSA office in Vancouver (with other CAFII member representatives attending virtually) with Kari Toovey, Director, Financial Institutions, Financial and Corporate Sector Policy Branch; Joey Primeau, Acting Senior Executive Director, Financial and Corporate Sector Policy Branch; and Tiffany Norman, Acting Executive Director, Financial and Corporate Sector Policy Branch, BC Ministry of Finance.

The first item on the agenda for this meeting was CAFII making a specific point of sharing with the three BC Ministry of Finance staff executives the fact that our Association, in its subsequent meeting with BCFSA staff executives later that day, would be delivering a sincere kudos/thanks to BCFSA for listening to and accepting industry stakeholder feedback in finding a “reasonable accommodation way forward” for fulfilling its legislation-based mandate to introduce a BC-specific “Insurer Code of Market Conduct.” BCFSA had made a hugely important recognition of the importance of harmonization to the industry by effectively copying and pasting the principles set out in the CCIR/CISRO “Guidance: Conduct of Insurance Business and Fair Treatment of Customers” (2018) and making only some slight modifications to them, to reflect BCFSA’s specific scope and mandate as a regulatory Authority, and then declaring that largely harmonized, excerpt-type document to be the BC Insurer Code of Market Conduct.

In this meeting an abbreviated version of the CAFII Powerpoint deck was presented and a discussion occurred around the in-development BC Restricted Insurance Agency (RIA) licensing regime, and when it would be in place.

Kari Toovey provided an update by indicating the Ministry’s Regulation -- which would empower the Insurance Council of BC to start to develop Rules to add flesh to the bones of the framework set out by the Ministry’s Regulation – was still in-development but was expected to be completed and released sometime in the Fall of 2023. The Regulation will specify the types of insurance that will be eligible to be offered under the BC RIA regime as well as the types of organizations that will be eligible to apply for an RIA licence.

Because the Ministry of Finance had asked in its 2022 RIA Regime Consultation Document (CAFII submission made on October 3, 2022) about the industry’s response to a possible deferred sales model being imposed upon credit protection insurance, the CAFII delegation reiterated and emphasized key messages about the importance to the marketplace of credit protection insurance, and about the consumer harms that would potentially arise if obstacles and constraints were put in place around the accessibility of CPI to consumers under BC’s new RIA regime.

### British Columbia Financial Services Authority (BCFSA)

*CAFII Holds Liaison and Relationship-Building Meeting with British Columbia Financial Services Authority (BCFSA), as part of CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 2 (BC and Alberta).*

CAFII met with the British Columbia Financial Services Authority (BCFSA) on 13 June, 2023 at the Authority’s office in Vancouver. In attendance from CAFII were:

- Rob Dobbins, Assurant Canada;
- Karyn Kasperski, RBC Insurance;
- Pete Thorn, TD Insurance;
- Casandra Litniansky, CUMIS Services/The Co-operators;
- John Burns, Securian Canada;

## CAFII 2023 WESTERN CANADA INSURANCE REGULATORS AND POLICY-MAKERS VISITS TOUR

- Lindsey Leclair, Valeyo;
- Keith Martin, CAFII;
- Brendan Wycks, CAFII.

In attendance virtually from CAFII were Dallas Ewen (Canada Life) and David Self (CIBC Insurance).

The CAFII delegation met for 90 minutes in-person at BCFSa office in Vancouver with Blair Morrison, CEO (attended for first 20 minutes only, in-person); Saskia Tolsma, Vice-President, Policy and Stakeholder Engagement; Marina Makhnach, Director, Market Conduct, Financial Institutions; Thomas Taller, Managing Director, Policy & Oversight; Rob O'Brien, Manager, Financial Institutions Policy (attended virtual-only); and Lucas Neufeld, Senior Policy Analyst, BC Financial Services Authority (BCFSa).

The first item on the agenda for this meeting was CAFII extending a sincere kudos/thanks to BCFSa for listing to and accepting industry stakeholder feedback in finding a "reasonable accommodation way forward" for fulfilling its legislation-based mandate to introduce a BC-specific "Insurer Code of Market Conduct." BCFSa had made a hugely important recognition of the importance of harmonization to the industry by effectively copying and pasting the principles set out in the CCIR/CISRO "Guidance: Conduct of Insurance Business and Fair Treatment of Customers" (2018) and making only some slight modifications to them, to reflect BCFSa's specific scope and mandate as a regulatory Authority, and then declaring that largely harmonized, excerpt-type document to be the BC Insurer Code of Market Conduct.

CAFII's kudos was received warmly and with appreciation by Blair Morrison, CEO, and his BCFSa colleagues.

The meeting was notable for its high level of engagement and collegiality. Blair Morrison said he believed in Canada and was committed to his regulatory Authority protecting consumers, and that he was also committed to a national approach and approaching issues from a Canadian lens. He indicated that "if there is a national solution, BCFSa is going to try to adopt it." He noted that the Authority's recently published Regulatory Roadmap should give industry stakeholders a good sense of where BCFSa is headed. BCFSa's role/job is all about "confidence in the marketplace" which essentially means safety/soundness of financial services and insurance markets and consumer protection, Mr. Morrison asserted. That said, he noted that "we don't have all the answers" and, as a result, engagement with stakeholders was critical to the success of BCFSa.

Saskia Tolsma participated throughout the session, and emphasized the commitment of BCFSa to discussion, dialogue, and transparency.

There was also some discussion of the impact of climate change upon insurance, including life and health insurance.

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### Insurance Council of British Columbia

*CAFII Holds Liaison and Relationship-Building Meeting with Insurance Council of British Columbia, as part of CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 2 (BC and Alberta).*

CAFII met with the Insurance Council of British Columbia on 14 June, 2023 at the Council's office in Vancouver. In attendance from CAFII were:

- Rob Dobbins, Assurant Canada;
- Karyn Kasperski, RBC Insurance;
- Pete Thorn, TD Insurance;
- Casandra Litniansky, CUMIS Services/The Co-operators;
- John Burns, Securian Canada;
- Keith Martin, CAFII;
- Brendan Wycks, CAFII.

In attendance virtually from CAFII were Deliska Beauregard, Securian Canada;; Dallas Ewen, Canada Life Assurance; Sean Kradjian, Scotia Insurance; Lauren Ross, CIBC Insurance; David Self, CIBC Insurance; and Shannon Dowe, RBC Insurance.

The CAFII delegation met for 90 minutes with Insurance Council staff executives Janet Sinclair, CEO; Brett Thibault, Director, Governance and Stakeholder Engagement; and Galen Aker, Stakeholder Engagement Specialist.

The first item on the agenda for this meeting was CAFII making a specific point of sharing with the three Insurance Council of BC staff executives the fact that our Association, in its just-completed meeting with BCFSa staff executives the previous day, had extended a sincere kudos/thanks to BCFSa for listening to and accepting industry stakeholder feedback in finding a "reasonable accommodation way forward" for fulfilling its legislation-based mandate to introduce a BC-specific "Insurer Code of Market Conduct" and the reasons why our Association had done so. BCFSa had made a hugely important recognition of the importance of harmonization to the industry by effectively copying and pasting the principles set out in the CCIR/CISRO "Guidance: Conduct of Insurance Business and Fair Treatment of Customers" (2018) and making only some slight modifications to them, to reflect BCFSa's specific scope and mandate as a regulatory Authority, and then declaring that largely harmonized, excerpt-type document to be the BC Insurer Code of Market Conduct.

The demeanour of the three Insurance Council of BC staff executive hosts was warm, receptive, and engaged.

Janet Sinclair, CEO, said that "as a regulator, we have a different perspective as to how things work; so this kind of dialogue with industry Associations is vitally important to us."

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Ms. Sinclair made an emphatic point of highlighting for CAFII the fact that in the Council's recently adopted new 2024-2026 Strategic Plan (CAFII note: about which there had not been any consultation with industry stakeholders), there is specific Strategy – under Goal 2 of four goals re “Regulatory oversight that protects consumers and enables industry innovation”; and that Goal's Priority Statement re “Modernize regulatory oversight to keep pace with changes in the insurance marketplace and support/enable transformation” -- to “Drive harmonization with other Canadian jurisdictions.” (Goal 3 of three Goals). CAFII thanked Ms. Sinclair and her colleagues for placing such an explicit emphasis and accountability upon national harmonization in the Council's new Strategic Plan.

Ms. Sinclair advised that the Council had been working very closely with the Government of BC/Ministry of Finance on preliminary work with respect to developing and launching a Restricted Insurance Agency (RIA) licensing regime in the province. “We will get our language/terminology and the framework guide re our RIA regime from the Regulation that the Government is working to finalize right now,” she advised.

In specific discussion about BC's in-development RIA regime, CAFII indicated that New Brunswick's recently launched RIA regime was quite different from those already in existence in the other three Western Canada provinces; and there was concern therefore that BC's new regime would also be unique in some ways. Ms. Sinclair expressed a commitment to harmonization and to avoiding different approaches without justification. However, she also noted that BC had an obligation to learn from and build upon what previously launched RIA regimes had done and learned; and that the BC regime had to capture not only what sophisticated regulated entities – such as banks and credit unions as distributors of insurance -- had as their operational practices, but also those of smaller and less sophisticated players.

There was some discussion about the contemplated “individual customer service representative competency requirements/Agency performance requirements framework,” about which the Insurance Council had engaged in a preliminary consultation process with industry stakeholders in April and May 2023, with CAFII noting that individual employee training was only one way to ensure compliance with regulatory expectations. CAFII's members, it was emphasized, built compliance into their very processes, through scripts, prompts, and technology.

Through the dialogue on this issue, it became apparent to some in-person CAFII delegation members that Janet Sinclair, the Insurance Council's CEO, is approaching her preliminary thinking about BC's RIA regime based not solely on the corporate licensure frameworks set out in the existing RIA regimes in four other Canadian provinces, but also upon her prior career experience as Chief Operating Officer at the Association of Professional Engineers and Geoscientists of BC (APEGBC), which governs a profession that has individual competency and continuing professional development requirements for licensure.

There was brief discussion of CAFII's desire for Restricted Insurance Agency (RIA) licence holders, under the new regime that the Insurance Council will be developing and launching, to have some representation and a “voice” mechanism to the Insurance Council or on the Council itself. Ms. Sinclair replied that, currently, all appointees to the Insurance Council of BC are required to be domiciled in the province. It was acknowledged that while there are some representatives currently sitting on Council who work for banks, they are engaged in the advice-based channel, not CPI. Ms. Sinclair invited CAFII to let Galen Aker know of any BC-domiciled CAFII representative who might like to be appointed to the Insurance Council, either as a Voting Member or a Non-Voting Member.

## Alberta

### Alberta Insurance Council

*CAFII Holds Liaison and Relationship-Building Meeting with Alberta Insurance Council (AIC), as part of CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 2 (BC and Alberta).*

CAFII met with the Alberta Insurance Council (AIC) on 15 June, 2023 at the Council's office in Edmonton. In attendance from CAFII were:

- Rob Dobbins, Assurant Canada;
- Karyn Kasperski, RBC Insurance;
- Casandra Litniansky, CUMIS Services/The Co-operators;
- John Burns, Securian Canada;
- Keith Martin, CAFII;
- Brendan Wycks, CAFII.

In attendance virtually was Doug Weir (CIBC Insurance).

The delegation met for 90 minutes with Joanne Abram, CEO (Edmonton office); Brent Rathgeber, Chief Operating Officer and General Counsel (Edmonton office); Sylvia Boyetchko, Director of Licensing (Edmonton office); Zabeda Yaqoob, Director of Legal and Regulatory Affairs (Calgary office); and Joseph Fernandez, Director of Compliance (Calgary office).

The meeting was chaired by Brent Rathgeber, Chief Operating Officer, but Joanne Abram, CEO was the most active and engaged in the dialogue, and she was very gracious and receptive throughout.

There was interest in the findings from CAFII's 2022 Pollara research study, and a good discussion of the importance of balancing consumer protection with industry efficiency. Ms. Abram was very interested in the comments from CAFII supporting regulatory rule-making authority, something that the Alberta Insurance Council does not have at this time, but strongly desires.

We noted that we would be meeting later that same day with Alberta Treasury Board and Finance staff executives, and we offered to share with them our view that the Alberta Insurance Council should have rule-making authority.

Joseph Fernandez, the AIC's recently hired new Director of Compliance who came to the Insurance Council from the Alberta Real Estate Council, asked a clarification question about CAFII's ongoing battle to dispel the myth about "post-claims underwriting" being a defining feature of CPI's business model. The answer which Brendan Wycks provided on behalf of CAFII is set out in Appendix B.

There was considerable discussion about the merits and benefits of national harmonization of insurance policy and regulation in Canada, and the role of national co-ordinating bodies such as CCIR and CISRO in leading such initiatives, even if that meant stepping outside of their historical comfort zone and taking on a more aspirational leadership role around harmonization. In that connection, Joanne Abram and Joseph Fernandez suggested that CAFII should ramp up and strengthen its communication and advocacy efforts to insurance regulators and policy-makers across the country about the importance of harmonization by engaging with and drawing upon the expertise of the following resources:

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- Canadian Network of Agencies for Regulation (CNAR): <https://www.cnar-rcor.ca/>; and
- Harry Cayton, a semi-retired professional standards and “right touch regulation” authority from the UK: <https://www.harrycayton.net/>.

In thanking the CAFII delegation for making the trip to Edmonton to meet with AIC staff executives and in bringing the meeting to a close after 95-plus minutes of dialogue, Brent Rathgeber opined that in pursuing its harmonization, rule-making authority for AIC, and other insurance policy and regulation priorities, CAFII should probably target the Ministry of Service Alberta and Red Tape Reduction in addition to the Ministry of Finance (Alberta Treasury Board and Finance).

### Alberta Treasury Board and Finance (ATBF)

*CAFII Holds Liaison and Relationship-Building Meeting with the Alberta Treasury Board and Finance (ATBF), as part of CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 2 (BC and Alberta).*

CAFII met with Alberta Treasury Board and Finance (ATBF) on 15 June, 2023 at the ATBF’s office in the Terrace Building, a Government of Alberta building within immediate proximity to the province’s legislature building. In attendance from CAFII were:

- Rob Dobbins, Assurant Canada;
- Karyn Kasperski, RBC Insurance;
- Casandra Litniansky, CUMIS Services/The Co-operators;
- John Burns, Securian Canada;
- Keith Martin, CAFII;
- Brendan Wycks, CAFII.

The delegation met for 90 minutes in-person (technology/internet connection difficulties prevented other CAFII member representatives from attending virtually) with David Sorensen, Deputy Superintendent of Insurance; David Mulyk, Executive Director, Pension and Insurance Policy; and Thembi Mathwasa, Manager, Compliance; ATBF. (Mark Brisson, Superintendent of Insurance, was expected to attend this meeting, but was a last minute no-show due to unexpected competing priorities).

There was an open and engaged discussion. David Mulyk was impressed by the high claims payout numbers for CPI mortgage life insurance from the Pollara research, and he said that CAFII should publicize those sorts of numbers. Regulators and policy-makers tend to hear the bad news only, and sometimes do not get exposure to the real trends and realities, he opined.

These sorts of meetings are critical to ensuring open lines of communication and information, Mr. Sorensen said.

CAFII made the point that the Alberta Insurance Council should be given rule-making authority to allow it to respond to marketplace and technology emergent issues and trends more nimbly. However, the point was made by the ATBF representatives that it is difficult to get on the Ministry of Finance’s priority list and such a change would not happen quickly.

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Mr. Mulyk suggested that if CAFII would like to recommend to the Government of Alberta that the AIC should be given rule-making powers, it should make its case in a letter to be sent to both the Minister of Finance and the Minister of Service Alberta and Red Tape Reduction. He offered that the ATBF staff executives would be willing to provide feedback on a draft of a CAFII letter to those two Ministers, if our Association would like to avail of that offer of assistance.

## Appendix A

### Company Launches Specialized Conversational Agent In The Insurance Field

*By Laurène Jardin, The Insurance Portal, May 26, 2023*

Koïos Intelligence has just launched *Olivo*, a specialized, insurance customer-focused, cloud-based application using natural language processing (NLP). The new technology has attracted major investors, securing \$6.5-million in funding in a recent financing round.

Koïos Intelligence is a Quebec-based company founded in 2017 by Mohamed Hanini, its CEO and chief technologist. With a bachelor's degree in actuarial science and a master's degree in mathematical and computational finance from the University of Montreal, he launched Koïos Intelligence with the general goal of finding solutions and improving processes, specifically in the insurance domain in life and health and property and casualty.

"We are thrilled to support and welcome a visionary company like Koïos into our startup ecosystem, offering an innovative solution that enhances the experience of all parties involved throughout the value chain," expressed Geneviève Biron, founder and president of Propulia Capital, an investment platform that supports technology companies. Brion recently joined Koïos' board of directors.

#### **A look at Olivo**

Olivo directly interacts with clients through online chat, provides a wide variety of insurance product information and the firm claims a seamless and efficient claims process.

"The objective was to reduce waiting time and offer a new interaction experience for consumers, not only for purchases but also for updating client information," the firm's founder says.

"The main idea is to process real-time information and make life easier for consumers while facilitating the work of brokers. Brokers will evolve towards providing more personalized advice," he added.

The conversational agent then becomes a virtual assistant for the broker, allowing quick access to consumer research and contract updates. Moreover, the user always has the option to speak with a human agent during their conversation with Olivo. The application follows a 100 per cent hybrid approach, providing consumers with the choice to interact with both artificial intelligence and a broker, Hanini explains.



## **Specialized application in its field**

The Olivo agent has been trained to analyze and classify user requests. It employs multi-modal artificial intelligence (AI), a type of AI that utilizes multiple channels of information transmission through algorithms. If a consumer asks questions unrelated to insurance, the robot will be unable to respond. The application employs a specific deep learning model, established within a neural network, to predict the user's meaning and intentions based on structured data.

"After identifying the user's intention and understanding the instruction, the machine needs to predict an action and consequently provide a response to the question," explained Hanini. Olivo has been trained to give precise, prepared, and controlled answers based on its specialized insurance database. This distinguishes it from typical conversational agents that generate responses by relying on information found on the internet.

Hanini tested Chat GPT by asking whether the colour of a car could influence insurance premiums. He says the Olivo conversational agent has been trained not to make mistakes when faced with such questions.

Beyond online chat, Olivo possesses a revolutionary feature in the realm of conversational agents, according to Hanini. Users have the option to address the robot vocally – the agent has been trained to receive instructions or questions through voice recognition. In addition to this capability, it can communicate in forty languages.

## **Confidentiality and security**

Ensuring data protection and securing users' personal information is essential for the company. Koïos Intelligence has enlisted professionals specialized in cyber-security, risk management, and operational chains. It has also partnered with various experts from the international scientific community, including the Institute for Data Valorization (IVADO) and the Montreal Institute for Learning Algorithms (MILA).

Another key aspect of confidentiality is that the Olivo agent has not been trained to reuse user's personal information but only to store it directly in the client's database.

"In our development environment, we do not have access to the user's identity. The model does not consider this information. Moreover, the robot has not been trained to retain a user's personal data. The conversational agent's neurons have only been trained with insurance-related data from our specialized database. They are primarily prediction models," Hanini adds.

The company says it is committed to the responsibilities and obligations it has regarding clients. Consumer data is the property of the client – it's a clause stated in their contract. "Apart from the broker or insurer, no one else can use the consumer's personal data. The information is protected and controlled by the client," Hanini adds.

He also emphasized another important point regarding server geolocation. All of the company's servers are based in Canada and are therefore governed by the country's laws, which protect personal information in the private sector.



## Other projects

The company is continuously improving the performance and expanding the functionality of its Olivo application, according to Hanini. Currently, it plans to establish a "modern" call center managed by artificial intelligence. Users will be able to interact with the conversational agent via phone, utilizing voice recognition. Conversations will be recorded, allowing the agent or the broker to access information already expressed by the consumer in real-time.

Koïos Intelligence is also working on a second funding campaign, scheduled to take place in a few months. With locations in Canada, the United States, and North Africa, the company has also recently expanded its presence to France.

The company relies on demonstrations through its website to increase its visibility and awareness.

Read Story (Subscription Required): [Company launches specialized conversational agent in the insurance field - Insurance Portal \(insurance-portal.ca\)](#)

## Appendix B

October 3, 2022 CAFII Comments to BC Ministry of Finance on Amendment to Bill 37 to Amend Section 225.1 (2) by adding: "(iii) restricting post-claim underwriting by those licensees, employees and agents, and ...."

CAFII disagrees with the assumptions and misunderstandings underlying this statement because they do not accurately reflect the CPI and travel insurance products offered by our members.

Underwriting refers to determining the risk involved in offering coverage to a potential insured, and then determining the premium or "price" required to assume or "underwrite" that risk.

At the time of offering the insurance coverage at the appropriate premium/price, there is a trade-off between the amount of information gathered, and the simplicity, efficiency, and consumer-friendliness of the underwriting process.

As part of the process that the consumer goes through in applying for coverage, CPI attempts to simplify things by asking only limited health-related questions and avoiding, where possible, the taking of para-medical bodily fluid samples.

This process of "simplified underwriting" is now commonplace throughout the entire life and health insurance marketplace. It is not unique to CPI, and is deployed by all major term life insurance underwriters.

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At the time of a claim, the insured's responses to the questions asked at the time of application need to be verified. This is not "post-claims underwriting," but rather a claims verification process that all insurers employ for all types of life and health insurance coverage. Before paying out a claim, all insurers go through a process of confirming that no material misrepresentations were made in response to the health questions asked at the time of application; that the claim is not the result of a pre-existing medical condition that was excluded at the time of application; and that eligibility is met.

"Post-claims underwriting" is a term that does not line up with the marketplace reality: a reality in which CPI insurers are the very same insurers that underwrite term life and other forms of non-CPI life and health insurance coverage.

## CAFIL Consultations/Submissions Timetable, 2023

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> </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> </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>• <b>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)</b></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>• <b>Q4 2023 thru Q2 2024 (expected)</b></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>• <u>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)</u></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>• <u>July 10/23</u></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>
Quebec Bill 141 and Related Regulations (including Regulation Respecting Alternative Distribution Methods, RADM)	<ul style="list-style-type: none"> <li>• CAFII submission on AMF draft ‘Incentive Management Guidance’</li> <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>• <u>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</u></li> </ul>	<ul style="list-style-type: none"> <li>• February 18/22</li> <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>• <u>July 4/23</u></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
CCIR/CISRO	<ul style="list-style-type: none"> <li>CCIR/CISRO FTC Working Group accepts proposal in CAFII's July 2/20 letter</li> <li>CAFII submission on CCIR/CISRO Draft "Incentives Management Guidance"</li> <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>CCIR launches 'Annual Statement on Market Conduct: Life and Health Form (2023 data)' consultation; CAFII passes on formal written submission, in favour of informal verbal feedback to Laurie Balfour, Chair of CCIR CSOC, during regulator visits tour in May 2023</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> </ul>	<ul style="list-style-type: none"> <li>August 31/20</li> <li>September 17/21</li> <li>April 4/22</li> <li>November 30/22</li> <li>December 15/22</li> <li>January 12/23</li> <li>February 28/23</li> <li>April 21/23</li> </ul>	<ul style="list-style-type: none"> <li>Mkt Conduct &amp; Licensing Ctte; 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><u>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</u></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><u>September 2023</u></li> </ul>	<ul style="list-style-type: none"> <li>Mkt Conduct &amp; Licensing Ctte; Co-Eds to monitor</li> </ul>
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> </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><u>May 31/23</u></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

**Agenda Item 2(c)**  
**July 18/23 EOC Meeting**

**CONFIDENTIAL TO CAFII MEMBERS AND ASSOCIATES; NOT FOR WIDER DISTRIBUTION**

**June/July 2023 Regulatory Update**

Prepared by Keith Martin and Brendan Wycks, CAFII Co-Executive Directors

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## Federal/National

### Canadian Association of Financial Institutions in Insurance (CAFII)

*CAFII Issues Press Release on Wally Thompson Appointment as New CAFII Board Vice-Chair*

CAFII has issued a press release on Wally Thompson's Appointment as the new Vice-Chair of the Board. The press release can be found here:

<https://www.cafii.com/manulifes-wally-thompson-is-cafiis-new-vice-chair/>

Insurance Business Canada ran a story on the appointment, noting that "CAFII collaborates with government and regulators at the provincial and territorial levels to develop a legislative and regulatory framework for the insurance sector. The association's aim is to [establish appropriate standards](#) for the distribution and marketing of all insurance products and services."

The story can be found here:

[CAFII appoints Manulife VP as board vice chair | Insurance Business Canada \(insurancebusinessmag.com\)](#)

*Guest Speaker Anthony Ostler, CEO of the Canadian Bankers Association, Speaks at a Reception Following CAFII Board Meeting and Annual Meeting of Members*

Anthony G. Ostler, President & CEO of the Canadian Bankers Association (CBA), spoke at a CAFII Reception on 6 June, 2023, following the Association's 2023 Annual Meeting of Members and first meeting of its newly appointed 2023-24 Board of Directors.

Mr. Ostler gave an overview of the key priorities of the Canadian banking sector, noting that Canada benefits greatly from a stable, innovative financial services environment.

He noted that the banking industry accounts for almost 4% of Canada's GDP, employs nearly 300,000 Canadians, accounted for more than 10% of the country's total corporate income tax in 2021, made annual dividend payments of more than \$22 billion to millions of Canadians last year, and has extended \$1.7 trillion in credit to Canadian businesses, including small and medium-sized enterprises.

Mr. Ostler called out the tendency of the federal government to levy special taxes upon the banking and insurance sectors. Over the past year, he noted, the federal government has levied more than \$9.4 billion in new taxes on banks and insurers.



He emphasized that such special, additional taxes put those industries at a competitive disadvantage and run counter to prudent public policy, noting that “The cumulative impact of these discriminatory actions will deter the flow of capital into the financial system, resulting in slower growth, less job creation and diminished productivity.”

Climate change was another major theme Mr. Ostler highlighted, which he described as a very real crisis real that has produced complex challenges for society. He emphasized that Canada’s banks are committed to responding to this crisis, noting that they “are helping Canada realize its net-zero ambitions while also helping to meet interim energy demands in a volatile global context . . .”

Extending his message on the banking sector’s responsiveness, Mr. Ostler reported that Canada’s banks have continuously innovated, providing Canadians with extensive and trustworthy digital solutions. The sector has also made considerable investments in digitization to meet evolving consumer expectations. In that connection, however, Mr. Ostler expressed serious concerns about the lack of regulator scrutiny of non-bank payment service providers, an oversight gap which creates a material risk for the entire sector. Similarly, he also emphasized the importance of reviewing the reasoning behind creating a retail Central Bank Digital Currency, and questioned if such a currency is truly necessary.

Mr. Ostler concluded his remarks by underscoring the critical importance of the banking sector’s employees to its success and, in turn, to Canada’s success as a nation. He highlighted the sector’s related commitment to diversity, equity and inclusion so that all employees can thrive, noting that “Our industry has embraced action plans against systemic racism, exceeded benchmarks for women on boards and in executive positions, made meaningful progress on Indigenous reconciliation, and championed the rights of all Canadians.”

*Romy Proulx, Associate, Stikeman Elliott and Paul Prosterman, Senior Partner, Norton Rose Fulbright, Are Panelists in a CAFII Webinar on the Quebec Charter of the French Language*

On 27 May, 2023, CAFII held a webinar with Romy Proulx, Associate, Stikeman Elliott and Paul Prosterman, Senior Partner, Norton Rose Fulbright. Ms. Proulx noted that Bill 96 builds upon the original Quebec Charter of the French Language, which was adopted in 1977 to protect the status of French in Quebec. That original Charter provides that French is the official language of the province of Quebec. However, the new Charter amends the original Charter in many ways, including around the language of insurance policies. The new Charter is very recent and there are scant regulations or guidance, leading to many grey areas.

Paul Prosterman said that the rules governing the language of insurance policies are impacted due to new requirements around “contracts of adhesion.” Such contracts currently may be drawn up in English if that is the express wish of the parties. Bill 96 will change that by requiring that the parties to a contract of adhesion drawn up in English can only be bound by such a contract if they are provided with a French version of the contract before they enter into the contract. At a minimum, a French version of the policy must be available to the insured before entering into the contract. As well, Romy Proulx noted that pleadings must now be made in French. Filings may be in English, but a French version by a certified translator must be attached.

Mr. Prosterman said that the contract of adhesion is one party draws up a contract that is non-negotiable. Generally, insurance contracts are contracts of adhesion. Certainly, even if a master policy is negotiated and not therefore a contract of adhesion, that is not true for individuals who are covered by the master policy and issued certificates. So for credit protection insurance and travel insurance, a French version of the contract must be provided to the individual first.

Romy Proulx agreed that the Charter is filled with untested elements and ambiguity. She added that asking the Office of the French Language questions could lead to answers that are not optimal. There are guidelines on the website of the Office that are quite helpful.

Both panelists felt that further constitutional challenges of the Charter were possible. It was noted that these rules in the Charter apply to call centres and interactions on the phone. If a customer is bound on the phone to an insurance policy, that policy must be presented in French first to the customer.

In addition to CAFII members, there were attendees from the Canadian Life and Health Insurance Association, or CLHIA; the Travel Health Insurance Association, or THIA; from the Canadian Bankers Association, or CBA; and from insurance and financial services regulators and policy-makers from across Canada, including the following:

- Quebec’s Autorité des marchés financiers, or the AMF;
- The Government of Nova Scotia; and
- Alberta Treasury Board & Finance.

The recording of the webinar and the presentation made can be found here:

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

*CAFII Holds a Webinar with Nicholas Herbert-Young, Senior Relationship Manager to the International Association of Insurance Supervisors (IAIS), on International Regulatory Trends & the Work of the International Association of Insurance Supervisors (IAIS).*

CAFII held a webinar on 27 April, 2023 with Nicholas Herbert-Young, who is a member of the UK Financial Conduct Authority's International Department, where he has a focus on global institutions, and where, as part of his FCA responsibilities, he is also Senior Relationship Manager to the International Association of Insurance Supervisors (IAIS). Mr. Herbert-Young was recommended as a webinar speaker by FSRA CEO Mark White, who is the Chair of the Market Conduct Committee of the IAIS, which Committee Mr. Herbert-Young sits on.

Mr. Herbert-Young said that the UK Financial Conduct Authority is one of two regulators in the UK, with a focus on market conduct. Mr. Herbert-Young's role is to ensure that the FCA is properly represented at the IAIS and engages on the issues where it can add value. The IAIS exists to ensure that supervision creates fair and safe outcomes for consumers, along with a focus on financial stability. The key focus for the FCA on the IAIS is the Market Conduct Committee, which Mark White chairs and which the AMF also has representation on. The IAIS produces issues papers on matters of interest.

The IAIS has over 200 jurisdictions which represents 90% of the world's premiums. Other international organizations are also involved in it, such as the National Association of Insurance Commissioners. The IAIS sets up layers of principles, standards, and guidance which are agreed between the members. There are also systems of review so that members can be assessed. It does not have enforcement capabilities, but review exercises are very important and impactful. Insurance Core Principles including ISP19 on the conduct of business are also fundamentally important.

The IAIS has 35 staff members supporting its activities, and there is a paid Executive Director. There is an agreed five-year plan with stated objectives, and the organization has become more worldwide as opposed to being driven by developed countries only. Funding comes from the members and is based on premium income for the jurisdictions they represent. A variety of committees provide input on specific issues. The head office is located in Basel, Switzerland but meetings are held in different locations, and virtual meetings are now much more common. There is also an Annual General Meeting each year in November, which is hosted by a member. The Market Conduct Working Group has over 30 members.

Nicholas Herbert-Young said that the main contributors to the market conduct work of the IAIS have been the AMF, and more recently FSRA. Key regulatory trends of the IAIS in the market conduct area has been on culture and diversity, equity, and inclusion (DEI). The work on culture has been done with the Governance Working Group, and has led to some working papers. The DEI work has focused on vulnerable populations and their treatment by insurers.

Keith Martin noted the importance to CAFII members of principles-based regulation, and Nicholas Herbert-Young said the IAIS seeks to accommodate that approach. The IAIS is based on standards and does not take a prescriptive approach, but members may have their own approach. Mr. Herbert-Young noted that often those who request a principles-based approach follow up with a request for more clarity and detail, which is he said completely understandable.

The IAIS is also exploring vulnerable populations and financial resilience, with some of this work being explored by the DEI Working Group. In terms of the challenges caused by COVID-19, the FCA pivoted very quickly to a virtual model. There was also discussion of the mortality and health impacts of climate change, and the resultant impact on the life and health insurance sector. This is something that the IAIS is turning more attention to. The IAIS has a fintech forum and is also monitoring the impact of technology developments on insurance and insurance regulation. Another topic was operational resilience, which the IAIS has a Task Force on. Firms need to be able to serve their customers properly, and to overcome financial crises.

Among the big issues that need to be tackled were the cost of living crisis and the impact it has on vulnerable populations. Management of risk was another broad bucket that was critical, including in the context of global warming. International cooperation was another critical requirement going forward.

In addition to CAFII members, there were attendees from the Canadian Life and Health Insurance Association, or CLHIA; the Travel Health Insurance Association, or THIA; and from insurance and financial services regulators and policy-makers from across Canada, including the following:

- The Financial and Consumer Services Commission of New Brunswick, or FCNB;
- Quebec's Autorité des marchés financiers, or AMF;
- The Financial Services Regulatory Authority of Ontario, or FSRA;
- The Insurance Councils of Saskatchewan, or ICS;
- The Alberta Insurance Council, or AIC;
- The Government of Alberta;

- Alberta Treasury Board and Finance, or ATBF;
- the Financial and Consumer Affairs Authority of Saskatchewan, or FCAA;
- the Government of British Columbia;
- the Insurance Council of British Columbia;
- the British Columbia Financial Services Authority, or BCFSa; and
- the Government of Nova Scotia.

A summary of the webinar can also be found here:

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

The IAIS Website can be accessed here:

<https://www.iaisweb.org/>

Links to relevant resources follow:

**IAIS:**

[IAIS Year in Review 2022](#)

[IAIS Year in Review 2021](#)

[DEI stakeholder session, 9 February 2023](#)

[IAIS Stocktake on Diversity Equity and Inclusion \(iaisweb.org\)](#)

[Issues Paper on Insurer Culture, November 2021](#)

[Application Paper on the Use of Digital Technology in Inclusive Insurance, November 2018](#)

[Issues Paper on Increasing Digitalisation in Insurance and its Potential Impact on Consumer Outcomes, November 2018](#)

[Issues Paper on the Use of Big Data Analytics, February 2020](#)

**FCA:**

[FCA's Consumer Duty](#)

**Sustainable Insurance Forum:**

[Sustainable Insurance Forum](#)

## **Travel Health Insurance Association (THIA)**

### *THIA Holds 2023 Annual General Meeting*

On 21 June, 2023, Keith Martin and Brendan Wycks attended the Annual General Meeting of the Travel Health Insurance Association (THIA). About 50 people were in attendance. The THIA treasurer noted that the 2023 annual conference organized by THIA in Nashville, Tennessee was a significant revenue generator. THIA has also stopped the decline of members it experienced during the pandemic, but it still has a way to go to return to pre-pandemic membership levels.

A special guest presentation was made by Warren Brown on “Journeying Out: LGBTQ Travel Trends and Considerations,” focusing on the challenges and opportunities the LGBTQ community faces around international travel.

FSRA CEO Mark White was interviewed by the Chair of THIA’s Regulatory Affairs Committee Sean McGurran, with Mr. White emphasizing the commitment that FSRA has to principles-based regulation. Sean McGurran is with Zurich Insurance but was formerly with RSA Canada, during which time he was active with CAFII as RSA Canada was a CAFII Associate. Brendan Wycks spoke to Mark White after his presentation and shared the news that Yves Ouellet had just been appointed as the new CEO of the AMF, which Mr. White found very interesting.

## **Principles for Sustainable Insurance Initiative’s Canadian Insurance Industry Task Force Social Thematic Working Group**

### *Paper Released on Closing the Protection Gap in Canada*

Developed by the Principles for Sustainable Insurance Initiative’s Canadian Insurance Industry Task Force, a paper has been released that is a first step by the Canadian insurance industry to open the discussion and dialogue about climate change adaptation considerations and the role that the insurance industry can take to help individuals, especially the most vulnerable.

The paper provides recommendations for widespread action on climate change adaptation integrating social equity considerations. The paper aims to trigger more initiatives from the industry and raise awareness and drive action around the relationship between climate change adaptation, insurance (particularly life and health insurance), and social inequities.

The paper can be accessed here:

<https://www.unepfi.org/industries/insurance/closing-the-protection-gap-in-canada-a-social-sustainability-framework-for-the-canadian-life-and-health-insurance-industry/>

## Provincial/Territorial

### Western Provinces

*CAFII Holds Regulatory and Policy-Maker Tours with Government Officials in the Four Western Provinces*

In late May and June of 2023, CAFII delegations met with insurance regulators and policy-makers in Saskatchewan, Manitoba, British Columbia, and Alberta. The next section of this Regulatory Update includes high-level information about who attended, and when each meeting was held. A separate document details the discussions held and can be accessed here:

[Summary Notes CAFII Western Tour](#)

Some members cannot access MS 365. If that is the case and you would like a copy of the Summary Notes, please let Brendan Wycks or Keith Martin know and we will forward it to you.

### British Columbia

#### British Columbia Ministry of Finance

*CAFII Holds Liaison and Relationship-Building Meeting with British Columbia Ministry of Finance, as part of CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 2 (BC and Alberta).*

CAFII met with the British Columbia Ministry of Finance officials on 13 June, 2023 as part of its Western Canada regulatory tour. In attendance from CAFII were:

- Rob Dobbins, Assurant Canada;
- Karyn Kasperski, RBC Insurance;
- Pete Thorn, TD Insurance;
- Casandra Litniansky, CUMIS Services/The Co-operators;
- John Burns, Securian Canada;
- Lindsey Leclair, Valeyo;
- Keith Martin, CAFII;
- Brendan Wycks.

The delegation met for 60 minutes in-person at BCFSa office in Vancouver (with other CAFII member representatives attending virtually) with Kari Toovey, Director, Financial Institutions, Financial and Corporate Sector Policy Branch; Joey Primeau, Acting Senior Executive Director, Financial and Corporate Sector Policy Branch; and Tiffany Norman, Acting Executive Director, Financial and Corporate Sector Policy Branch, BC Ministry of Finance.



Kari Toovey provided an update by indicating the Ministry's Regulation -- which would empower the Insurance Council of BC to start to develop Rules to add flesh to the bones of the framework set out by the Ministry's Regulation -- was still in-development but was expected to be completed and released sometime in the Fall of 2023.

More detailed notes on the meeting can be found here, starting on page 8:

### [Summary Notes CAFII Western Tour](#)

## **British Columbia Financial Services Authority (BCFSA)**

*CAFII Holds Liaison and Relationship-Building Meeting with British Columbia Financial Services Authority (BCFSA), as part of CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 2 (BC and Alberta).*

CAFII met with the British Columbia Financial Services Authority (BCFSA) on 13 June, 2023 as part of its Western Canada regulatory tour. In attendance from CAFII were:

- Rob Dobbins, Assurant Canada;
- Karyn Kasperski, RBC Insurance;
- Pete Thorn, TD Insurance;
- Casandra Litniansky, CUMIS Services/The Co-operators;
- John Burns, Securian Canada;
- Lindsey Leclair, Valeyo;
- Keith Martin, CAFII;
- Brendan Wycks, CAFII.

The delegation met for 90 minutes in-person at BCFSA office in Vancouver (with other CAFII member representatives attending virtually) with Blair Morrison, CEO (attended for first 20 minutes only, in-person); Saskia Tolsma, Vice-President, Policy and Stakeholder Engagement; Marina Makhnatch, Director, Market Conduct, Financial Institutions; Thomas Taller, Managing Director, Policy & Oversight; Rob O'Brien, Manager, Financial Institutions Policy (attended virtual-only); and Lucas Neufeld, Senior Policy Analyst, BC Financial Services Authority (BCFSA).

The first item on the agenda for this meeting was CAFII extending a sincere kudos/thanks to BCFSA for listening to and accepting industry stakeholder feedback in finding a "reasonable accommodation way forward" for fulfilling its legislation-based mandate to introduce a BC-specific "Insurer Code of Market Conduct."



Blair Morrison said he believed in Canada and was committed to his regulatory Authority protecting consumers, and that he was also committed to a national approach and approaching issues from a Canadian lens. He indicated that “if there is a national solution, BCFSa is going to try to adopt it.”

More detailed notes on the meeting can be found here, starting on page 9:

### [Summary Notes CAFII Western Tour](#)

#### *BCFSa Releases Final Insurer Code of Market Conduct*

In a July 10, 2023 Advisory to industry stakeholders, BCFSa communicated that it had finalized the province’s new Insurer Code of Market Conduct. This new Code of Conduct, the BC version of the Fair Treatment of Customers guidance, has been significantly modified from its original draft and is now well-harmonized with the CCIR/CIRSO Guidance, in response to industry feedback including from CAFII. In summarizing its approach, BCFSa states the following:

*In fall 2019, the B.C. government introduced a series of legislative amendments aimed at modernizing BCFSa’s approach to market conduct supervision and oversight. This included a new provision, section 94.1 of the FIA, that requires insurers to adopt and follow a Code of Market Conduct established by BCFSa. As this requirement is now in force, BCFSa is establishing an Insurer Code of Market Conduct.*

*The Code establishes principles that insurers will be required to adopt and follow to help ensure consumers are protected throughout the product lifecycle. This principles-based approach emphasizes the importance of embedding the fair treatment of customers (“FTC”) in governance and practices while providing insurers with latitude to implement the principles in their operations in a flexible manner.*

*On June 21, 2022, BCFSa released a draft of the proposed Code and an accompanying Guideline for public consultation. A summary of the [consultation feedback](#) is available on BCFSa’s website.*

*Based on feedback received during the consultation period, BCFSa has redrafted the Code to reflect the Canadian Council of Insurance Regulators’ (“CCIR”) Conduct of Insurance Business and Fair Treatment of Customers guidance (“FTC guidance”). BCFSa will not proceed with an accompanying Guideline at this time.*

*To align the requirements in B.C. with the national guidance, the Code uses the 12 expected outcomes from CCIR's FTC guidance as principles that insurers in B.C. will be required to follow. The Code does not include the remainder of the FTC guidance beyond the articulated expected outcomes.*

*Once the Code has been adopted by insurers, BCFSa will work with industry to identify and address potential market conduct issues to ensure consumers continue to be treated fairly and strengthen public trust and confidence in the insurance segment. Insurers are encouraged to review FTC-related reports and guidance published by CCIR on a periodic basis to increase awareness of practices that may support insurers' adherence to the principles in the Code.*

BCFSa will hold a 30 minute webinar on the approach it is taking. Those interesting in attending the webinar on July 20, 2023 from 2:00-2:30 pm EST can register here:

[Webinar Registration - Zoom](#)

#### *One Day Industry Stakeholder Conference Held by BCFSa on June 12, 2023*

BCFSa held a one-day industry stakeholder conference in Vancouver on 12 June, 2023. The conference was opened by Saskia Tolsma, Vice President, Policy and Stakeholder Engagement at BCFSa, who noted that "BCFSa's mission is to promote confidence in British Columbia's financial services sector by providing risk-based and proportional regulation and protecting the public." She noted that BCFSa publishes a regulatory roadmap, which is tied to areas of risk. BCFSa CEO Blair Morrison also provided comments on the role of the organization.

The conference was very focused on BC-specific issues and topics including global economic issues and in BC, building resilience in BC's economy, regulatory and government priorities in uncertain times, digital transformation of financial services: risks and opportunities, and panel discussions on the future of housing in BC, and on what a climate-ready financial sector looks like.

### **Insurance Council of British Columbia**

*CAfii Holds Liaison and Relationship-Building Meeting with Insurance Council of British Columbia, as part of CAfii 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 2 (BC and Alberta).*

CAfii met with the Insurance Council of British Columbia on 14 June, 2023 as part of its Western Canada regulatory tour. In attendance from CAfii were:

- Rob Dobbins, Assurant Canada;
- Karyn Kasperski, RBC Insurance;
- Pete Thorn, TD Insurance;
- Casandra Litniansky, CUMIS Services/The Co-operators;
- John Burns, Securian Canada;
- Keith Martin, CAFII;
- Brendan Wycks, CAFII.

The delegation met for 90 minutes in-person at Insurance Council of BC office in Vancouver (with other CAFII member representatives attending virtually) with Janet Sinclair, CEO; Brett Thibault, Director, Governance and Stakeholder Engagement; and Galen Aker, Stakeholder Engagement Specialist, Insurance Council of BC.

The demeanour of the three Insurance Council of BC staff executive hosts was warm, receptive, and engaged.

Janet Sinclair, CEO, said that “as a regulator, we have a different perspective as to how things work; so this kind of dialogue with industry Associations is vitally important to us.”

Ms. Sinclair made an emphatic point of highlighting for CAFII the fact that in the Council’s recently adopted new 2024-2026 Strategic Plan (CAFII note: about which there had not been any consultation with industry stakeholders), there is specific Strategy – under Goal 2 of four goals re “Regulatory oversight that protects consumers and enables industry innovation”; and that Goal’s Priority Statement re “Modernize regulatory oversight to keep pace with changes in the insurance marketplace and support/enable transformation” -- to “Drive harmonization with other Canadian jurisdictions.” (Goal 3 of three Goals). CAFII thanked Ms. Sinclair and her colleagues for placing such an explicit emphasis and accountability on national harmonization in the Council’s new Strategic Plan.

More detailed notes on the meeting can be found here, starting on page 10:

[Summary Notes CAFII Western Tour](#)

## Alberta

### Alberta Insurance Council

*CAFII Holds Liaison and Relationship-Building Meeting with Alberta Insurance Council (AIC), as part of CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 2 (BC and Alberta).*

CAFII met with the Insurance Council of Alberta on 15 June, 2023 as part of its Western Canada regulator tour. In attendance from CAFII were:

- Rob Dobbins, Assurant Canada;
- Karyn Kasperski, RBC Insurance;
- Casandra Litniansky, CUMIS Services/The Co-operators;
- John Burns, Securian Canada;
- Keith Martin, CAFII;
- Brendan Wycks, CAFII.

The delegation met for 90 minutes in-person at the Alberta Insurance Council office in Edmonton (with other CAFII member representatives attending virtually) with Joanne Abram, CEO (Edmonton office); Brent Rathgeber, Chief Operating Officer and General Counsel (Edmonton office); Sylvia Boyetchko, Director of Licensing (Edmonton office); Zabeda Yaqoob, Director of Legal and Regulatory Affairs (Calgary office); and Joseph Fernandez, Director of Compliance (Calgary office); Alberta Insurance Council.

There was considerable discussion about the merits and benefits of national harmonization of insurance policy and regulation in Canada, and the role of national co-ordinating bodies such as CCIR and CISRO in leading such initiatives, even if that meant stepping outside of their historical comfort zone and taking on a more aspirational leadership role around harmonization. In that connection, Joanne Abram and Joseph Fernandez suggested that CAFII should ramp up and strengthen its communication and advocacy efforts to insurance regulators and policy-makers across the country about the importance of harmonization.

CAFII noted that we would be meeting later that same day with Alberta Treasury Board and Finance staff executives, and we offered to share with them our view that the Alberta Insurance Council should have rule-making authority.

More detailed notes on the meeting can be found here, starting on page 12:

[Summary Notes CAFII Western Tour](#)

## **Alberta Treasury Board and Finance (ATBF)**

*CAFII Holds Liaison and Relationship-Building Meeting with the Alberta Treasury Board and Finance (ATBF), as part of CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 2 (BC and Alberta).*

CAFII met with the Alberta Treasury Board and Finance (ATBF) on 15 June, 2023 as part of its Western Canada regulator tour. In attendance from CAFII were:

- Rob Dobbins, Assurant Canada;
- Karyn Kasperski, RBC Insurance;
- Casandra Litniansky, CUMIS Services/The Co-operators;
- John Burns, Securian Canada;
- Keith Martin, CAFII;
- Brendan Wycks, CAFII.

The delegation met for 90 minutes in-person at the Alberta Treasury Board and Finance office in Edmonton (technology/internet connection difficulties prevented other CAFII member representatives from attending virtually) with David Sorensen, Deputy Superintendent of Insurance; David Mulyk, Executive Director, Pension and Insurance Policy; and Thembi Mathwasa, Manager, Compliance; ATBF. (Mark Brisson, Superintendent of Insurance, was expected to attend this meeting, but was a last minute no-show due to unexpected competing priorities).

David Mulyk was impressed by the high claims payout numbers for CPI mortgage life insurance from the Pollara research, and he said that CAFII should publicize those sorts of numbers. Regulators and policy-makers tend to hear the bad news only, and sometimes do not get exposure to the real trends and realities, he opined.

More detailed notes on the meeting can be found here, starting on page 13:

[Summary Notes CAFII Western Tour](#)

## Saskatchewan

### Insurance Councils of Saskatchewan

*CAFII and CLHIA Members Hold Meeting of the Insurance Councils of Saskatchewan Restricted Insurance Agent Advisory Committee*

CAFII and CLHIA members held a meeting on 8 June, 2023 of the Insurance Councils of Saskatchewan Restricted Insurance Agent Advisory Committee (RIACC). This Advisory Committee provides an opportunity for the credit protection insurance industry to provide feedback and input to the Insurance Councils of Saskatchewan. Chaired by Moira Gill (TD Insurance), this meeting covered a wide variety of topics including new product trends. This advisory group is viewed by CAFII as a model that could be replicated in other jurisdictions which have an RIA licensing regime.

In attendance at the meeting were:

- Moira Gill (RIAAC Chair), TD Insurance;
- Charles MacLean (RIAAC Vice-Chair), RBC Insurance;
- Shawna Sykes, CUMIS/The Co-operators;
- Greg Shirley, Manulife;
- Luke O'Connor, CLHIA;
- Brent Mizzen, CLHIA;
- Keith Martin, CAFII;
- Brendan Wycks, CAFII.

The meeting was arranged and moderated by April Stadnek, Executive Director, Insurance Councils of Saskatchewan.

### Saskatchewan Financial and Consumer Affairs Authority (FCAA)

*CAFII Holds Liaison and Relationship-Building meeting with Saskatchewan Financial and Consumer Affairs Authority (FCAA) as part of 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 1 (Saskatchewan and Manitoba).*

CAFII held a meeting in Regina, Saskatchewan with the Saskatchewan Financial and Consumer Affairs Authority (FCAA) on 31 May, 2023. In attendance at the meeting from CAFII were:

- Michelle Costello, CUMIS/The Co-operators;
- Shawna Sykes, CUMIS/The Co-operators;
- Keith Martin, CAFII;
- Brendan Wycks, CAFII.

The delegation met for 90 minutes in-person at FCAA office in Regina (with other CAFII member representatives attending virtually) with Jan Seibel, Executive Director, Insurance and Real Estate Division; and Ann Ottenbrite, Lawyer, FCAA.

The discussion was open and collegial, with Jan Seibel projecting a warm and friendly demeanour. She noted the importance of open and transparent consumer disclosures, with a view to ensuring that they understand the insurance contracts that they were entering into, including any exclusions.

In dialogue with the CAFII delegation, Ms. Seibel asked what are the reasons why 5% of CPI mortgage life insurance claims are denied. CAFII representatives responded with the information requested, including a death that resulted from suicide and for material misrepresentation on the insurance application. CAFII clarified that Medical Assistance In Dying (MAID) does not constitute suicide and is not a cause for a CPI life insurance claim denial.

More detailed notes on the meeting can be found here, starting on page 6:

[Summary Notes CAFII Western Tour](#)

## Manitoba

### **Manitoba Superintendent of Insurance and the Insurance Council of Manitoba**

*CAFII Holds Liaison and Relationship-Building Joint Meeting with Manitoba Superintendent of Insurance (Financial Institutions Regulation Branch (FIRB), Government of Manitoba) and Insurance Council of Manitoba (ICM) as part of 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 1 (Saskatchewan and Manitoba).*

CAFII held a joint meeting on 1 June, 2023 in Winnipeg, Manitoba with the Manitoba Superintendent of Insurance and the Insurance Council of Manitoba. In attendance from CAFII were:

- Michelle Costello, CUMIS/The Co-operators;
- Dallas Ewen, Canada Life Assurance;
- Catherine Laspina, Canada Life Assurance;
- Marco DeiCont, Valeyo;
- Keith Martin, CAFII;
- Brendan Wycks, CAFII.



The delegation met for 90 minutes in-person at ICM office in Winnipeg (with other CAFII member representatives attending virtually) with Scott Moore (attended virtually), Manitoba Superintendent of Insurance, and Stacey Aubrey (attended in-person), Executive Director, Insurance Council of Manitoba (ICM).

In one surprising interjection, Scott Moore responded to the 2022 Pollara research statistic indicating a 95% payout rate on credit protection mortgage life insurance claims by asking how that compared to other life insurance products which “did not practise post-claims underwriting.” Keith Martin said that the CPI industry did not practise post-claims underwriting, and that was a myth propagated and perpetuated by the advice-based channel. Questions are asked at the time of application, and at the time of a claim the applicant’s responses are reviewed to ensure that the questions were answered truthfully. Dallas Ewen, Canada Life Assurance, added that adjudication after a claim is made occurs across all life insurance products, and that the same major life and health insurers are using the same process for adjudicating credit protection insurance claims as they do in the case for adjudicating claims made under other types of coverage such as term life insurance.

More detailed notes on the meeting can be found here, starting on page 7:

[Summary Notes CAFII Western Tour](#)

## Ontario

### Financial Services Regulatory Authority of Ontario (FSRA)

#### *FSRA Releases Q4 Standards Scorecard*

FSRA has released a Q4 standards scorecard that it says demonstrates that it “continues to maintain high service standards for the benefit of Ontario consumers.” The report states that in its fourth quarter service standards report, FSRA met or exceeded performance targets 97% of the time.

The report measures activities such as license renewals, regulatory applications, and the handling of complaints. FSRA says it will monitor the standards and performance targets on a regular basis and propose changes based on its regulatory activities in the current market, resources, and stakeholder needs.

FSRA uses the performance data to evaluate the efficiency and effectiveness of its resourcing, business processes, and public service year-round.



### *FSRA Releases its 2023-2026 Annual Business Plan*

FSRA has released its 2023-2026 Annual Business Plan, which can be accessed here:

<https://www.fsrao.ca/media/22321/download>

FSRA's life and health insurance focus is around the MGA distribution channel, and segregated funds (see pages 43-44). It makes no reference to credit protection insurance as a current priority.

## Quebec

### **Autorité des marchés financiers (AMF)**

#### *CAFII Meets with AMF on the Draft Regulation Respecting Complaint Processing and Dispute Resolution in the Financial Sector*

On Wednesday, 21 June, CAFII (Rob Dobbins, EOC Chair; Karyn Kasperski, EOC Vice-Chair, and Keith Martin, CAFII Co-Executive Director) held a follow up meeting with the AMF on the *Draft Regulation respecting complaint processing and dispute resolution in the financial sector*. The first meeting on this issue was held on 11 May, 2023.

In attendance at the 21 June, 2021 meeting from the AMF were:

- Louise Gauthier, Senior Director, who led the discussion, and who reports to Éric Jacob;
- Mélissa Perreault, Director, who reports to Louise Gauthier;
- Nathalie Sirois, Director, who reports to Patrick Déry;
- Cindy Côté, Analyst, who was also very involved in the discussion;
- Isabelle Déry.

The tone was very cordial and collaborative, with the AMF indicating that they understood that there were some areas of confusion. The AMF shared a document which highlighted some of the changes they were contemplating with respect to the regulation. Of note in the document:

- The AMF is considering changing the shorter timeline for resolving complaints to 20 days (instead of 10 days);
- The observation "Insurers expressed their wish that the definition of a complaint corresponds to the definition established by the CCIR for the purposes of providing information on complaints in the Annual statement on market conduct";
- The intent to clarify the definition of complaints and provide examples of what is not covered by the definition of a complaint;
- Considering allowing an 18-24 month implementation period for the regulation.

*CAFII Holds Special Purpose Virtual Meeting with Autorité des Marchés Financiers (AMF), Quebec around its Gathering of Industry Statistics on Debtor Life, Health and Employment Insurance (DLHE: AMF acronym) Claims Denials and Utilization Intentions for Those Statistics*

CAFII held a meeting on 8 June, 2023 on the Debtor Life, Health and Employment Insurance statistics that the AMF has recently gathered and its intended use of them. In attendance at the meeting were:

- Peter Thompson, BNC Insurance and CAFII Board Chair;
- Rob Dobbins, Assurant Canada and CAFII EOC Chair;
- Karyn Kasperski, RBC Insurance and CAFII EOC Vice-Chair;
- Keith Martin, CAFII.

The session lasted for 60 minutes virtually with Christian Beaulieu, Senior Director of Distribution Framework Operations (Mario Beaudoin's boss), and Mario Beaudoin, Director of Alternative Distribution Practices in Insurance, AMF, for an initial meeting on this subject matter in which the CAFII representatives were largely in "listening mode". Mario Beaudoin did most of the talking for the AMF, and was cordial and forthcoming. He said that the AMF wanted a high-level understanding of the trends in the marketplace, and also to understand what companies were performing at a lower standard than the benchmark and why. But this is not an enforcement-oriented activity at this time and it is a long-term project. The intention is also to align the statistics with CCIR's Annual Statement on Market Conduct (ASMC).

Mr. Beaudoin said that there was a lot of variance in the performance of banks in the "debtor life and loss of employment" space. Understanding that variance was part of the AMF's efforts around the fair treatment of customers. Mr. Beaudoin added that companies that the AMF has reached out to have been very collaborative. In the discussion, it became apparent that one of the areas that the AMF is concerned about is the car dealership sector, where it clearly has some issues with some of the sales practices it believes are being used. He noted that the AMF had seen circumstances where there is 60-70% compensation in the car dealership space. Mr. Beaudoin also said that the credit card balance protection insurance claims denial rate was up to 15% in some companies and that was a concern.

Mr. Beaudoin said that companies with the best statistics are those that collect this information internally, who report on it internally, and which have processes in place to address any shortcomings. This is what the AMF is hoping to see across industry.

There was discussion of how there was a qualitative and a quantitative element to these statistics, and each product needs to be assessed independently as they are all different. Mario Beaudoin emphasized that the AMF wanted to understand the marketplace and trends within it better, and was not attempting to impose a standard or benchmark on industry, and he also emphasized that this is not a short-term project. He noted that the AMF has a lot of priorities right now and there are other initiatives that will be ahead of this one in terms of resources and effort.

Peter Thompson asked about milestones and timelines, and Mario Beaudoin said that the AMF was focused on 2022 data right now, and would look again at claims denial rates in the summer of 2023, and expected companies that were outliers to come up with action plans to address the shortcomings. Not all companies with problems have been contacted by the AMF yet. Mr. Beaudoin also made reference to a new Quebec law (Bill C-30) that essentially prohibits single premiums for multi-year insurance policies.

CAFII thanked the AMF for the collaborate nature of the meeting, and Christian Beaulieu said that he agreed that these meetings were helpful and that he was committed to continuing with the dialogue.

**Agenda Item 2(d)**  
**July 18/23 EOC Meeting**

**CAFII Insurance Regulator and Policy-Maker Meetings/Interactions**  
**From June 24/23 To July 14/23**

<b><u>Date</u></b>	<b><u>Event/Occasion/Issue</u></b>	<b><u>Who</u></b>
June 28/23	Email exchange in French with the AMF's Senior Director, Distribution Framework Policies.	On June 28/23, Keith Martin had a productive follow-up email exchange in French with Louise Gauthier, the AMF's Senior Director, Distribution Framework Policies, around the AMF's proposed definition of "Complaints" and its related draft <i>Regulation respecting Complaint Handling and Dispute Resolution</i> , in which Ms. Gauthier committed to give CAFII's expressed views full and serious consideration in the AMF's finalization of the <i>Regulation respecting Complaint Handling and Dispute Resolution</i> .
July 4/23	Regular quarterly one-on-one virtual meeting between CAFII Board Chair and AMF's Superintendent, Client Services and Distribution Oversight.	CAFII Board Chair Peter Thompson held a quarterly virtual liaison meeting with Eric Jacob, the AMF's Superintendent, Client Services and Distribution Oversight: a meeting which planted the seeds for CAFII progress on the issues of, among others, seeking a reconsideration by the AMF of the requirement for CAFII members to have finalized their runoff of spousal CPI coverage by January 1/25; and an opportunity for CAFII to meet and engage in a get acquainted dialogue with Yves Ouellet, the AMF's newly appointed CEO who starts in that role in early August 2023.

July 10/23	BCFSA includes CAFII, as a key industry stakeholder, in Advisory dissemination	On July 10/23, BCFSA distributed to CAFII and other key industry stakeholders an Advisory announcing the release of its anticipated “Insurer Code of Market Conduct,” which included an embedded invitation to a July 20/23 half-hour webinar on “Introducing the BC Insurer Code of Market Conduct”: <a href="#">Webinar Registration - Zoom</a>
July 12-14/23	Email exchange with a senior FSRA staff executive around his guest presenter status for an upcoming CAFII webinar.	Keith Martin sent a reminder outreach email to Stuart Wilkinson, Director of the Consumer Office at the Financial Services Regulatory Authority of Ontario (FSRA), seeking confirmation of his preferred date – September 26 or 27/23 – for a CAFII Fireside Chat Webinar with him, focusing on the mandate and initiatives of the FSRA Consumer Office. This outreach prompted a productive confirmation/settling exchange with Mr. Wilkinson.

Summary of CAFII Board and EOC Action Items					
	Source	Action Item	Responsible	Deadline	Status July 14, 2023
		<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	B. Wycks	31-Dec-23	In Progress
		<b>Regulatory Initiatives</b>			
4	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
5	BOD April 4, 2023	At an appropriate time, suggest to the FCNB that they broaden the language of Clause 46 to include consulting a representative of a financial advisor or a representative of the insurance company	B. Wycks/ K. Martin	Ongoing	In Progress
		<b>Association Operations</b>			
6	EOC May 17, 2022	Regularly scan website videos to ensure that they are up-to-date and don't include broken links	K. Martin/ B. Wycks	Ongoing	Ongoing
7	BOD June 6, 2023	If necessary, request from the Board a financial provision, outside of the approved 2023 Operating Budget, for a partial rebuild of the CAFII back-end website in 2023	K. Martin	Ongoing	Ongoing

**Agenda Item 2(f)**

**July 18/23 EOC Meeting**

**Board-Approved Schedule of CAFII 2023 Meetings and Events**

**(Approved At October 11/22 CAFII Board Meeting)**

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

- **Tuesday, January 17, 2023** (2:00–4:00 p.m. MS Teams virtual-only meeting)
- **Tuesday, February 14, 2023** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)  
*(Family Day Stat Holiday in Ontario: Monday, February 20)*
- **Tuesday, March 21, 2023** (2:00–3:30 p.m. MS Teams virtual-only meeting)  
*(Quebec Spring Break: March 6 – March 10. Ontario March Break: March 13 – March 17)*
- **Tuesday, April 25, 2023** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)  
*(Passover: Wednesday, April 5 – Thursday, April 13. Good Friday: Friday, April 7. Easter Monday: Monday, April 10)*
- **Tuesday, May 16, 2023** (2:00–3:30 p.m. MS Teams virtual-only meeting)  
*(Victoria Day Stat Holiday: Monday, May 22)*
- **Tuesday, June 27, 2023** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)
- **Tuesday, July 18, 2023** tentative summer meeting (2:00–3:30 p.m. MS Teams virtual-only meeting)
- **Tuesday, August 15, 2023** tentative summer meeting (2:00–3:30 p.m. MS Teams virtual-only meeting)  
*(Civic Stat Holiday: Monday, August 7)*
- **Tuesday, September 19, 2023** (3:00–5:00 p.m. in-person/virtual-hybrid meeting, followed by EOC Annual Appreciation Dinner)  
*(Labour Day: Monday, September 4. Rosh Hashanah: September 15 – 17. Yom Kippur: September 24 – 25. National Day for Truth and Reconciliation: Saturday, September 30)*
- **Tuesday, October 24, 2023** (2:00–3:30 p.m. MS Teams virtual-only meeting)  
*(Thanksgiving Stat Holiday: Monday, October 9)*
- **Tuesday, November 14, 2023** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)  
*(Remembrance Day: Saturday, November 11. Diwali: Sunday, November 12)*

**Board Meetings:**

- **Tuesday, April 4, 2023** (3:00–5:00 p.m. in- person/virtual-hybrid meeting, followed by ensuing Reception)  
*(Passover: Wednesday, April 5 – Thursday, April 13. Good Friday: Friday, April 7. Easter Monday: Monday, April 10)*  
**HOST: Canadian Tire Bank (at private venue rental in downtown Toronto)**
- **Tuesday, June 6, 2023** (2:30–5:00 p.m. in- person/virtual-hybrid meeting, preceded by 2023 Annual Meeting of Members and followed by ensuing Reception).  
**HOST: Manulife, 200 Bloor St. East, Toronto**
- **Tuesday, October 10, 2023** (2:20–4:00 p.m. in- person/virtual-hybrid meeting, immediately following liaison lunch and Industry Issues Dialogue with AMF staff executives)  
**HOST: RBC Insurance (Montreal); Alternate: BMO Insurance (Montreal)**
- **Tuesday, December 5, 2023** (3:00–5:00 p.m. in- person/virtual-hybrid meeting, followed by Holiday Season/Year-End Reception)  
**HOST: Scotia Insurance; Alternate: RBC Insurance**

**2023 Annual Members and Associates Luncheon:**

- *Tuesday, May 9, 2023 from 11:45 a.m. EST to 2:15 p.m. EST at St. James Cathedral Centre  
Event Venue, 65 Church St., Toronto*

**2023 EOC Annual Appreciation Dinner:**

- *Tentative Date: Tuesday, Sept 19, 2023 at 5:30 p.m. at a TBD location*

**Webinars:**

- January 25 or 26, 2023
- March 29 or 30, 2023
- April 26 or 27, 2023
- September 26 or 27, 2023
- October 25 or 26, 2023
- November 22 or 23, 2023

**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**

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

**Date:** Tuesday, November 9, 2021 from 1:00 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

### **2019 Annual Members and Associates Luncheon**

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

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

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

**Venue:** Arcadian Loft, 401 Bay St., Simpson Tower, 8<sup>th</sup> Floor, Toronto, ON

## **Briefing Note**

### **CAFII EOC Meeting 18 July, 2023—Agenda Item 3(a) Financial Management Matters--CAFII Financial Statements as at June 30/23**

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

To update the EOC on the Association's financial position as at 30 June, 2023.

#### **Background Information**

CAFII Treasurer Donald Hinnecke will provide an update based on the CAFII Financial Statements as at 30 June, 2023.

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

This is an update only.

#### **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 Jun 30th, 2023

	Current Month	Budget Jun-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	\$476,549	\$464,982	\$11,567	\$929,964
Interest	\$925	\$458	\$467	\$5,243	\$2,748	\$2,495	\$5,500
Investments - Interest-Savings, Short-term CD	\$2,301	\$0	\$2,301	\$3,452	\$0	\$3,452	\$0
Misc (One time event fees)	\$0	\$0	\$0	\$380	\$0	\$380	\$0
<b>TOTAL REVENUE</b>	<b>\$82,651</b>	<b>\$77,955</b>	<b>\$ 4,696</b>	<b>\$485,624</b>	<b>\$467,730</b>	<b>\$17,894</b>	<b>\$935,464</b>
<b>Expenses</b>							
<b>Office Costs</b>							
Management Fees (CAFII staff and Managing Matters)	\$43,064	\$44,899	\$1,835	\$268,655	\$269,394	\$739	\$538,784
New hire for 6 months overlap	\$0	\$0	\$0	\$0	\$0	\$0	\$102,895
Audit Fees	\$1,367	\$1,367	\$0	\$7,700	\$8,202	\$502	\$16,402
Insurance	\$722	\$575	(\$147)	\$3,350	\$3,450	\$100	\$6,902
Member Communication and Technology Tools	\$1,509	\$734	(\$775)	\$6,372	\$4,404	(\$1,968)	\$8,810
Telephone/Fax/Internet	\$2,496	\$482	(\$2,014)	\$3,016	\$2,892	(\$124)	\$5,789
Postage/Courier	\$66	\$7	(\$59)	\$73	\$35	(\$38)	\$86
Office Expenses	\$381	\$896	\$515	\$1,285	\$5,376	\$4,091	\$10,751
Bank Charges	\$12	\$52	\$40	\$147	\$312	\$165	\$628
New Office Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation Computer/Office Equipment	\$60	\$235	\$175	\$358	\$1,410	\$1,052	\$2,821
Miscellaneous Expense	\$0	\$250	\$250	\$0	\$250	\$250	\$500
<b>Total Office related expenses</b>	<b>\$49,676</b>	<b>\$49,497</b>	<b>(\$179)</b>	<b>\$290,957</b>	<b>\$295,725</b>	<b>\$4,768</b>	<b>\$694,369</b>
Legal and consulting costs associated with regulatory submissions and initiatives	\$0	\$8,040	\$8,040	\$17,987	\$42,160	\$24,173	\$90,400
<b>Board/EOC/AGM</b>							
Annual Members and Associates Luncheon	\$2,600	\$0	(\$2,600)	\$13,577	\$16,120	\$2,543	\$16,120
Board Hosting (External)	\$7,500	\$8,025	\$525	\$7,500	\$16,050	\$8,550	\$24,075
Board/EOC Meeting Expenses	\$1,178	\$3,454	\$2,276	\$7,827	\$10,362	\$2,535	\$31,089
Industry Conferences and Events	\$0	\$0	\$0	\$0	\$2,800	\$2,800	\$3,627
EOC Annual Appreciation Dinner	\$0	\$0	\$0	\$0	\$0	\$0	\$5,676
Speaker fees & travel	\$0	\$0	\$0	\$0	\$1,500	\$1,500	\$1,500
Gifts	\$0	\$107	\$107	\$0	\$642	\$642	\$1,284
Networking Events	\$9,172	\$1,412	(\$7,760)	\$9,172	\$2,825	(\$6,347)	\$5,650
CAFII 25th Anniversary Celebration	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Board/EOC/AGM</b>	<b>\$20,450</b>	<b>\$12,998</b>	<b>(\$7,452)</b>	<b>\$38,076</b>	<b>\$50,299</b>	<b>\$12,223</b>	<b>\$89,021</b>
<b>Regulatory and Industry</b>							
Provincial Regulatory Visits and Relationship-Building	\$6,786	\$9,600	\$2,814	\$7,010	\$24,600	\$17,590	\$41,000
Federal Regulatory Visits and Relationship-Building	\$0	\$2,500	\$2,500	\$0	\$2,500	\$2,500	\$5,000
Research/Studies	\$0	\$16,950	\$16,950	\$8,814	\$16,950	\$8,136	\$67,800
Webinar Fees	\$1,921	\$0	(\$1,921)	\$7,684	\$7,683	(\$1)	\$15,368
Website SEO and Enhancements	\$0	\$0	\$0	\$11,300	\$11,300	\$0	\$45,200
CAFII Benchmarking Study/RSM Canada	\$0	\$0	\$0	\$16,950	\$17,798	\$848	\$71,190
Media Outreach	\$140	\$2,260	\$2,120	\$1,279	\$4,520	\$3,241	\$9,040
Media Consultant Retainer	\$2,543	\$3,125	\$583	\$15,255	\$18,750	\$3,495	\$37,500
Marketing Collateral	\$260	\$0	(\$260)	\$1,235	\$0	(\$1,235)	\$7,000
<b>Total Regulatory and Industry</b>	<b>\$11,649</b>	<b>\$34,435</b>	<b>\$22,786</b>	<b>\$69,526</b>	<b>\$104,101</b>	<b>\$34,575</b>	<b>\$299,098</b>
<b>TOTAL EXPENSE</b>	<b>\$81,776</b>	<b>\$104,970</b>	<b>\$23,194</b>	<b>\$416,546</b>	<b>\$492,285</b>	<b>\$75,739</b>	<b>\$1,172,888</b>
<b>NET INCOME</b>	<b>\$875</b>	<b>(\$27,015)</b>	<b>27,890</b>	<b>\$69,078</b>	<b>(\$24,555)</b>	<b>\$ 93,633</b>	<b>(\$237,424)</b>
proof	-	-	-	-	-	-	-

#### 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 cafi.com, subscription and website improvements.

# CAFI

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

## Balance Sheet As at Jun 30th, 2023

	CAFI Operations		
	30-Jun 2023	30-May 2023	31-Dec 2022
<b>ASSETS</b>			
<b>Current Assets</b>			
Bank Balance	\$206,953	\$281,174	\$324,108
Savings Account	\$422,487	\$421,563	\$417,244
TD Investment in GIC- 1104 8045480 01	\$600,000	\$600,000	\$0
Accounts Receivable	\$4,783	\$12,283	\$0
Interest Receivable	\$3,452	\$1,151	\$0
Prepaid Expenses	\$8,770	\$4,257	\$6,397
Computer/Office Equipment	\$10,878	\$10,878	\$10,878
Accumulated Depreciation -Comp/Equip	(\$9,088)	(\$9,028)	(\$8,730)
<b>Total Current Assets</b>	<b>\$1,248,236</b>	<b>\$1,322,278</b>	<b>\$749,898</b>
<b>TOTAL ASSETS</b>	<b>\$1,248,236</b>	<b>\$1,322,278</b>	<b>\$749,898</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accrued Liabilities	\$9,940	\$6,723	\$15,916
Credit Card	\$435	\$997	\$566
Account Payable	\$22,960	\$21,107	\$64,141
Deferred Revenue	\$476,549	\$555,974	\$0
<b>Total Current liabilities</b>	<b>\$509,883</b>	<b>\$584,801</b>	<b>\$80,623</b>
<b>TOTAL LIABILITIES</b>	<b>\$509,883</b>	<b>\$584,801</b>	<b>\$80,623</b>
<b>UNRESTRICTED NET ASSETS</b>			
Unrestricted Net Assets, beginning of year	\$669,275	\$669,275	\$505,900
Excess of revenue over expenses	\$69,078	\$68,203	\$163,374
<b>Total Unrestricted Net Assets</b>	<b>\$738,353</b>	<b>\$737,477</b>	<b>\$669,275</b>
<b>Total Unrestricted Net Assets</b>	<b>\$738,353</b>	<b>\$737,477</b>	<b>\$669,275</b>
<b>TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS</b>	<b>\$1,248,236</b>	<b>\$1,322,278</b>	<b>\$749,898</b>
<b>Financial Reserves Targets as per 2023 Budget:</b>			
Minimum 3 months (25%) of Annual Operating Expenses=		\$	293,222
Maximum 6 months (50%) of Annual Operating Expenses=		\$	586,444
<b>Current Level of Financial Reserves</b> (total unrestricted net assets):			<b>\$738,353</b>
<b>Current Level of Financials Reserve (%)</b> :			<b>63%</b>

- 0.04  
- 0.08  
0.00

# CAFI

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

## Membership Fees

		<u>Feb-23</u>		<u>Billed</u>	<u>Received</u>	<u>Method of Payment</u>	<u>Received Date</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
Torys 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
<b>Feb Invoices</b>			<b>\$953,098</b>		<b>\$953,098</b>		
<b>Total Membership Fees</b>			<b>\$953,098</b>				
Total amount to realocate monthly Jan-Dec. 2023			<b>\$79,424.83</b>				

## **Briefing Note**

### **CAFII EOC Meeting 18 July, 2023—Agenda Item 3(b) Financial Management Matters--Forecast For CAFII 2023 Fiscal Year as at June 30/23**

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

To provide an update on the Association's financial forecast through to the end of the 2023 fiscal year, as at June 30, 2023.

#### **Background Information**

CAFII Treasurer Donald Hinnecke will provide an update based on the CAFII 2023 fiscal year forecast as at 30 June, 2023.

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

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This is an update only.

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

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One (1) attachment.

2023 CAFII Budget  
In \$ Cdn

	2019 Actuals	2020 Actuals	2021 Actuals	2022 Actuals	CAFII 2023 Budget	2023 YTD Jun 2023	2023 Forecast	Comment/Rationale
<b>Revenue</b>								
Membership Dues	734,664	884,721	955,970	991,653	929,964	476,549	953,097	New member not in plan (Lower tier)
Interest	982	399	236	2,579	5,500	5,243	9,500	Higher interest rates
Investments - Interest-Savings, Short-term CD	-	-	-	-	-	3,452	6,904	Not in Plan
CCBPI Revenue + one time event fees	195	-	-	12,511	-	380	-	
<b>TOTAL REVENUE</b>	<b>735,841</b>	<b>885,120</b>	<b>956,206</b>	<b>1,006,743</b>	<b>935,464</b>	<b>485,624</b>	<b>969,501</b>	
<b>EXPENSE</b>								
<b>Office Costs</b>								
Management Fees (CAFII staff and Managing Matters)	465,134	476,844	486,711	507,904	538,784	268,655	538,784	Same as budget
New hire for 6 months overlap					102,895	-	136,932	Increased due to recruitment fees
Audit Fees	14,799	16,743	13,224	15,187	16,402	7,700	16,402	Same as budget
Insurance	5,338	5,385	5,877	6,275	6,902	\$3,350	6,902	Same as budget
Member Communication and Technology Tools	10,022	5,765	6,958	7,990	8,810	6,372	8,810	Same as budget
Telephone/Fax/Internet	6,494	5,808	6,799	5,935	5,789	3,016	5,789	Same as budget
Postage/Courier	159	53	-	60	86	73	86	Same as budget
Office Expenses	2,025	2,158	2,694	7,898	10,751	1,285	10,751	Same as budget
Bank Charges	112	236	663	548	628	147	628	Same as budget
New Office Equipment	-	-	-	-	-	-	-	Same as budget
Depreciation Computer/Office Equipment	1,136	1,136	1,136	716	2,821	358	2,821	Same as budget
Miscellaneous Expense	-	-	-	283	500	-	500	Same as budget
Total Office related expenses	505,219	514,128	524,061	552,796	694,369	290,957	728,406	
Legal and consulting costs associated with regulatory submissions and initiatives	-	28,975	74,221	-	90,400	17,987	90,400	Same as budget
							-	
<b>Board/EOC/AGM</b>								
Annual Members and Associates Luncheon	12,052	-	-	13,147	16,120	13,577	16,120	Same as budget
Board Hosting (External)	14,001	-	-	203	24,075	7,500	24,075	Same as budget
Board/EOC Meeting Expenses	35,419	4,676	1,822	11,361	31,089	7,827	31,089	Same as budget
Industry Conferences and Events	-	-	-	615	3,627	\$0	3,627	Same as budget
EOC Annual Appreciation Dinner	2,193	4,244	-	2,501	5,676	-	5,676	Same as budget
Speaker fees & travel	1,189	-	-	-	1,500	-	1,500	Same as budget
Gifts	200	-	-	765	1,284	-	1,284	Same as budget
Networking Events	-	-	-	1,854	5,650	9,172	5,650	Same as budget
CAFII 25th Anniversary Celebration	-	-	-	15,315	-	-	-	
<b>Total Board/EOC/AGM</b>	<b>65,053</b>	<b>8,920</b>	<b>1,822</b>	<b>45,761</b>	<b>89,021</b>	<b>38,076</b>	<b>89,021</b>	Same as budget
							-	
<b>Regulatory and Industry</b>								
Provincial Regulatory Visits and Relationship-Building	16,833	983	-	9,205	41,000	7,010	41,000	Same as budget
Federal Regulatory Visits and Relationship-Building	442	540	-	-	5,000	\$0	5,000	Same as budget
Research/Studies	5,368	28,646	75,473	73,026	67,800	8,814	67,800	Same as budget
Webinar Fees				7,684	15,368	7,684	15,368	Same as budget
Website SEO and Enhancements	40,914	31,144	50,737	45,200	45,200	11,300	45,200	Same as budget
CAFII Benchmarking Study/RSM Canada	-	68,365	67,800	67,800	71,190	16,950	71,190	Same as budget
Media Outreach	5,683	350	9,542	2,779	9,040	\$1,279	9,040	Same as budget
Media Consultant Retainer	27,120	27,685	29,792	37,331	37,500	15,255	37,500	Same as budget
Marketing Collateral	1,629	845	717	1,787	7,000	1,235	7,000	Same as budget
<b>Total Regulatory and Industry</b>	<b>105,543</b>	<b>179,462</b>	<b>254,966</b>	<b>244,812</b>	<b>299,098</b>	<b>69,526</b>	<b>299,098</b>	Same as budget
<b>TOTAL EXPENSE</b>	<b>675,816</b>	<b>731,485</b>	<b>855,070</b>	<b>843,368</b>	<b>1,172,888</b>	<b>416,546</b>	<b>1,172,888</b>	
<b>Excess of Revenue over Expenses</b>	<b>60,025</b>	<b>153,636</b>	<b>101,136</b>	<b>163,375</b>	<b>(237,424)</b>	<b>69,078</b>	<b>(237,424)</b>	
Unrestricted Net Assets (beginning of year)	170,198	230,223	230,223	505,900	621,727	669,275	669,275	
Unrestricted Net Assets (end of period)	230,223	383,859	331,359	669,275	384,303	738,353	431,851	

**Explanatory Notes:**  
(1) Assumes Two Co-Executive Directors, one @ 5 days per week; one @ 4.5 days per week; plus Managing Matters Admin sup  
(2) Amortization of office equipment based on 4 year straight line depreciation

Actual/Forecasted Financial Reserves	2019 Actuals	2020 Actuals	2021 Actuals	2022 Actuals	CAFII 2023 Budget	2023 YTD Jun 2023	2023 Forecast
Minimum 3 months (25%) of Annual Operating Expenses =	\$168,954	\$182,871	\$213,767	\$210,842	\$293,222	\$293,222	\$293,222
Maximum 6 months (50%) of Annual Operating Expenses =	\$337,908	\$365,742	\$427,535	\$421,684	\$586,444	\$586,444	\$586,444
Actual/Forecasted Level of Financial Reserves:	\$230,223	\$383,859	\$331,359	\$669,275	\$384,303	\$738,353	\$431,851
Actual/Forecasted Level of Financial Reserves %:	34%	52%	39%	79%	33%	63%	37%

## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 4(a)i  
Committee and Working Group Updates— Diversity, Equity and Inclusion—Outcomes of July 10/23  
Meeting of CAFII Diversity, Equity and Inclusion Working Group**

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

This is an update-only item.

### **Background Information**

CAFII held a meeting on 10 July, 2023 of its Diversity, Equity, and Inclusion Working Group. Working Group Chair Tejal Harri-Morar will provide an update on the outcomes of that meeting.

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

This is an update-only item.

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

No attachments.



## **Briefing Note**

### **CAFII EOC Meeting 18 July, 2023—Agenda Item 4(b) Committee Updates—Market Conduct & Licensing**

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#### **Purpose of this Agenda Item – Written Summary Only**

A written summary will be provided of the recent activities of this Committee.

#### **Background Information**

A written summary of this Committee's recent activities will be provided.

#### **Recommendation / Direction Sought – Written Summary Only**

This is a written summary only.

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

One (1) attachment.

## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 4(b)i**

**Committee Updates—Market Conduct & Licensing—Insurer Proprietary/Competitive Issue Identified Re Complying with Section 45(1) of FCNB's Rule INS-001 Re RIR Licensee Disclosure of Compensation/Inducement/Benefit Received from Insurer That Exceeds 30% of Premium To Be Paid By Consumer; and Proposed Next Steps**

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

This is an update on a problematic New Brunswick Restricted Insurance Representative (RIR) regime licensing issue which has just been identified, and for a brief discussion about it.

### **Background Information**

Section 45(1) of the FCNB Rule INS-001 stipulates a disclosure requirement that a customer be informed not just of the fact that the compensation to be paid to an intermediary, such as a mortgage broker, will exceed 30% of the price paid by the consumer for an insurance product, as is the case in Quebec, but additionally must be informed of “the amount of compensation, inducement or benefit or the basis for calculating the amount of the compensation, inducement or benefit.” This could raise issues around the sharing of proprietary/competitive information where, for example, an insurer may pay different brokers different compensation percentages, and the insurer may wish to, or be required by contract to, keep that information confidential.

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

This is an update with an opportunity for discussion.

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

One (1) attachment.

## **Briefing Note**

### **CAFII EOC Meeting 18 July, 2023—Agenda Item 4(c)i Committee Updates—Media Advocacy--Outcomes of June 26/23 Media Advocacy Committee Meeting**

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

This is an opportunity for an update on the Media Advocacy Committee's recent activities.

#### **Background Information**

This is an update on the recent activities of the Media Advocacy Committee, including promotion of the Association's LinkedIn page, and a media release on the appointment of Wally Thompson as CAFII Board Vice-Chair.

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

This is an update-only item.

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

No attachments.

## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 4(d)i**

**Committee Updates—Quebec/AMF Issues-- Insights Gained from Recent CAFII Discussions with CLHIA  
Re Quebec's "Bill C-30: An Act to amend various provisions mainly with respect to the financial sector"  
Clause 106 Which Bans Single Premiums For Multi-Year Insurance Contracts**

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

This is an update item with an opportunity for discussion.

### **Background Information**

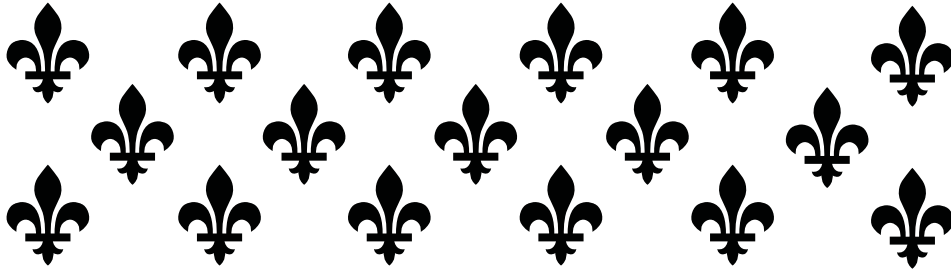
This is an update on recent CAFII discussions with the CLHIA around its communication and advocacy intentions related to a new legislative initiative in Quebec that essentially prohibits single premiums for multi-year insurance contracts.

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

This is an update and discussion item.

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

One (1) attachment.



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# NATIONAL ASSEMBLY OF QUÉBEC

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FIRST SESSION

FORTY-THIRD LEGISLATURE

Bill 30

**An Act to amend various provisions  
mainly with respect to the financial  
sector**

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**Introduction**

**Introduced by  
Mr. Eric Girard  
Minister of Finance**

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**Québec Official Publisher  
2023**

## EXPLANATORY NOTES

*This bill contains various provisions mainly with respect to the financial sector.*

*The bill amends the Insurers Act, including to allow certain associations to apply to be regulated by the provisions of Title III of that Act with a view to carrying on insurer activities as a reciprocal union. It provides for the terms and conditions applicable in that respect, including in regard to the organization of such an association and to when it ceases to be regulated by that title.*

*The bill introduces into the Real Estate Brokerage Act a regime of monetary administrative penalties similar to that applicable in the insurance sector. It also regulates the recovery of amounts owing following the imposition of monetary administrative penalties by the Autorité des marchés financiers in the distribution of financial products and services, derivatives and securities sectors.*

*The bill requires insurers to take the means necessary to obtain the information making it possible to determine whether an amount they have committed to pay under a life insurance contract is payable and empowers the Government to determine, by regulation, the means they must take for that purpose. The bill subjects the operation whereby a financial institution becomes the holder of control of a group, if that operation does not have a significant impact on the institution, to the requirement that a notice be sent to the Autorité des marchés financiers, instead of to the requirement that the authorization granted by the Autorité be reviewed.*

*The bill amends the Act respecting the distribution of financial products and services to allow a person employed by a firm, an independent partnership or an independent representative to carry out activities under the supervision of a claims adjuster in certain situations. It withdraws from distributors the possibility of offering replacement insurance for a vehicle they sell. Furthermore, it requires that the premium payable under a life, health or employment insurance contract underwritten through a distributor must be paid at least once a year.*

*The bill specifies that the information contained in the register of holders of licences issued under the Real Estate Brokerage Act is public. It also amends that Act so that the provisions that pertain to contracts concerning certain residential immovables apply to land intended for residential construction.*

*The bill removes the requirement concerning the frequency of inspection of certain deposit institutions by the Autorité des marchés financiers. The bill allows the Autorité to determine, by regulation, the cases in which the Autorité's receipt is deemed issued for the purposes of the Securities Act. It provides that the Autorité must calculate a deposit in foreign currency in Canadian dollars before making payments in execution of its obligation under a guarantee.*

*The bill gives the Financial Markets Administrative Tribunal the power to impose on any person an administrative penalty for having aided in the contravention of the Act respecting the distribution of financial products and services. It also gives the Tribunal the power to order anyone not to dispose of funds, securities or other property acquired for unreasonable consideration. It postpones to 30 September the date on which the Tribunal must file its financial statements and annual report of activities with the Minister of Finance.*

*The bill specifies the process to be followed so that a legal person may be continued under Part III of the Companies Act. It provides that the sums required for the Government's commitment to indemnify the Bank of Canada for the losses that could result from the emergency assistance the Bank granted to the Fédération des caisses Desjardins are to be taken out of the Consolidated Revenue Fund. It gives the Autorité des marchés financiers the power to require from a contributor to the benchmark establishing the rate of interest in Canadian dollars currently used to determine certain payments to continue to contribute to the benchmark until the date determined by the Autorité, which may not be later than 28 June 2024.*

*Lastly, the bill contains transitional provisions.*

#### **LEGISLATION AMENDED BY THIS BILL:**

- Insurers Act (chapter A-32.1);
- Companies Act (chapter C-38);
- Act respecting financial services cooperatives (chapter C-67.3);

- Real Estate Brokerage Act (chapter C-73.2);
- Act respecting the distribution of financial products and services (chapter D-9.2);
- Act respecting the regulation of the financial sector (chapter E-6.1);
- Deposit Institutions and Deposit Protection Act (chapter I-13.2.2);
- Derivatives Act (chapter I-14.01);
- Act respecting administrative justice (chapter J-3);
- Trust Companies and Savings Companies Act (chapter S-29.02);
- Securities Act (chapter V-1.1).

**REGULATION AMENDED BY THIS BILL:**

- Regulation respecting the pursuit of activities as a representative (chapter D-9.2, r. 10).



## **Bill 30**

### **AN ACT TO AMEND VARIOUS PROVISIONS MAINLY WITH RESPECT TO THE FINANCIAL SECTOR**

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

#### **CHAPTER I**

#### **PROVISIONS RELATING TO RECIPROCAL UNIONS AND INSURANCE ASSOCIATIONS**

##### **INSURERS ACT**

**1.** Section 6 of the Insurers Act (chapter A-32.1) is amended

- (1) by inserting “and associations” after “companies” in paragraph 1;
- (2) by striking out paragraph 4.

**2.** Section 7 of the Act is amended

- (1) by inserting “that join together, under the contract by which the reciprocal union is constituted, in order to pool sums enabling them to be” after “parties”;
- (2) by inserting “damage” after “bound by”.

**3.** Section 8 of the Act is amended by inserting “or a reciprocal union” after “legal person” in the first paragraph.

**4.** Section 21 of the Act is amended by striking out the second paragraph.

**5.** Section 23 of the Act is amended

- (1) by inserting “or reciprocal unions” after “legal persons” in the first paragraph;
- (2) by replacing the second paragraph by the following paragraph:

“Despite the first paragraph, a self-regulatory organization or a reciprocal union need not have such capital.”

**6.** Section 26 of the Act is repealed.

**7.** Section 27 of the Act is amended by striking out subparagraph 5 of the first paragraph.

**8.** Section 30 of the Act is amended

(1) by replacing “reciprocal union” in the first paragraph by “association”;

(2) by replacing “a reciprocal union” in the introductory clause of subparagraph 4 of the third paragraph by “an association”.

**9.** Section 31 of the Act is amended by replacing “, the union’s home regulator is the Authority, unless the contract binding each of the parties in the union” in the second paragraph by “constituted under the laws of a jurisdiction other than Québec, the union’s home regulator is the Authority, unless the contract by which the union is constituted”.

**10.** Section 32 of the Act is amended by replacing “mandatary” and “applicant’s head office is the mandatary’s address” by “representative” and “reciprocal union’s principal establishment may be the representative’s address”, respectively.

**11.** Section 33 of the Act is amended by striking out “or an authorized reciprocal union” in the introductory clause.

**12.** Section 36 of the Act is amended

(1) by replacing “the constituting act referred to in paragraph 3 of section 34 is the contract described in section 188. A list of the parties in the reciprocal union” in the first paragraph by “a list of its members”;

(2) by striking out the second paragraph.

**13.** Section 37 of the Act is amended by striking out “or an authorized reciprocal union”.

**14.** Section 42 of the Act is amended

(1) by replacing “allows the parties in the union to carry on insurer activities among themselves only” in the first paragraph by “allows it only to insure its members”;

(2) by striking out the second paragraph.

**15.** Section 43 of the Act is amended by striking out “or authorized reciprocal union”.

**16.** Section 122 of the Act is amended by replacing “mandatary” in the second paragraph by “representative”.

**17.** Section 123 of the Act is amended by replacing all occurrences of “mandatary” by “representative”.

**18.** Section 137 of the Act is amended by replacing “of the parties in the union” in the second paragraph by “of its members”.

**19.** Section 138 of the Act is amended by replacing “the attorney, the mandatary and each party in the union” in the first paragraph by “the union’s attorney, its representative or each of its members”.

**20.** Section 176 of the Act is amended by replacing “mandatary” in subparagraph 1 of the first paragraph by “representative”.

**21.** Section 188 of the Act is amended

(1) in the first paragraph,

(a) by replacing the introductory clause by the following introductory clause:

“**188.** The contract by which a reciprocal union is constituted must, in particular, contain provisions for”;

(b) by replacing “of parties reciprocally bound by insurance contracts” in subparagraph 2 by “of its members”;

(c) by replacing subparagraph 3 by the following subparagraph:

“(3) establishing the procedure for designating a person for the purpose of representing the union;”;

(d) in subparagraph 4,

i. by replacing “parties” in subparagraph *a* by “members”;

ii. by replacing “of the union and the liquidation of the assets held by the mandatary” in subparagraph *b* by “and liquidation of the union”;

(e) by replacing subparagraphs 6 and 7 by the following subparagraph:

“(6) providing for the pooling by its members of the sums necessary to carry out its insurer activities and establishing a procedure for determining and collecting the contribution, the assessments and the additional assessments payable by those members”;

(2) by striking out the second paragraph.

**22.** Section 189 of the Act is replaced by the following section:

**“189.** The sums pooled by the authorized reciprocal union’s members must enable it to meet its liabilities, as and when they become due.”

**23.** Section 190 of the Act is amended

(1) by replacing “The mandatary of the union” in the second paragraph by “The union”;

(2) by replacing “Sections 146 to 158 apply, with the necessary modifications, to the review of the authorization; the contract sent to the Authority is substituted for the notice of intention required under those sections” in the third paragraph by “The contract sent to the Authority is substituted for the notice of intention required under sections 146 to 158”.

**24.** Section 191 of the Act is amended

(1) by replacing “mandatary or the attorney the mandatary designates” and “of the parties in” by “representative or the attorney designated” and “of”, respectively;

(2) by replacing “mandatary’s” by “representative’s”.

**25.** Section 192 of the Act is replaced by the following section:

**“192.** If the Authority anticipates that the sums that must be pooled by the members of the authorized reciprocal union will not be sufficient to enable the union to meet its liabilities, as and when they become due, the Authority may order the union, after giving the latter at least 10 days to submit observations, to increase, by the amount and for the period the Authority determines, the sums collected from its members.”

**26.** Section 193 of the Act is amended

(1) by replacing “the mandatary, the union’s organs or the parties in the union. The order has effect only in relation to the insurer activities they carry on” in the first paragraph by “that union, its directors, its representative, its organs and its members. The order has effect only in relation to the union’s insurer activities”;

(2) by replacing “property held for the union by the mandatary and to liquidate the assets held by the mandatary” in the second paragraph by “union’s property and to liquidate it”.

**27.** Section 194 of the Act is amended by replacing “Chapter” by “Chapters I to”.

**28.** Section 195 of the Act is amended by replacing “by the mandatary of adequate assets to meet the liabilities contracted by those parties in their insurer activities, as and when they become due” by “, by the unions, of sufficient sums to enable them to meet their liabilities, as and when they become due”.

**29.** The heading of Title III of the Act is amended by inserting “AND ASSOCIATIONS” after “COMPANIES”.

**30.** Section 196 of the Act is amended by inserting the following paragraph after the first paragraph:

“Insurance associations are associations whose contracts binding each of their members are established in writing under the provisions of the Civil Code concerning contracts of association.”

**31.** The heading of Chapter III of Title III of the Act is amended by inserting “ET DES ASSOCIATIONS” after “ACTIONS” in the French text.

**32.** Section 201 of the Act is amended

(1) by inserting “and associations constituted by written contract under the provisions of the Civil Code concerning contracts of association” after “(chapter S-31.1)”;

(2) by inserting “ou de l’association” at the end in the French text.

**33.** The Act is amended by adding the following subdivision after section 208:

“§3.—*Provisions applicable to insurance associations*

“**208.1.** An insurance association may apply to become regulated by this Title only if the contract by which it is constituted was entered into by at least five parties for the sole purpose of carrying on insurer activities and if the contract contains the measures provided for in section 188.

The five parties must be qualified to serve as directors of the association, unless the directors have already been designated.”

**34.** Section 209 of the Act is amended, in the first paragraph,

(1) by inserting “ou d’une association” after “société” in the introductory clause in the French text;

(2) by inserting “or association” after “the insurance company” in subparagraph 1;

(3) by replacing “the juridical form of the insurance company” in subparagraph 2 by “in the case of a corporation or company, its juridical form”;

(4) by replacing “corporation or company” in subparagraph 4 by “corporation, company or association”;

(5) by inserting “or of the insurance association’s principal establishment” after “proposed head office” in subparagraph 5.

**35.** Section 210 of the Act is amended by inserting “ou d’une association” after “société” in the first paragraph in the French text.

**36.** The Act is amended by inserting the following section after section 212:

**“212.1.** An application to become regulated by this Title filed by an association must, in addition, include

(1) the name and address of the director or member of the association charged with seeing to the preparation and signing of the documents necessary for it to become regulated by this Title;

(2) the list of the association’s members and the sums that each intends to pay into the pool; and

(3) any other information prescribed by regulation of the Minister.”

**37.** Section 213 of the Act is amended

(1) by inserting “, the contract by which the association is constituted” after “business corporation” in paragraph 1;

(2) by replacing paragraph 2 by the following paragraphs:

“(2) in the case of an insurance company, a description of the projected capital structure of the company;

“(2.1) a business plan and financial forecasts for a three-year period;”.

**38.** Section 216 of the Act is amended

(1) by inserting “In the case of a business corporation or a mutual company,” at the beginning of the introductory clause of the second paragraph;

(2) by adding the following paragraph at the end:

“In the case of an association, the report must cover such matters as:

(1) if applicable, the grounds for disqualification of its directors;

(2) the compliance of the insurance association’s proposed name with this Act;

(3) the sufficiency of the sums pooled by its members; and

(4) the quality and feasibility of the planning and the financial forecasts for the carrying on and development of the insurance association's activities."

**39.** Section 217 of the Act is amended by replacing "company's" by "insurance company's or insurance association's".

**40.** Section 218 of the Act is amended by replacing "business corporation or mutual company" by "business corporation, mutual company or association".

**41.** Section 219 of the Act is amended, in the first paragraph,

(1) by replacing "business corporation or mutual company" by "business corporation, mutual company or association";

(2) by replacing "corporation or company" by "corporation, company or association".

**42.** The heading of Chapter IV of Title III of the Act is amended by inserting "OR ASSOCIATION" after "COMPANY".

**43.** Section 222 of the Act is amended

(1) by inserting "or association" after both occurrences of "company" in the first paragraph;

(2) by inserting "or association" after "company" in the second paragraph.

**44.** The heading of Division II of Chapter IV of Title III of the Act is amended by adding "OR TO ASSOCIATIONS" at the end.

**45.** Section 223 of the Act is amended by replacing "during its organization must be deposited" by "or the sums pooled by the members of a regulated association during the organization of that corporation or association must be deposited".

**46.** The heading of Division IV of Chapter IV of Title III of the Act is amended by inserting "OR ASSOCIATION" after "COMPANY".

**47.** Section 229 of the Act is amended

(1) in the first paragraph,

(a) by inserting "or association" after "company";

(b) by replacing "the corporation" by "the company or association";

(2) by inserting "or association's" after "company's" in the second paragraph.

**48.** The Act is amended by inserting the following section after section 230:

**“230.1.** An association whose contract ends without its having obtained the Authority’s authorization must subtract from its property its debts and, in accordance with article 2279 of the Civil Code, share among its members the sums pooled that were not committed for the association to become regulated by this Title and for the association’s organization.”

**49.** Section 231 of the Act is amended by adding the following paragraph at the end:

“An association ceases to be regulated by this Title once it has remitted to each of its members the sums they had pooled.”

**50.** Section 234 of the Act is replaced by the following section:

**“234.** The expressions “mutual company” and “reciprocal union” are reserved for mutual companies and reciprocal unions, respectively.”

**51.** Section 266 of the Act is amended by inserting “or association’s” after “company’s”.

**52.** Section 267 of the Act is amended by replacing “of a Québec insurer constituted under a private Act” in the first paragraph by “of an insurance company constituted under a private Act of Québec”.

**53.** Section 269 of the Act is amended by inserting “or association” after “company”.

**54.** Section 270 of the Act is amended by inserting “or association” after “company”.

**55.** Section 271 of the Act is amended by replacing “, the Authority notifies the prior notice prescribed by section 5 of the Act respecting administrative justice (chapter J-3) to the director and the company in writing” by “or association, the Authority notifies the prior notice prescribed by section 5 of the Act respecting administrative justice (chapter J-3) to the director and the company or association, as the case may be, in writing”.

**56.** Section 277 of the Act is amended by adding the following sentence at the end: “Similarly, the quorum at a meeting of the board of directors of an insurance association may not be less than that majority.”

**57.** Section 278 of the Act is amended by adding the following sentence at the end: “Similarly, the board of directors of an insurance association may not delegate the power to appoint, the power to dismiss or the power to determine the remuneration of the actuary referred to in that chapter.”



**58.** Section 283 of the Act is amended, in the first paragraph,

(1) by inserting “or association” after “company” in the introductory clause;

(2) by adding the following subparagraph at the end:

“(3) in the case of an association, the parties to the contract that constitutes the association.”

**59.** Section 284 of the Act is amended by adding the following paragraph at the end:

“An insurance association must keep in its books a register of its members containing their names and addresses.”

**60.** The Act is amended by inserting the following division after section 288:

#### “DIVISION IV

#### “MEETINGS OF THE PARTIES IN AN INSURANCE ASSOCIATION

“**288.1.** Unless otherwise prescribed by the contract by which the insurance association is constituted, each member of the insurance association is entitled to one vote at a meeting.

“**288.2.** Unless otherwise prescribed by the contract by which the insurance association is constituted, the members present at a meeting constitute a quorum.

If the quorum prescribed by the contract is not reached, the meeting may be called a second time. If the quorum is still not reached, the meeting may be validly held and must deal with the same matters as those stated in the first notice of meeting.

“**288.3.** Members of the insurance association may be represented at a meeting by mandataries to the extent that the contract by which the insurance association is constituted allows it.

A mandatary may not represent more than one member.”

**61.** Section 289 of the Act is amended by inserting “In the case of an insurance company,” at the beginning of the second paragraph.

**62.** Section 340 of the Act is amended by inserting “or association” after “company”.

**63.** The Act is amended by inserting the following division after section 353:

**“DIVISION IV**

**“PROVISIONS SPECIFIC TO INSURANCE ASSOCIATIONS**

**“353.1.** An insurance association may apply for a full revocation of the authorization granted to it by the Authority only if its members have consented to its liquidation and a liquidator is appointed by its directors or, failing that, by the court.

In addition to the cases provided for in article 2277 of the Civil Code, the contract of association is terminated at the closure of the liquidation ordered within the scope of a receivership ordered under Chapter III.1 of Title I of the Act respecting the regulation of the financial sector (chapter E-6.1).

**“353.2.** An insurance association may begin its liquidation only once the full revocation of the authorization granted to it by the Authority becomes final. It may continue to carry on its activities only in order to liquidate. The closure of its liquidation terminates its being regulated by this Title.

**“353.3.** All proceedings against the property of an insurance association, in particular by seizure in the hands of a third person, seizure before judgment or seizure in execution, are to be suspended as soon as notice of the insurance association’s intention to apply for the full revocation of the authorization is published in accordance with section 173.

The costs incurred by a creditor after being informed of the liquidation must not be collocated out of the proceeds of the property of the insurance association that are distributed as a result of the liquidation.

A judge of the Superior Court of the district in which the association’s principal establishment is located may, however, on the conditions the judge considers appropriate, authorize the institution of, or put an end to the stay of, a proceeding.

**“353.4.** The liquidation of an insurance association is carried out under the Authority’s supervision and control.

**“353.5.** The liquidator must send the final account to the Authority at the time that account is sent to the parties in the insurance association.”

**64.** Chapter I of Title V of the Act, comprising section 461, is repealed.

**65.** Section 489 of the Act is amended by inserting “ , “reciprocal union”” after ““corporation”” in subparagraph 2 of the first paragraph.

**66.** Section 491 of the Act is amended by inserting “or, being a reciprocal union, the list of its members” after “Québec” in subparagraph *h* of subparagraph 1 of the first paragraph.

**67.** Section 493 of the Act is amended by replacing “the authorized mandatory of a reciprocal union” in paragraph 2 by “an authorized reciprocal union”.

**68.** Section 513 of the Act is amended by replacing “mandatory” in the second paragraph by “representative”.

## **CHAPTER II**

### **PROVISIONS RELATING TO MONETARY ADMINISTRATIVE PENALTIES IN THE REAL ESTATE BROKERAGE SECTOR**

#### **DIVISION I**

##### **PROVISIONS RELATING TO MONETARY ADMINISTRATIVE PENALTIES**

##### **REAL ESTATE BROKERAGE ACT**

**69.** The Real Estate Brokerage Act (chapter C-73.2) is amended by inserting the following chapter after section 123:

#### **“CHAPTER VI.1**

##### **“MONETARY ADMINISTRATIVE PENALTIES**

#### **“DIVISION I**

##### **“FAILURES TO COMPLY**

**“123.1.** A monetary administrative penalty of \$250 in the case of a natural person and \$1,000 in any other case may be imposed on a licence holder who fails

(1) to send anyone, within the time required by the Organization, the information prescribed by this Act or the regulations;

(2) in contravention of section 24, to evidence in writing the contract concerning an immovable described in section 23; or

(3) in contravention of section 25, to give his or her client the duplicate of the contract concerning an immovable described in section 23.

**“123.2.** If a failure to comply for which a monetary administrative penalty may be imposed continues for more than one day, it constitutes a new failure for each day it continues.

**“123.3.** The Organization may, in a regulation made under this Act, specify that a failure to comply with the regulation may give rise to a monetary administrative penalty.

The regulation may define the conditions for applying the penalty and set forth the amounts or the methods for determining them. The amounts may vary according to the seriousness of the failure to comply, without exceeding the maximum amounts provided for in section 123.1.

## **“DIVISION II**

### **“NOTICE OF NON-COMPLIANCE AND IMPOSITION**

**“123.4.** In the event of a failure to comply referred to in Division I, a notice of non-compliance may be notified to the licence holder urging that the necessary measures be taken immediately to remedy it.

Such a notice must mention that the failure may give rise to a monetary administrative penalty.

**“123.5.** The imposition of a monetary administrative penalty is prescribed by two years from the date of the failure to comply.

**“123.6.** The monetary administrative penalty for a failure to comply with a provision of this Act may not be imposed on the licence holder if a statement of offence based on the same facts has already been served for a failure, on the same day, to comply with the same provision.

**“123.7.** A monetary administrative penalty is imposed on the licence holder by the notification of a notice of claim.

The notice must state:

- (1) the amount of the claim;
- (2) the reasons for it;
- (3) the time from which it bears interest, if applicable;
- (4) the right, under section 123.8, to obtain a review of the decision to impose the penalty and the time limit for exercising that right; and
- (5) the right to contest the review decision before the Administrative Tribunal of Québec and the time limit for bringing such a proceeding.

The notice must also include information on the procedure for recovery of the amount claimed. The licence holder must also be informed that failure to pay the amount owing may give rise to the amendment, suspension or revocation of his or her licence and, if applicable, that the facts on which the claim is founded may result in penal proceedings.

Unless otherwise provided, the amount owing bears interest at the rate determined under the first paragraph of section 28 of the Tax Administration Act (chapter A-6.002), from the 31st day after notification of the notice.

### **“DIVISION III**

#### **“REVIEW**

**“123.8.** The holder of a licence may apply in writing to the Organization for a review of the decision to impose a monetary administrative penalty within 30 days after notification of the notice of claim.

The persons responsible for the review are designated by the Organization; they must not come under the same administrative authority as the persons responsible for imposing such penalties.

**“123.9.** The application for review must be dealt with promptly. After giving the applicant an opportunity to submit observations and produce any documents to complete the record, the person responsible for the review renders a decision on the basis of the record, unless the person deems it necessary to proceed in some other manner.

**“123.10.** The review decision must be written in clear and concise terms, with reasons given, must be notified to the applicant and must state the applicant’s right to contest the decision before the Administrative Tribunal of Québec and the time limit for bringing such a proceeding.

If the review decision is not rendered within 30 days after receipt of the application or, if applicable, within the time granted to the applicant to submit observations or documents, the interest provided for in the fourth paragraph of section 123.7 on the amount owing ceases to accrue until the decision is rendered.

**“123.11.** A review decision that confirms the imposition of a monetary administrative penalty may be contested before the Administrative Tribunal of Québec by the licence holder to which the decision pertains within 60 days after notification of the review decision.

The Tribunal may only confirm or quash a contested decision.

When rendering its decision, the Tribunal may make a ruling with respect to interest accrued on the penalty while the matter was pending before it.

## **“DIVISION IV**

### **“RECOVERY**

**“123.12.** If the agency licence holder has defaulted on payment of a monetary administrative penalty, its directors and officers are solidarily liable with that licence holder for the payment of the penalty, unless they establish that they exercised due care and diligence to prevent the failure.

**“123.13.** The payment of a monetary administrative penalty is secured by a legal hypothec on the debtor’s movable and immovable property.

For the purposes of this division, “debtor” means the licence holder that is required to pay a monetary administrative penalty and, if applicable, each of its directors and officers who are solidarily liable with that licence holder for the payment of the penalty.

**“123.14.** The debtor and the Organization may enter into a payment agreement with regard to a monetary administrative penalty owing. Such an agreement, or the payment of the amount owing, does not constitute, for the purposes of any other administrative penalty under this Act, an acknowledgement of the facts giving rise to it.

**“123.15.** If the monetary administrative penalty owing is not paid in its entirety or the payment agreement is not adhered to, the Organization may issue a recovery certificate on the expiry of the time for applying for a review of the decision to impose the penalty, on the expiry of the time for contesting the review decision before the Administrative Tribunal of Québec or on the expiry of 30 days after the final decision of the Tribunal confirming all or part of the decision to impose the penalty or the review decision, as applicable.

However, a recovery certificate may be issued before the expiry of the time referred to in the first paragraph if the Organization is of the opinion that the debtor is attempting to evade payment.

A recovery certificate must state the debtor’s name and address and the amount of the debt.

**“123.16.** On the filing of the recovery certificate at the office of the competent court, together with a copy of the final decision stating the amount of the debt, the decision becomes enforceable as if it were a final judgment of that court not subject to appeal, and has all the effects of such a judgment.

**“123.17.** The debtor is required to pay a recovery charge in the cases, under the conditions and in the amount determined by regulation of the Minister.

## **“DIVISION V**

### **“REGISTER**

**“123.18.** The Organization keeps a register relating to monetary administrative penalties.

The register must contain at least the following information:

- (1) the date the penalty was imposed;
- (2) the date and nature of the failure, and the legislative provisions under which the penalty was imposed;
- (3) if the penalty was imposed on an agency, its name and the address of its head office or that of one of its establishments;
- (4) if the penalty was imposed on a natural person, the person’s name, the name of the municipality in whose territory the person resides and, if the failure occurred during the ordinary course of business of the person’s enterprise, the enterprise’s name and address;
- (5) the amount of the penalty imposed;
- (6) the date of receipt of an application for review and the date and conclusions of the decision;
- (7) the date a proceeding is brought before the Administrative Tribunal of Québec and the date and conclusions of the decision rendered by the Tribunal, as soon as the Organization is made aware of the information;
- (8) the date a proceeding is brought against the decision rendered by the Administrative Tribunal of Québec, the nature of the proceeding and the date and conclusions of the decision rendered by the court concerned, as soon as the Organization is made aware of the information; and
- (9) any other information the Organization considers of public interest.

The information contained in the register is public information as of the time the decision imposing the penalty becomes final.”

## **DIVISION II**

### **SPECIAL AMENDING PROVISION**

#### **ACT RESPECTING ADMINISTRATIVE JUSTICE**

**70.** Schedule IV to the Act respecting administrative justice (chapter J-3) is amended by inserting the following paragraph after paragraph 7.1:

“(7.2) section 123.11 of the Real Estate Brokerage Act (chapter C-73.2);”.

## **CHAPTER III**

### **PROVISIONS RELATING TO THE RECOVERY OF AMOUNTS FOLLOWING THE IMPOSITION OF MONETARY ADMINISTRATIVE PENALTIES IN THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES, DERIVATIVES AND SECURITIES SECTORS**

#### **ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES**

**71.** The Act respecting the distribution of financial products and services (chapter D-9.2) is amended by inserting the following sections after section 115.2:

“**115.2.1.** If the party responsible for a failure to comply has defaulted on payment of a monetary administrative penalty, its directors and officers are solidarily liable with that party for the payment of the penalty, unless they establish that they exercised due care and diligence to prevent the failure.

“**115.2.2.** The payment of a monetary administrative penalty is secured by a legal hypothec on the debtor’s movable and immovable property.

For the purposes of this division, “debtor” means the party responsible for a failure to comply that is required to pay a monetary administrative penalty and, if applicable, each of its directors and officers, who are solidarily liable with that party for the payment of the penalty.

“**115.2.3.** The debtor and the Authority may enter into a payment agreement with regard to a monetary administrative penalty owing. Such an agreement, or the payment of the amount owing, does not constitute, for the purposes of any other administrative penalty under this Act, an acknowledgement of the facts giving rise to it.



**“115.2.4.** If the monetary administrative penalty owing is not paid in its entirety or the payment agreement is not adhered to, the Authority may issue a recovery certificate on the expiry of the time for applying for a review of the decision to impose the penalty, on the expiry of the time for contesting the review decision before the Financial Markets Administrative Tribunal or on the expiry of 30 days after the final decision of the Tribunal confirming all or part of the decision to impose the penalty or the review decision, as the case may be.

However, a recovery certificate may be issued before the expiry of the time referred to in the first paragraph if the Authority is of the opinion that the debtor is attempting to evade payment.

A recovery certificate must state the debtor’s name and address and the amount of the debt.

**“115.2.5.** Once a recovery certificate has been issued, any refund owed to a debtor by the Minister of Revenue may, in accordance with section 31 of the Tax Administration Act (chapter A-6.002), be withheld for payment of the amount due referred to in the certificate.

Such withholding interrupts the prescription provided for in the Civil Code with regard to the recovery of an amount owing.

**“115.2.6.** On the filing of the recovery certificate at the office of the competent court, together with a copy of the final decision stating the amount of the debt, the decision becomes enforceable as if it were a final judgment of that court not subject to appeal, and has all the effects of such a judgment.

**“115.2.7.** The debtor is required to pay a recovery charge in the cases, under the conditions and in the amount determined by regulation of the Minister.”

## DERIVATIVES ACT

**72.** The Derivatives Act (chapter I-14.01) is amended by inserting the following sections after section 101:

**“102.** If the party responsible for a failure to comply has defaulted on payment of a monetary administrative penalty, its directors and officers are solidarily liable with that party for the payment of the penalty, unless they establish that they exercised due care and diligence to prevent the failure.

**“102.1.** The payment of a monetary administrative penalty is secured by a legal hypothec on the debtor’s movable and immovable property.

For the purposes of this division, “debtor” means the party responsible for a failure to comply that is required to pay a monetary administrative penalty and, if applicable, each of its directors and officers, who are solidarily liable with that party for the payment of the penalty.

**“102.2.** The debtor and the Authority may enter into a payment agreement with regard to a monetary administrative penalty owing. Such an agreement, or the payment of the amount owing, does not constitute, for the purposes of any other administrative penalty under this Act, an acknowledgement of the facts giving rise to it.

**“102.3.** If the monetary administrative penalty owing is not paid in its entirety or the payment agreement is not adhered to, the Authority may issue a recovery certificate on the expiry of the time for applying for a review of the decision to impose the penalty, on the expiry of the time for contesting the review decision before the Financial Markets Administrative Tribunal or on the expiry of 30 days after the final decision of the Tribunal confirming all or part of the decision to impose the penalty or the review decision, as the case may be.

However, a recovery certificate may be issued before the expiry of the time referred to in the first paragraph if the Authority is of the opinion that the debtor is attempting to evade payment.

A recovery certificate must state the debtor’s name and address and the amount of the debt.

**“102.4.** Once a recovery certificate has been issued, any refund owed to a debtor by the Minister of Revenue may, in accordance with section 31 of the Tax Administration Act (chapter A-6.002), be withheld for payment of the amount due referred to in the certificate.

Such withholding interrupts the prescription provided for in the Civil Code with regard to the recovery of an amount owing.

**“102.5.** On the filing of the recovery certificate at the office of the competent court, together with a copy of the final decision stating the amount of the debt, the decision becomes enforceable as if it were a final judgment of that court not subject to appeal, and has all the effects of such a judgment.

**“102.6.** The debtor is required to pay a recovery charge in the cases, under the conditions and in the amount determined by regulation of the Minister.”

## SECURITIES ACT

**73.** The Securities Act (chapter V-1.1) is amended by inserting the following sections after section 274.1:

**“275.** If the party responsible for a failure to comply has defaulted on payment of a monetary administrative penalty, its directors and officers are solidarily liable with that party for the payment of the penalty, unless they establish that they exercised due care and diligence to prevent the failure.

**“275.1.** The payment of a monetary administrative penalty is secured by a legal hypothec on the debtor’s movable and immovable property.

For the purposes of this division, “debtor” means the party responsible for a failure to comply that is required to pay a monetary administrative penalty and, if applicable, each of its directors and officers, who are solidarily liable with that party for the payment of the penalty.

**“275.2.** The debtor and the Authority may enter into a payment agreement with regard to a monetary administrative penalty owing. Such an agreement, or the payment of the amount owing, does not constitute, for the purposes of any other administrative penalty under this Act, an acknowledgement of the facts giving rise to it.

**“275.3.** If the monetary administrative penalty owing is not paid in its entirety or the payment agreement is not adhered to, the Authority may issue a recovery certificate on the expiry of the time for applying for a review of the decision to impose the penalty, on the expiry of the time for contesting the review decision before the Financial Markets Administrative Tribunal or on the expiry of 30 days after the final decision of the Tribunal confirming all or part of the decision to impose the penalty or the review decision, as the case may be.

However, a recovery certificate may be issued before the expiry of the time referred to in the first paragraph if the Authority is of the opinion that the debtor is attempting to evade payment.

A recovery certificate must state the debtor’s name and address and the amount of the debt.

**“275.4.** Once a recovery certificate has been issued, any refund owed to a debtor by the Minister of Revenue may, in accordance with section 31 of the Tax Administration Act (chapter A-6.002), be withheld for payment of the amount due referred to in the certificate.

Such withholding interrupts the prescription provided for in the Civil Code with regard to the recovery of an amount owing.

**“275.5.** On the filing of the recovery certificate at the office of the competent court, together with a copy of the final decision stating the amount of the debt, the decision becomes enforceable as if it were a final judgment of that court not subject to appeal, and has all the effects of such a judgment.

**“275.6.** The debtor is required to pay a recovery charge in the cases, under the conditions and in the amount determined by regulation of the Minister.”

## **CHAPTER IV**

### **MISCELLANEOUS AMENDMENTS CONCERNING FINANCIAL INSTITUTIONS**

#### **DIVISION I**

##### **OBLIGATIONS OF INSURERS IN INSURANCE OF PERSONS REGARDING LIFE INSURANCE CONTRACTS**

###### **INSURERS ACT**

**74.** The Insurers Act (chapter A-32.1) is amended by inserting the following section after section 72:

**“72.1.** An insurer that binds itself to pay a sum under an individual life insurance contract must take the means necessary to obtain the information enabling it to know whether the sum is payable, either because the insured is deceased, or because the contract provides that such a sum is payable at a specified period during the lifetime of the insured or on the occurrence of an event related to the insured’s existence.

An insurer that knows that the sum is payable must, for a period of three years from the date the sum is payable, take the necessary means so that the beneficiaries who have not claimed the sum may be informed that the sum is payable. The insurer must also provide them with support in justifying their claim.

The Government may, by regulation, determine the means to be taken by insurers for the purposes of this section, the intervals at which they are to be taken or the situations in which they need not be taken. Such a regulation may provide for rules that differ according to the insurance contract concerned.”

#### **DIVISION II**

##### **RE-EXAMINATION OF AN AUTHORIZATION**

###### **INSURERS ACT**

**75.** The Insurers Act (chapter A-32.1) is amended by inserting the following section after section 136:

**“136.1.** An authorized insurer must, on the date prescribed in the second paragraph of section 132 for sending the statement of the position of its affairs and on the date that is six months after that date, notify the Authority of the names and addresses of the groups of which it has become the holder of control in accordance with subparagraph 1, if the operation does not have a significant effect on the authorized insurer, and subparagraphs 2 to 6 of the first paragraph of section 9 during the last six months of the period covered by that statement or, as the case may be, during the six months following the period covered by that statement.”

**76.** Section 146 of the Act is amended, in subparagraph 5 of the first paragraph,

(1) by replacing “its becoming the holder of control of a group or either of the following events having” in the introductory clause by “where the following operations have”;

(2) by inserting the following subparagraph after subparagraph *b*:

“(c) its becoming the holder of control of a group in accordance with subparagraph 1 of the first paragraph of section 9;”.

**77.** Section 147 of the Act is amended by inserting “section 136.1 and of” in the first paragraph after “the purposes of”.

**78.** Section 153 of the Act is amended by replacing “an acquisition or transfer of assets having a significant effect on an authorized Québec insurer” in the introductory clause by “an operation referred to in subparagraph 5 of the first paragraph of section 146”.

**79.** Section 155 of the Act is amended by replacing “an acquisition or transfer of assets having a significant effect on an authorized Québec insurer” in the third paragraph by “an operation referred to in subparagraph 5 of the first paragraph of section 146”.

## DEPOSIT INSTITUTIONS AND DEPOSIT PROTECTION ACT

**80.** Section 29 of the Deposit Institutions and Deposit Protection Act (chapter I-13.2.2) is amended, in subparagraph 5 of the first paragraph,

(1) by replacing “its becoming the holder of control of a group or either of the following events having” in the part preceding subparagraph *a* by “where the following operations have”;

(2) by adding the following subparagraph at the end:

“(c) its becoming the holder of control of a group in accordance with subparagraph 1 of the first paragraph of section 1.5.”

**81.** Section 30 of the Act is amended by inserting “and of section 41.2.1” after “section 29” in the first paragraph.

**82.** Section 30.6 of the Act is amended by replacing “acquisition or transfer of assets having a significant effect on an authorized Québec deposit institution” in the introductory clause by “operation referred to in subparagraph 5 of the first paragraph of section 29”.

**83.** Section 30.7 of the Act is amended by replacing “acquisition or transfer of assets having a significant effect on an authorized Québec deposit institution” in the third paragraph by “operation referred to in subparagraph 5 of the first paragraph of section 29”.

**84.** The Act is amended by inserting the following section after section 41.2:

“**41.2.1.** Every authorized deposit institution must, on the date prescribed in section 41 for sending the detailed return of its operations or, in the case of a financial services cooperative, on the date prescribed in section 166 of the Act respecting financial services cooperatives (chapter C-67.3) for transmitting its annual report and on the date that is six months after the date that is applicable to it, notify the Authority of the names and addresses of the groups of which it has become the holder of control in accordance with subparagraph 1, if the operation does not have a significant effect on the institution, and subparagraphs 2 to 5 of the first paragraph of section 1.5 during the last six months of the period covered by that report or, as the case may be, during the six months following the period covered by that report.”

#### TRUST COMPANIES AND SAVINGS COMPANIES ACT

**85.** The Trust Companies and Savings Companies Act (chapter S-29.02) is amended by inserting the following section after section 115:

“**115.1.** An authorized trust company must, on the date prescribed in the second paragraph of section 111 for sending the statement of the position of its affairs and on the date that is six months after that date, notify the Authority of the names and addresses of the groups of which it has become the holder of control in accordance with subparagraph 1, if the operation does not have a significant effect on the company, and subparagraphs 2 to 5 of the first paragraph of section 6 during the last six months of the period covered by that statement or, as applicable, during the six months following the period covered by that statement.”

**86.** Section 126 of the Act is amended, in subparagraph 5 of the first paragraph,

(1) by replacing “its becoming the holder of control of a group or either of the following events having” in the introductory clause by “where the following operations have”;

(2) by adding the following subparagraph at the end:

“(c) its becoming the holder of control of a group in accordance with subparagraph 1 of the first paragraph of section 6.”

**87.** Section 127 of the Act is amended by inserting “section 115.1 and of” after “purposes of” in the first paragraph.

**88.** Section 133 of the Act is amended by replacing “acquisition or transfer of assets having a significant effect on an authorized Québec trust company” in the introductory clause by “operation referred to in subparagraph 5 of the first paragraph of section 126”.

**89.** Section 134 of the Act is amended by replacing “acquisition or a transfer of assets having a significant effect on an authorized Québec trust company” in the third paragraph by “operation referred to in subparagraph 5 of the first paragraph of section 126”.

## **CHAPTER V**

### **MISCELLANEOUS AMENDMENTS CONCERNING THE PROTECTION OF INVESTORS AND THE GENERAL PUBLIC**

#### **DIVISION I**

##### **PERSON ACTING UNDER THE SUPERVISION OF A CLAIMS ADJUSTER**

##### **ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES**

**90.** Section 10 of the Act respecting the distribution of financial products and services (chapter D-9.2) is amended by adding the following subparagraph at the end of the second paragraph:

“(3) persons domiciled in Canada and employed by a firm, an independent partnership or a claims adjuster registered as an independent representative who, solely by means of information technologies, for an automobile claim determined by government regulation or for a settlement of a claim of a maximum amount determined by such a regulation, carries out one of the functions of a claims adjuster under the supervision of that independent representative or of a claims adjuster who acts on behalf of that firm or independent partnership.”

**91.** The heading of Division II of Chapter II of the Act is amended by adding “AND PERSONS ACTING UNDER THEIR SUPERVISION” at the end.

**92.** Sections 45 and 46 of the Act are repealed.

**93.** The Act is amended by inserting the following section after section 50:

“**50.1.** Persons referred to in subparagraph 3 of the second paragraph of section 10 must inform the claimant of the fact that they are acting under the supervision of a claims adjuster and of the identity of that claims adjuster and, at the claimant’s request, refer the claimant’s record to that claims adjuster.

The first paragraph of section 16 applies to persons referred to in subparagraph 3 of the second paragraph of section 10 in their relations with a claimant.”

**94.** Section 80 of the Act is amended

(1) by replacing “in the performance of the representative’s functions” in the first paragraph by “or a person referred to in subparagraph 3 of the second paragraph of section 10 in the performance of their functions”;

(2) by replacing “the representative concerned” in the second paragraph by “them”.

**95.** The Act is amended by inserting the following section after section 85:

**“85.1.** A firm that employs a person referred to in subparagraph 3 of the second paragraph of section 10 must ensure, before the date the person begins to exercise their functions in that respect and thereafter every three years, that the person:

(1) has not made an assignment of property nor been placed under a receiving order pursuant to the Bankruptcy and Insolvency Act (Revised Statutes of Canada, 1985, chapter B-3);

(2) has not been convicted by a court inside or outside Canada of an act or offence which is linked to the pursuit of the activity of representative, nor pleaded guilty to such an act or offence;

(3) is not under tutorship or under a protection mandate; or

(4) does not hold a certificate that has been cancelled or suspended, or had restrictions or conditions imposed on it, by the discipline committee or by a body in Québec or another province or state that is responsible for supervising and monitoring persons acting as representatives.”

**96.** Section 91 of the Act is amended by inserting “and employees” after “representatives”.

**97.** Section 92 of the Act is amended by inserting “or employees” after all occurrences of “representatives”.

**98.** Section 137 of the Act is amended

(1) by replacing “its representatives” by “the representatives it employs”;

(2) by adding the following paragraph at the end:

“Independent representatives must ensure that their employees comply with this Act and the regulations.”



**99.** The Act is amended by inserting the following sections after section 137:

**“137.1.** An independent representative or an independent partnership is responsible for any injury caused to a client by the fault of a person referred to in subparagraph 3 of the second paragraph of section 10 who acts on the independent representative’s or independent partnership’s behalf in the performance the person’s functions.

However, the independent representative and the independent partnership retain the remedies available to them against that person.

**“137.2.** An independent representative or an independent partnership must ensure that their employees have access only to the information necessary for the pursuit of their activities.”

**100.** Section 213 of the Act is repealed.

**101.** Section 258 of the Act is amended

(1) by adding the following sentence at the end of the second paragraph: “The fund is also assigned to the payment of such indemnities in relation to the financial products and services provided or offered by one of their trainees holding a certificate or a person referred to in subparagraph 3 of the second paragraph of section 10 who is their employee, regardless of the acts they are authorized to perform under this Act.”;

(2) in the third paragraph,

(a) by replacing “of a representative responsible for fraud, fraudulent tactics or embezzlement or of such a representative’s right to transact business” in the introductory clause by “or of the registration of a person or partnership referred to in the second paragraph or the termination of the functions in that respect of a person referred to in subparagraph 3 of the second paragraph of section 10, where such a person or partnership is responsible for fraud, fraudulent tactics or embezzlement,”;

(b) by replacing “the representative before the suspension or revocation” in subparagraph 1 by “the person or partnership before the suspension or revocation of their certificate or registration or before the termination of their functions”;

(c) by inserting “or the termination of their functions” after “revocation” in subparagraph 2;

(3) by striking out the fourth paragraph.

REGULATION RESPECTING THE PURSUIT OF ACTIVITIES AS  
A REPRESENTATIVE

**102.** Division VIII of the Regulation respecting the pursuit of activities as a representative (chapter D-9.2, r. 10), comprising section 28, is repealed.

**DIVISION II**

CONDITIONS FOR THE ISSUE OF A CERTIFICATE AND FOR  
REGISTRATION TO PURSUE ACTIVITIES AS A REPRESENTATIVE

ACT RESPECTING THE DISTRIBUTION OF FINANCIAL  
PRODUCTS AND SERVICES

**103.** Section 220 of the Act respecting the distribution of financial products and services (chapter D-9.2) is amended by inserting “is insolvent” after “pursue activities in that sector.”.

SECURITIES ACT

**104.** Section 151.0.1 of the Securities Act (chapter V-1.1) is amended by adding the following subparagraph at the end of the first paragraph:

“(5) the representative, chief compliance officer or ultimate designated person no longer meets a condition for registration provided for in this Act or a regulation made under this Act.”

**DIVISION III**

DISTRIBUTION WITHOUT A REPRESENTATIVE

ACT RESPECTING THE DISTRIBUTION OF FINANCIAL  
PRODUCTS AND SERVICES

**105.** Section 424 of the Act respecting the distribution of financial products and services (chapter D-9.2) is amended by striking out paragraph 5.

**106.** The Act is amended by inserting the following section after section 442:

“**442.1.** An insurance contract referred to in section 426 with a term exceeding one year must provide that the premium is payable at least once a year for each year of the contract.”

## **DIVISION IV**

### **RECEIPT DEEMED ISSUED**

#### **SECURITIES ACT**

**107.** The Securities Act (chapter V-1.1) is amended by inserting the following section after section 12:

“**12.1.** The Authority may, by by-law, determine the cases in and conditions on which a receipt is deemed issued by the Authority for the purposes of this chapter.”

**108.** Section 331.1 of the Act is amended by inserting the following paragraph after paragraph 6:

“(6.0.1) determine the cases in and conditions on which a receipt is deemed issued by the Authority for the purposes of Chapter I of Title II;”.

## **DIVISION V**

### **LAND INTENDED FOR RESIDENTIAL CONSTRUCTION AND REAL ESTATE BROKERAGE FORMS APPROVED BY THE MINISTER**

#### **REAL ESTATE BROKERAGE ACT**

**109.** Section 23 of the Real Estate Brokerage Act (chapter C-73.2) is amended by inserting “or of land intended for residential construction” at the end of paragraph 1.

**110.** Section 63 of the Act is amended by adding the following paragraph at the end:

“The information contained in the register of licence holders is public information. It may be set up against third parties as of the date it is entered and is proof of its contents for the benefit of third parties in good faith.”

**111.** Section 129.1 of the Act is amended

(1) by adding the following sentence at the end of the second paragraph: “They come into force on the date of their publication in the *Gazette officielle du Québec* or on any later date determined by the Minister.”;

(2) by replacing “being approved by the Minister” in the third paragraph by “date of coming into force”.

## **CHAPTER VI**

### **FUNCTIONS AND POWERS OF THE AUTORITÉ DES MARCHÉS FINANCIERS AND OF THE FINANCIAL MARKETS ADMINISTRATIVE TRIBUNAL**

#### **DIVISION I**

##### **CALCULATION OF A DEPOSIT IN CANADIAN DOLLARS AND FREQUENCY OF INSPECTION OF AN AUTHORIZED DEPOSIT INSTITUTION**

###### **DEPOSIT INSTITUTIONS AND DEPOSIT PROTECTION ACT**

**II2.** Section 34.3 of the Deposit Institutions and Deposit Protection Act (chapter I-13.2.2) is amended by adding the following paragraph at the end:

“In the case of a deposit of money in foreign currency, the Authority must calculate the deposit in Canadian dollars in accordance with the exchange rate published by the Bank of Canada on 30 April of the current year or, if not published on that date, immediately before that date or, if the Bank does not publish an exchange rate, by the authorized deposit institution.”

**II3.** Section 42 of the Act is repealed.

#### **DIVISION II**

##### **ADMINISTRATIVE PENALTY IMPOSED BY THE FINANCIAL MARKETS ADMINISTRATIVE TRIBUNAL AND PENALTY IMPOSED BY THE AUTORITÉ DES MARCHÉS FINANCIERS**

###### **ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES**

**II4.** Section 115 of the Act respecting the distribution of financial products and services (chapter D-9.2) is amended

(1) by striking out the last sentence of the first paragraph;

(2) by inserting the following paragraph after the first paragraph:

“Likewise, if it is brought to the knowledge of the Tribunal that a person has, by an act or omission, contravened or aided in the contravention of a provision of this Act or the regulations, the Tribunal may impose an administrative penalty not exceeding \$2,000,000 for each contravention or, in the case of a contravention of the rules of ethics applicable to mortgage brokers determined by regulation under section 202.1, an administrative penalty of not less than \$2,000 and not more than \$50,000 for each contravention.”;

(3) by replacing “first paragraph” in the second paragraph by “first and second paragraphs”.

**115.** Section 115.2 of the Act is amended, in the first paragraph,

(1) by replacing “81, 82, 83, 103.1 or 103.7 or to file documents as required under this Act or the regulations, the Authority may suspend the firm’s registration or subject it to restrictions or conditions or impose a monetary administrative penalty not exceeding \$5,000 for each contravention” by “74, 81, 82, 83, 103.1 or 103.7 or to file documents as required under this Act or the regulations, the Authority may suspend the firm’s registration or subject it to restrictions or conditions”;

(2) by inserting the following sentence after the first sentence: “The Authority may, instead or in addition to those penalties, impose on the firm a monetary administrative penalty not exceeding \$5,000 for each contravention.”;

(3) by replacing “section 82” by “section 74 or 82”.

**116.** The Act is amended by inserting the following section after section 142:

**“142.1.** Independent representatives or independent partnerships that fail to comply with section 74, 131 or 133 may not claim or receive remuneration for the products sold or services rendered. In addition, an independent partnership that fails to comply with section 71.1 may not claim or receive such remuneration.”

**117.** Section 146 of the Act is amended

(1) in the first paragraph,

(a) by striking out “75,”;

(b) by inserting “85.1, 90,” after “83.1,”;

(c) by striking out “, 103”;

(d) by replacing “106 to 113,” by “105 to”;

(2) in the second paragraph,

(a) by striking out “75,”;

(b) by striking out “82,”;

(c) by inserting “85.1,” after “84,”;

(d) by striking out “91,”;

(e) by striking out “, 103”;

(f) by replacing “106 to 113,” by “105 to”.

## **DIVISION III**

### **ORDER OF THE FINANCIAL MARKETS ADMINISTRATIVE TRIBUNAL**

#### **ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES**

**118.** Section 115.3 of the Act respecting the distribution of financial products and services (chapter D-9.2) is amended by inserting “or of funds, securities or other property acquired for unreasonable consideration from the representative, firm or any other person or entity actually or potentially under investigation” at the end of subparagraph 3 of the first paragraph.

#### **DERIVATIVES ACT**

**119.** Section 119 of the Derivatives Act (chapter I-14.01) is amended by inserting “or funds, securities or other property acquired for unreasonable consideration from the person actually or potentially under investigation” at the end of paragraph 3.

#### **SECURITIES ACT**

**120.** Section 249 of the Securities Act (chapter V-1.1) is amended by inserting “or of funds, securities or other property acquired for unreasonable consideration from the person who is or is about to be under investigation” at the end of paragraph 3.

## **DIVISION IV**

### **DATE OF FILING OF DOCUMENTS BY THE FINANCIAL MARKETS ADMINISTRATIVE TRIBUNAL**

#### **ACT RESPECTING THE REGULATION OF THE FINANCIAL SECTOR**

**121.** Section 115.15.56 of the Act respecting the regulation of the financial sector (chapter E-6.1) is amended by replacing “31 July” in the first paragraph by “30 September”.

## CHAPTER VII

### CONTINUANCE OF A LEGAL PERSON UNDER PART II OF THE COMPANIES ACT

#### COMPANIES ACT

**122.** Section 221 of the Companies Act (chapter C-38) is amended

(1) by replacing “constituting the members of” in the first paragraph by “to continue”;

(2) by replacing the second and third paragraphs by the following paragraphs:

“The enterprise register shall deposit the letters patent in the register and, subject to such deposit, but from the date of the letters patent, the legal person is continued under this Act.

The continuance does not affect the rights, obligations and deeds of the legal person that is continued as a legal person governed by this Part or those of its members. The legal person remains a party to any judicial or administrative proceedings to which the legal person thus continued was a party.”

## CHAPTER VIII

### TRANSITIONAL, MISCELLANEOUS AND FINAL PROVISIONS

**123.** [[The sums required by the Government for its commitment to indemnify the Bank of Canada for losses that could result from the Bank’s granting of emergency assistance to the Fédération des caisses Desjardins under paragraph *h* of section 18 of the Bank of Canada Act (Revised Statutes of Canada, 1985, chapter B-2) are taken out of the Consolidated Revenue Fund.]]

**124.** The Autorité des marchés financiers may require from any person who provides no later than on (*insert the date of introduction of this bill*) information or data used to establish the Canadian Dollar Offered Rate administered by Refinitiv Benchmark Services (UK) Limited, benchmark and benchmark administrator designated in accordance with the first paragraph of section 186.2.0.1 of the Securities Act (chapter V-1.1), that the person provide the information and data to that administrator until the date it determines, which may not be later than 28 June 2024.

**125.** The Autorité des marchés financiers, on an application addressed to it before 1 May 2024 by a damage insurance agent or broker qualified pursuant to section 46 of the Act respecting the distribution of financial products and services (chapter D-9.2) on (*insert the date preceding the date of assent to this Act*), issues a certificate, without further formality, to the agent or broker to act in the claims adjustment sector or the class of that sector in which the agent or broker is authorized to act on that date.

Likewise, the Autorité, on an application addressed to it before 1 May 2024 by the firm on whose behalf such an agent or broker acts, registers the firm, without further formality, in the claims adjustment sector.

**126.** This Act comes into force on *(insert the date of assent to this Act)*, except sections 105 and 106, which come into force on *(insert the date that is one year after the date of assent to this Act)*, and section 74, which comes into force on the date determined by the Government.



## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 4(d)ii  
Committee Updates—Quebec/AMF Issues-- Agenda Highlights for July 19/23 CAFII Quebec/AMF  
Issues Committee Meeting**

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

This is an update-only item.

### **Background Information**

This is an update on the agenda highlights for the 19 July, 2023 meeting of the Association's Quebec/AMF Issues Committee.

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

This is an update-only item.

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

One (1) attachment.

**ROLLING NOTES, CAFII QUEBEC/AMF COMMITTEE****Notes from the 21 June, 2023 Meeting**

Quebec/AMF Issues Committee chair Jennifer Russell welcomed everyone to the meeting. Keith Martin provided an update on the meeting that CAFII (Rob Dobbins, Karyn Kasperski, and Keith Martin) held with Mario Beaudoin, and his boss Christian Beaulieu, on 8 June, 2023. At that meeting, Mario Beaudoin focused entirely on the claims denial rate statistics, and he said the intention of the statistics gathering exercise the AMF engaged in was high-level understanding of industry trends. It was apparent from the discussion that this was not a top priority for the AMF, and Mario Beaudoin said it was a multiple year effort that was not intended to be punitive, and that the AMF wanted to work with industry on this issue collaboratively. Christian Beaulieu said he felt that these types of meetings were helpful and beneficial. Mario Beaudoin did make reference to credit protection insurance possibly getting captured by industry practices outside the sector, and he specifically referred to insurance in the car dealership space.

Keith Martin provided an update on the meeting coming up on 21 June with the AMF on complaints and dispute resolution. It was noted that the AMF appeared to be making positive adjustments to the regulation, including moving the timeline to resolve simple complaints from 10 days to 20 days, clarifying the definition of a complaint, and possibly providing an 18-24 month implementation period.

Keith Martin provided an overview of the presentations made to regulators and policy-makers during the western regulatory and policy-maker tour, and there was discussion about whether this presentation should be made to the AMF, and if so should it be in-person or virtually, and in French or English? The recommendation was that CAFII should make the presentation to the AMF, and that it might be best to do so in English so members of CAFII who do not speak French could attend. However, it was also suggested that the AMF be offered the option to have the presentation in French if that is their preference. This recommendation will be made to the EOC at the upcoming 27 June, 2023 meeting. Regardless of what is eventually decided on, it was agreed that CAFII should offer a written French version of the presentation deck to the AMF. Brendan Wycks noted that the AMF appears interested in educating its new hires on industry practices, and in that connection 25 new analysts are taking the THIA TRIP course on travel insurance best practices.

On Bill 96, Jennifer Russell noted that the Quebec Canadian Bankers Association is engaging with the Quebec Minister of Finance on getting some clarifications about the law, especially around clause 55 which is about contracts of adhesion.

It was suggested that Peter Thompson should approach Éric Jacob in their regular quarterly meetings about a special session with the right people from the AMF on the upcoming 1 January, 2025 deadline for cancelling remaining spousal coverage policies, and see if the AMF might consider shifting its perspective on this matter. It was also suggested that Mr. Jacob be asked how best to approach the new AMF CEO Yves Ouellet. Burden reduction was also raised as an issue, and the October 2021 CAFII submission on this matter will be shared with Quebec/AMF Issues Committee members.

**CAFII Quebec/AMF Issues Committee Agenda, Wednesday, 21 June, 2023 1-2pm**

1. Housekeeping updates as needed (Jennifer Russell, All)
2. Update on the 8 June, 2023 meeting regarding with AMF on Statistics Gathered by the AMF (Keith Martin, All)
3. Update on the 21 June, 2023 3-4pm upcoming meeting with the AMF regarding Complaints and Dispute Resolution (Keith Martin, all)
4. Western Regulator and Policy-Maker Tour—should CAFII offer to present the same deck to AMF? [In English or in French? In person or virtually?] (All) (see Attachment “CAFII Presentation Western Tour...”)
5. Bill 96 – June 1, 2023 implementation date—General Discussion (Jennifer Russell, All)
6. Bill 64 – Questions and Discussion from the team (Jennifer Russell, All)
7. AMF Spousal Coverage Withdrawal – confirm approach and timing to raise this with AMF, including plan for Peter Thompson to Raise with Eric Jacob at their next quarterly meeting (Keith Martin, All)
8. Other business (Jennifer Russell, All)

**Tracking Issues**

- AMF initiative around statistics on Debtor Life, Health, and Employment (DLHE) Insurance claims denial rates, and return of premium to customers
- Next steps, spousal issue

**Two attachments relevant to this meeting are:**

- French and English Versions of the burden reduction submission to the AMF from CAFII (25 October, 2021) (attached to email sent to Committee members)

**In Attendance 21 June, 2023**

Jennifer Russell, Assurant \* Chair  
 Iman Muntazir, RBC Insurance \* Vice Chair  
 Belinda Lynch, Scotia Insurance  
 Bessie Paliouras, Manulife  
 Casandra Litniansky, CUMIS  
 Catherine Latulippe, Canadian Tire Financial Services  
 Cecilia Xiao, Assurant  
 David Self, CIBC Insurance  
 Deliska Beauregard, Securian Canada  
 Élyse Lemay, Canada Life  
 Greg Caers, BMO Insurance  
 Jason Beauchamp, Canada Life

John Burns, Securian Canada  
 Léa Dufresne, Desjardins  
 Lindsey LeClair, Valeyo  
 Mandy Rutten, CIBC Insurance  
 Michelle Costello, CUMIS  
 Nadine Roy, Assurant  
 Peter Thorn, TD Insurance  
 Susan Gibaut, Assurant  
 Isake Tom, Canada Life Assurance

**Notes from the 29 May, 2023 Meeting**

Keith Martin provided an overview of the 8 May, 2023 meeting with the AMF on complaints and dispute resolution, at which Louise Gauthier did most of the talking. The AMF acknowledged that there was a lot of confusion about the definition of complaints in the Regulation, and that the AMF would do more work to try and clarify the definition. The AMF also said that they might include in the regulation a list of what is not captured by the regulation. The AMF offered to do more work internally on this Regulation and will reach out to CAFII about another meeting on this topic.

A member has noted that the Regulation is applicable to insurers only, but CAFII's perspective is that in practice the distributor is still going to need to align with the Regulation. CLHIA has offered a view on this matter which will be distributed to members of this Committee.

Keith Martin noted that CAFII's approach to the 8 June, 2023 meeting on statistics gathered by the AMF will be to initially be in listening mode and see how the AMF intends to use the statistics they have gathered. If necessary, CAFII members will indicate that the statistics need to be used in a careful manner and can be misunderstood.

There were no updates on Bill 96 the Quebec Charter of the French Language.

On Bill 64, some members said that they were working on compliance with both that Bill and Bill 96 at the same time.

On AMF spousal coverage withdrawal, it was noted that the 1 January, 2025 deadline to cancel any such remaining policies was fast approaching, and that Peter Thompson would raise this issue with Eric Jacob at their next quarterly meeting and suggest a special-purpose meeting on this issue.

The Quebec/AMF Issues Committee was asked to think about topics for the in-person liaison meeting in October, 2023 in Quebec. One topic suggested as a possible issue to raise is around burden reduction.

**Draft CAFII Quebec/AMF Agenda, Monday, 29 May, 2023, 1-2pm**

9. Housekeeping updates as needed (Jennifer Russell, All)
10. Update on the May 11<sup>th</sup> meeting with AMF regarding Complaints (Keith Martin)
11. Plans for Upcoming 8 June, 2023 CAFII Meeting with AMF on Statistics Gathered by the AMF (Keith Martin, All)
12. Bill 96 – June 1, 2023 implementation date—General Discussion (Jennifer Russell, All)
13. Bill 64 – Questions and Discussion from the team (Jennifer Russell, All)
14. AMF Spousal Coverage Withdrawal – confirm approach and timing to raise this with AMF, including plan for Peter Thompson to Raise with Eric Jacob at their next quarterly meeting (Keith Martin, All)
15. Other business (Jennifer Russell, All)

**Tracking Issues**

- AMF initiative around statistics on Debtor Life, Health, and Employment (DLHE) Insurance claims denial rates, and return of premium to customers
- Next steps, spousal issue

**Two attachments relevant to this meeting are:**

- CAFII Briefing Note on AMF Annual Priorities
- 18 May, 2023 webinar presentation on the Charter of the French Language

**In Attendance 29 May, 2023**

Jennifer Russell, Assurant \* Chair  
 Iman Muntazir, RBC Insurance \* Vice Chair  
 Catherine Latulippe, Canadian Tire Financial Services  
 Cecilia Xiao, Assurant  
 David Self, CIBC Insurance  
 Greg Caers, BMO Insurance  
 Ibrahim Idowu, CIBC Insurance  
 Silvana Capobianco, BMO Insurance  
 Isabelle Choquette, Desjardins  
 Kristal McKay, CIBC Insurance  
 Léa Dufresne, Desjardins  
 Marc-André Chartrand, Canada Life  
 Maude-Marie Dorval, Desjardins  
 Nadine Roy, Assurant

Peter Thorn, TD Insurance  
 Sergio Gomes, BMO Insurance  
 Susan Gibaut, Assurant  
 Jason Beauchamp, Canada Life

**Notes from 26 April, 2023 Meeting**

Jennifer Russell opened the meeting.

Shannon Dowe of RBC Insurance had some questions around the RADM. CAFII members said if a credit card is not being sold product summaries do not need to be offered, even if there are holders of the card from before the RADM was introduced, as the Regulation requires the Product Summary to be shared at the time of offer. However, reporting about such cards was provided to the AMF.

It was mentioned that CAFII was meeting with the AMF on 11 May, 2023 to discuss the AMF regulation on complaints and dispute resolution, and Committee members were invited to suggest possible topics of discussion. It was noted that the CLHIA had indicated that the AMF may be softening their position around the definition of complaints, and that this was something CAFII should emphasize as an issue. The AMF was also told that moving from a 10 day to 20 day requirement for resolution of a complaint was not sufficient. It was also suggested that CAFII should repeat that if a customer with a complaint goes to the courts, the complaint should not be kept open.

It was also mentioned that CLHIA had not been able to meet with the Quebec Office of the French Language (Office québécois de la langue française), which is responsible for administering the Charter of the French Language.

It was noted that CAFII is also going to meet with the AMF on the statistics that they are gathering on claims denial. While the AMF has also gathering statistics on return of premium to customers, it was suggested that this not be raised. It was noted that the meeting's intention is to ask the AMF how they are intending to use the statistics they have gathered.

There was a discussion on the privacy requirements that are coming up. A significant set of new requirements will need to be implemented by 23 September, 2023. Most members said that they are on target for meeting the timelines, although some were currently working on impact assessments, while others were solutioning and implementing.

Jennifer Russell (Assurant) said that it was important to reassess how shared services departments are impacted by regulatory implementations that take many years. For example, over time data analytics departments have grown and may now be impacted by the privacy legislation where they may not previously have been a major consideration. Jason Beauchamp (Canada Life) said that reporting breaches are very closely monitored by the AMF department le *comité d'accès d'information*, and may result in follow up inquiries.

The issue of the need to remove spousal insurance by 1 January, 2025 was raised, with many members saying that the natural attrition of this product had resulted in a small percentage of those holding the product no longer doing so. This means that many policies will in principle need to be cancelled by 1 January, 2025. The members of the Committee were supportive of CAFII speaking to the AMF about reconsidering its approach to this issue, and potentially grandfathering the existing holders of spousal coverage. The CAFII attendees at the upcoming 11 May, 2023 meeting with the AMF will discuss how best to approach the AMF about this issue.

#### **Draft CAFII Quebec/AMF Agenda, Wednesday, 26 April, 2023, 1-2pm**

16. Welcome and start of meeting (Jennifer Russell, All)
17. Shannon Dowe Questions to the Quebec/AMF Issues Committee (All) (see Addendum A)
18. Feedback Requested—What Would Quebec Committee Members Like CAFII to Raise at the 11 May, 2023 Meeting with the AMF on Complaints and Dispute Resolution? (All) (see Addendum B)
19. Update on Keith Martin Meeting with Michèle Helie, CLHIA/ACCAP on Charter of the French Language, and Other Issues (24 April, 2023) (Keith Martin)
20. Spousal Coverage Remove—Next Steps (All)
21. Bill 64—Quebec Privacy Legislation (All)
22. Other Business (All)

#### **Items of Interest:**

- La Presse Article on Government Giving Quebec Ministries, Government Organizations Two Years Exemption to Allow them to Speak to Customers in English (see Addendum C)
- CAFII is organizing a webinar on 18 May, 2023 with two law firms on the Charter of the French Language
- Blakes is organizing a webinar on 11 May, 2023 on the Charter of the French Language (see Addendum D)

#### **Tracking Issues**

AMF initiative around statistics on Debtor Life, Health, and Employment (DLHE) Insurance claims denial rates, and return of premium to customers

Next Meeting: 29 May, 2023, 1-2pm

**In Attendance 26 April, 2023**

Jennifer Russell, Assurant \* Chair  
Iman Muntazir, RBC Insurance \* Vice Chair  
Belinda Lynch, Scotia Insurance  
Bessie Paliouras, Manulife  
Cassandra Litniansky, CUMIS  
Catherine Latulippe, Canadian Tire Financial Services  
Cecilia Xiao, Assurant  
David Self, CIBC Insurance  
Deliska Beauregard, Securian Canada  
Doug Weir, CIBC  
Elliott Yoo  
Élyse Lemay, Canada Life  
Greg Caers, BMO Insurance  
Ibrahim Idowu, CIBC Insurance  
Isabelle Choquette, Desjardins  
Jonathan Poulin, BNC Insurance  
John Burns, Securian Canada  
Kristal McKay, CIBC Insurance  
Lindsey LeClair, Valeyo  
Mandy Rutten, CIBC Insurance  
Michelle Costello, CUMIS  
Nadine Roy, Assurant  
Noel Brackney, BMO Insurance  
Peter Thorn, TD Insurance  
Shannon Dowe, RBC Insurance  
Sergio Gomes, BMO Insurance  
Susan Gibaut, Assurant

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**Addendum A—Question Posed by Shannon Dowe, RBC**

**From:** Dowe, Shannon [<mailto:shannon.dowe@rbc.com>]

**Sent:** Tuesday, April 11, 2023 10:36 AM

**To:** Jake Becker <[jake.becker@cafii.com](mailto:jake.becker@cafii.com)>

**Subject:** Question re DWR Filings

Hi Jake,

I hope that you are doing well.

We'd like to verify if a scenario relating to the DWR (Distribution without a representative) filing with the AMF has been previously discussed or perhaps raised among CAFII members. I wasn't sure who to reach out to and I hope that you can assist with the following inquiry?

If a Bank stopped offering a XYZ credit card to new cardholders **PRIOR** to the implementation of requirements under Bill 141 but still has clients that have the XYZ card:

1. Does the Bank still need to develop and post on its web site a Product Summary for XYZ credit card?
2. Does the Bank still have to file a disclosure to the AMF that it is no longer offering XYZ credit card to new clients?
3. Does a Bank need to include data regarding XYZ credit card as part of its annual filing so long as it continues to have clients that have XYZ credit card?

Thank you,

**Shannon Dowe**, CIP, CIPP/C | Senior Manager, Insurance Compliance | **RBC Insurance** | 6880 Financial Drive, Mississauga, ON, L5N 4N9 | Tel: 905-816-5705 | Fax: 1-888-844-3331

BRENDAN WYCK RESPONSE:

**From:** Brendan Wycks <[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)>  
**Sent:** 2023, April, 11 1:20 PM  
**To:** Dowe, Shannon <[shannon.dowe@rbc.com](mailto:shannon.dowe@rbc.com)>  
**Cc:** Keith Martin <[Keith.Martin@cafii.com](mailto:Keith.Martin@cafii.com)>; 'Keith Martin' <[kmartin@rogers.com](mailto:kmartin@rogers.com)>; Jake Becker <[jake.becker@cafii.com](mailto:jake.becker@cafii.com)>  
**Subject:** FW: Question re DWR Filings

[External]/[Externe]

Hi, Shannon and thanks for the several inter-related questions you've posed in your email of earlier today, below.

Those are questions that are very much in the insurance regulation and regulatory policy sphere, so you should certainly feel free and encouraged to raise such questions directly with Keith and me, as Co-Executive Directors.

To the best of my knowledge, the specific questions/scenarios you've raised related to Quebec's Bill 141 and the AMF's related Regulation respecting Alternative Distribution Methods (RADM) and how those two regulatory requirements apply to credit cards that were **formerly** available to Quebecers have not been previously raised and discussed within CAFII.

However, in my view, we now have in place within our Association the ideal forum to raise such questions and have them discussed for information-sharing among member company representatives: our new Quebec/AMF Issues Committee.



The next regular monthly meeting of that committee is scheduled for Wednesday, April 26/23 from 1:00 to 2:00 p.m. EST.

Would a meeting on that date/time be soon enough for you (or an alternate RBC Insurance representative) to pose the questions you've raised, and hopefully gain some beneficial insights through member company information-sharing?

Or are you hoping for some CAFII-level guidance on those questions sooner than that?

**Brendan Wycks, BA, MBA, CAE**

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

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T: 647.218.8243

Alternate T: 647.361.9465

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

---

## **Addendum B—Meeting on 11 May, 2023 Between CAFII and AMF on Complaints and Dispute Resolution Regulation**

**At the Meeting from CAFII:**

Peter Thompson, CAFII Board Chair

Rob Dobbins, EOC Chair

Karyn Kasperski, EOC Vice Chair

Keith Martin, Co-Executive Director

**From AMF:**

Eric Jacob, Superintendent, Client Services and Distribution Oversight

Louise Gauthier, Senior Director, Distribution Policies

**De :** Jacob Eric <[Eric.Jacob@lautorite.qc.ca](mailto:Eric.Jacob@lautorite.qc.ca)>

**Envoyé :** 5 avril 2023 17:40

**À :** Thompson, Peter <[Peter.Thompson@bnc.ca](mailto:Peter.Thompson@bnc.ca)>

**Cc :** Gauthier Louise <[Louise.Gauthier@lautorite.qc.ca](mailto:Louise.Gauthier@lautorite.qc.ca)>; Beaulieu Christian

<[Christian.Beaulieu@lautorite.qc.ca](mailto:Christian.Beaulieu@lautorite.qc.ca)>; Keith Martin <[keith.martin@cafii.com](mailto:keith.martin@cafii.com)>; Rob Dobbins

<[rob.dobbins@assurant.com](mailto:rob.dobbins@assurant.com)>; [karyn.kasperski@rbc.com](mailto:karyn.kasperski@rbc.com); Goncalves, Cecilia <[cecilia.goncalves@bnc.ca](mailto:cecilia.goncalves@bnc.ca)>

**Objet :** RE: Échanges Autorité - ACIFA

\*\*\*\*\*

PRUDENCE/CAUTION - EXTERNE/EXTERNAL

\*\*\*\*\*

Hello Peter,

Thank you and we certainly are looking forward to these conversations.

Best regards,

Eric

**Eric Jacob, LL.B. MBA**

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

**Autorité des marchés financiers (AMF)**

2640, Laurier Boulevard, 4th floor  
Quebec (Quebec) G1V 5C1

800, Victoria Square, 22nd floor  
Tour de la Bourse, Montreal (Quebec) H4Z 1G3

Phone: (514) 395-0337 / (418) 525-0337, ext. 4701

Toll free: 1-877-525-0337, ext. 4701

Fax: (514) 873-3251

e-mail: [eric.jacob@lautorite.qc.ca](mailto:eric.jacob@lautorite.qc.ca)

[www.lautorite.qc.ca](http://www.lautorite.qc.ca)



**De :** Thompson, Peter <[Peter.Thompson@bnc.ca](mailto:Peter.Thompson@bnc.ca)>

**Envoyé :** 5 avril 2023 16:58

**À :** Jacob Eric <[Eric.Jacob@lautorite.qc.ca](mailto:Eric.Jacob@lautorite.qc.ca)>

**Cc :** Gauthier Louise <[Louise.Gauthier@lautorite.qc.ca](mailto:Louise.Gauthier@lautorite.qc.ca)>; Beaulieu Christian <[Christian.Beaulieu@lautorite.qc.ca](mailto:Christian.Beaulieu@lautorite.qc.ca)>; Keith Martin <[keith.martin@cafii.com](mailto:keith.martin@cafii.com)>; Rob Dobbins <[rob.dobbins@assurant.com](mailto:rob.dobbins@assurant.com)>; karyn.kasperski@rbc.com; Goncalves, Cecilia <[cecilia.goncalves@bnc.ca](mailto:cecilia.goncalves@bnc.ca)>; Thompson, Peter <[Peter.Thompson@bnc.ca](mailto:Peter.Thompson@bnc.ca)>

**Objet :** RE: Échanges Autorité - ACIFA

**ATTENTION : Ce courriel provient de l'extérieur de l'Autorité.**

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Bonjour Eric,

Un grand merci pour ce courriel. Nous avons eu la chance d'en discuter à l'ACIFA, à savoir qui serait les meilleures personnes pour avoir ces discussions. Nous sommes venus à la conclusion que pour les 2 sujets en question nous devrions avoir notre Président et Vice-présidente du conseil du Comité des Operations Exécutive, soit Rob Dobbins (Assurant) et Karyn Kasperski (RBC). Les deux sont très connaissant de ces dossiers et des perspectives des membres de l'ACIFA. Nous proposons que Keith

Martin et moi-même soyons également présent à ces rencontres. Finalement, nous apprécierons si ces rencontres puissent avoir lieu en anglais.

Mon adjointe, Cecilia, vous fournira sous peu plusieurs plages de disponibilités pour la deuxième moitié d'avril en espérant qu'on puisse trouver des moments qui fonctionnent pour tous pour ces deux rencontres.

Un grand merci pour votre ouverture de vouloir échanger sur ces deux sujets d'importance. Nous en sommes très reconnaissant.

A bientôt!

TRANSLATION :

Hello Eric,

Many thanks for this email. We had the chance to discuss this at the ACIFA, to know who would be the best people to have these discussions. We have come to the conclusion that for the 2 subjects in question we should have our Chairman and Vice Chairman of the Board of the Executive Operations Committee, being Rob Dobbins (Assurant) and Karyn Kasperski (RBC). Both are very knowledgeable about these issues and the perspectives of ACIFA members. We propose that Keith Martin and myself also be present at these meetings. Finally, we will appreciate if these meetings can take place in English. My assistant, Cecilia, will soon provide you with several availability slots for the second half of April, hoping that we can find times that work for everyone for these two meetings.

Many thanks for your openness in wanting to discuss these two important topics. We are very grateful. See you soon!

Peter

**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.**

Banque Nationale Assurances | National Bank Insurance (transit: 9189-1)

Tél. | Tel.: 514 394-2614

# sans frais | Toll-free #: 1 800 361-8688, ext.: 42614

Cell. | Mobile: 514 239-7967

[peter.thompson@bnc.ca](mailto:peter.thompson@bnc.ca)

Assurance-vie Banque Nationale | National Bank Life Insurance Company

1100, boul. Robert-Bourassa, 11<sup>e</sup> étage, Montréal (QC) H3B 2G7 | 1100 Robert-Bourassa Blvd, 11th floor, Montreal (QC) H3B 2G7

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**From:** Jacob Eric <[Eric.Jacob@lautorite.qc.ca](mailto:Eric.Jacob@lautorite.qc.ca)>  
**Sent:** Friday, March 31, 2023 8:58 AM  
**To:** Thompson, Peter <[Peter.Thompson@bnc.ca](mailto:Peter.Thompson@bnc.ca)>  
**Cc:** Gauthier Louise <[Louise.Gauthier@lautorite.qc.ca](mailto:Louise.Gauthier@lautorite.qc.ca)>; Beaulieu Christian <[Christian.Beaulieu@lautorite.qc.ca](mailto:Christian.Beaulieu@lautorite.qc.ca)>  
**Subject:** Échanges Autorité - ACIFA

\*\*\*\*\*  
 PRUDENCE/CAUTION - EXTERNE/EXTERNAL  
 \*\*\*\*\*

Bonjour Peter,

J'espère que tout va bien de ton côté.

À la suite de notre dernière conversation, je te confirme que nous pouvons tenir les discussions suivantes avec Keith et les bonnes personnes de l'ACIFA quant aux sujets suivants :

- Avec Louise Gauthier, directrice principale des politiques d'encadrement de la distribution : dossier du Règlement sur le traitement des plaintes et du règlement des différends

Et

- Avec Christian Beaulieu, directeur principal des opérations d'encadrement de la distribution : dossier des données et statistiques

Mes collègues se feront également accompagner par les bonnes personnes de leurs équipes respectives afin d'optimiser les échanges.

Nous laisserons Keith revenir à nos équipes avec des propositions de rencontres.

Je te remercie et demeure disponible.

Bon week-end!

Éric

**Éric Jacob, LL.B. MBA**

Surintendant de l'assistance aux clientèles et de l'encadrement de la distribution  
 Directeur général du contrôle des marchés (Intérim)

**Autorité des marchés financiers**

2640, boul. Laurier, 4e étage  
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[www.lautorite.qc.ca](http://www.lautorite.qc.ca)



TRANSLATION:

Hello Peter,

I hope all is well on your side.

Following our last conversation, I confirm that we can hold the following discussions with Keith and the right people at CAFII on the following subjects:

- With Louise Gauthier, Senior Director of Distribution Regulation Policies: File on the Regulation respecting the processing of complaints and the resolution of disputes

And

- With Christian Beaulieu, Senior Director of Distribution Management Operations: data and statistics file

My colleagues will also be accompanied by the right people from their respective teams in order to optimize exchanges.

We will let Keith come back to our teams with meeting proposals.

Thank you and I remain available.

Have a nice week end!

Eric

## **Addendum C—La Presse Article on Charter of the French Language Exemptions (French Original Follows)**

STATE-BUSINESS COMMUNICATIONS

QUEBEC CREATES AN EXCEPTION TO USE ENGLISH

TOMMY CHOUINARD THE PRESS

QUEBEC — The Legault government allows ministries and public bodies to communicate in English with companies based in Quebec for another two years when they deem it necessary.

It introduces an exception to a new rule in the Charter of the French Language that requires the state to communicate only in French with legal persons established in Quebec.

Under its Bill 96 passed last year, the Legault government decided to require "exemplary" and "exclusive" use of French by the state in its communications, with a few exceptions. It has set itself the goal of putting an end to the "bilingualization of the state" with this reform of Bill 101.

The Conseil supérieur de la langue française had shown in 2019 that 39% of staff members of departments and agencies "having written interactions with legal persons or businesses established in Quebec sometimes use a language other than French in this type of interaction." It is 63% in the Outaouais and 51% in Montreal, had added the organization that no longer exists today.

**Developed following the adoption of Bill 96, the government's new Language Policy, which the government has just made public, emphasizes the state's "duty to set an example" with respect to the use of French.**

Nevertheless, "the Administration may use a language other than French only in the exceptional cases provided for in the Charter of the French Language" – for the English-speaking community, for example – "or by its regulatory framework."

However, this "regulatory framework" has just been established. The Minister responsible for the French Language, Jean-François Roberge, submitted the Administration's Language Regulation to the Council of Ministers. This regulation will enter into force<sup>on</sup> 1 June. It "specifies the legal framework applicable to the Administration so that it can fully meet its duty of exemplarity".

Above all, "it provides for new exceptions to the general principle, which is the exclusive use of French," reads Mr. Roberge's brief to the Council of Ministers.

### **"SUNSET PROVISIONS"**

The state may thus use English with a legal person established in Québec when it is "necessary to prevent a communication written solely in the official language from compromising the accomplishment of the mission of the Authority's body and the latter has taken all reasonable means to communicate only in the official language."

Similarly, "a writing sent to a body of the Administration by a legal person or enterprise to obtain a permit, another authorization of the same nature, a subsidy or another form of financial assistance [...] may be written in a language other than French" when "the transmission of writing in French only compromises the accomplishment of the mission of the body of the Administration and the latter has taken all reasonable means to ensure that the writing is transmitted to it only in the official language".

Both of these measures are referred to as "sunset clauses." They will be in effect for two years. They "cease to have effect<sup>on</sup> June 1, 2025," says the Regulations.

At what point is the "accomplishment of the mission" of an organization compromised and would allow the use of English? We don't know.

**Organizations will have to answer this question and define "language practices that are consistent with their reality" and the Charter.**

"In light of the comprehensive applicable legal regime, each body will have to adopt a directive that will specify how it will exercise its duty of exemplarity. He will indicate the nature of the situations in which he intends to use a language other than French," continues the brief of Jean-François Roberge submitted to the Council of Ministers.

The idea of using only French in government communications with legal persons established in Quebec has long been debated and has been the subject of numerous postponements.

It is a measure that was part of Bill 101 when it was passed in 1977, but was lifted by the Liberals in 1993. In 2001, the Larose Commission on the Future of French recommended that it be reinstated. The Landry government passed legislation the following year to, among other things, implement this recommendation. However, the measure never entered into force; the Charest, Marois and Couillard governments maintained the status quo. The Legault government had promised that the measure would be implemented in June 2022, but the operation had been postponed for a year, in the context of the adoption of Bill 96.

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## QUÉBEC CRÉE UNE EXCEPTION POUR UTILISER L'ANGLAIS

TOMMY CHOUINARD LA PRESSE

QUÉBEC — Le gouvernement Legault permet pour encore deux ans aux ministères et aux organismes publics de communiquer en anglais avec des entreprises installées au Québec lorsqu'ils le jugent nécessaire.

Il introduit en effet une exception à une nouvelle règle de la Charte de la langue française qui oblige l'État à communiquer uniquement en français avec les personnes morales établies au Québec.

En vertu de son projet de loi 96 adopté l'année dernière, le gouvernement Legault a décidé d'exiger une utilisation « exemplaire » et « exclusive » du français de la part de l'État dans ses communications, à quelques exceptions près. Il s'est donné pour objectif de mettre fin à la « bilinguisation de l'État » avec cette réforme de la loi 101.

Le Conseil supérieur de la langue française avait démontré en 2019 que 39 % des membres du personnel de ministères et d'organismes « ayant des interactions écrites avec des personnes morales ou des entreprises établies au Québec utilisent parfois une autre langue que le français dans ce type d'interaction ». C'est 63 % en Outaouais et 51 % à Montréal, avait ajouté l'organisme qui n'existe plus aujourd'hui.

**Élaborée à la suite de l'adoption du projet de loi 96, la nouvelle Politique linguistique de l'État, que le gouvernement vient tout juste de rendre publique, insiste sur le « devoir d'exemplarité » de l'État à l'égard de l'utilisation du français.**

Néanmoins, « l'Administration peut utiliser une autre langue que le français uniquement dans les cas exceptionnels prévus par la Charte de la langue française » – pour la communauté anglophone par exemple – « ou par son cadre réglementaire ».

Or ce « cadre réglementaire » vient justement d'être fixé. Le ministre responsable de la Langue française, Jean-François Roberge, a soumis au Conseil des ministres le Règlement sur la langue de l'Administration. Ce règlement entrera en vigueur le 1<sup>er</sup> juin. Il « précise le cadre juridique applicable à l'Administration afin qu'elle puisse satisfaire pleinement à son devoir d'exemplarité ».

Surtout, « il prévoit de nouvelles exceptions au principe général qui est l'utilisation exclusive du français », peut-on lire dans le mémoire de M. Roberge au Conseil des ministres.

#### **« DISPOSITIONS DE TEMPORISATION »**

L'État peut ainsi utiliser l'anglais avec une personne morale établie au Québec lorsque cela est « nécessaire pour éviter qu'une communication rédigée uniquement dans la langue officielle compromette l'accomplissement de la mission de l'organisme de l'Administration et que ce dernier a pris tous les moyens raisonnables pour communiquer uniquement dans la langue officielle ».

De même, « un écrit transmis à un organisme de l'Administration par une personne morale ou une entreprise pour obtenir un permis, une autre autorisation de même nature, une subvention ou une autre forme d'aide financière [...] peut être rédigé dans une autre langue que le français » lorsque « la transmission de l'écrit en français uniquement compromet l'accomplissement de la mission de l'organisme de l'Administration et que ce dernier a pris tous les moyens raisonnables pour que l'écrit lui soit transmis uniquement dans la langue officielle ».

Ces deux mesures sont présentées comme des « dispositions de temporisation ». Elles seront en vigueur pendant deux ans. Elles « cessent d'avoir effet le 1<sup>er</sup> juin 2025 », précise d'ailleurs le Règlement.

À partir de quel moment « l'accomplissement de la mission » d'un organisme est compromis et permettrait d'utiliser l'anglais ? On l'ignore.

**Les organismes auront à répondre à cette question et à définir des « pratiques linguistiques conformes à leur réalité » et à la Charte.**



« À la lumière du régime juridique complet applicable, chaque organisme devra adopter une directive qui précisera la façon dont il exercera son devoir d'exemplarité. Il y indiquera la nature des situations dans lesquelles il entend utiliser une autre langue que le français », poursuit le mémoire de Jean-François Roberge soumis au Conseil des ministres.

L'idée d'utiliser uniquement le français dans les communications de l'État avec les personnes morales établies au Québec fait débat depuis longtemps et est l'objet de multiples reports.

C'est une mesure qui faisait partie de la loi 101 dès son adoption en 1977, mais qui avait été levée par les libéraux en 1993. En 2001, la commission Larose sur l'avenir du français recommandait de la remettre en place. Le gouvernement Landry avait adopté une loi l'année suivante pour entre autres mettre en œuvre cette recommandation. Or, la mesure n'est jamais entrée en vigueur ; les gouvernements Charest, Marois et Couillard ont maintenu le statu quo. Le gouvernement Legault avait promis que la mesure serait mise en application en juin 2022, mais l'opération avait été reportée d'un an, dans le contexte de l'adoption du projet de loi 96.

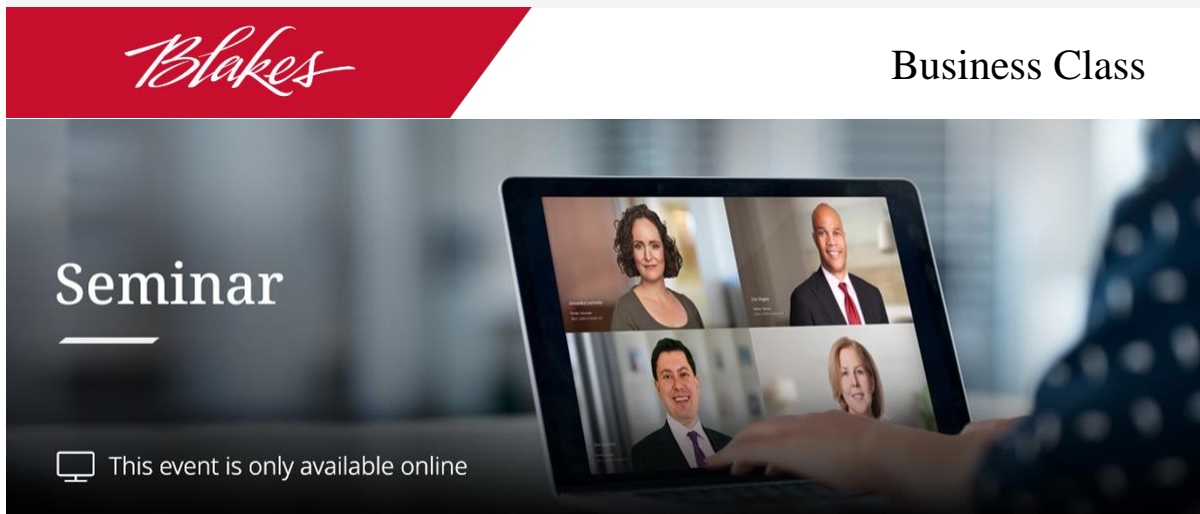
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## **Addendum D—Blakes Webinar on the Charter of the French Language**

You're invited to a Blakes Business Class Seminar:

Quebec's Charter of the French Language: Where We Are Now and What to Look Out for in the Coming Months

La version française suit le texte anglais.



**Blakes**


**Business Class**


**Seminar**

This event is only available online

EMPLOYMENT & LABOUR / CORPORATE & COMMERCIAL

## Quebec's Charter of the French Language: Where We Are Now and What to Look Out for in the Coming Months

 Thursday, May 11, 2023

 12 – 1 p.m. (ET) | Livestream begins 15 min prior to start

 Online

 Please register by Wednesday, May 10, 2023.

 [More information](#)

 [Register now](#)

*Please note that this webinar will take place in English only.*

### Event Description

Join Blakes lawyers for a discussion on the impacts of the adoption of Bill 96 and new obligations coming into effect for employers in Quebec. Our speakers will review the main amendments to Quebec's *Charter of the French Language* and examine the significant changes employers have made to their practices and policies, as well as the strategies they have put in place in this regard over the past year.

Our speakers will also discuss key amendments to the Charter that apply to commercial contracts and the significant changes that businesses operating in Quebec must make to their commercial practices.

### Speakers:



Catherine Gagné  
Associate, Montréal



Francis Laperrière  
Racine  
Associate, Montréal



Jenny Ross  
Partner, Montréal

Streaming will begin 15 minutes before the presentation.

This invitation is intended for Keith Martin and is not transferable.

---

### Mandatory Continuing Education

#### Ontario

This program is eligible for up to 1 Substantive hour.

---

#### Quebec

Please note that pursuant to the amendments to the [Règlement sur la formation continue obligatoire des avocats](#) (Regulation respecting mandatory continuing education for lawyers – available in French only) of the Barreau du Québec, which came into force on April 1, 2019, the status of “accredited provider” has been abolished.

Blakes will continue to provide you with a confirmation of participation for your records. As stipulated in the above-mentioned regulation, members must preserve supporting documents attesting their completion of training activities for a period of seven years beginning on April 30 following the end of the reference period during which such activities were completed.

---

#### British Columbia

This program has been accredited for up to 1 CPD Credit Hour with [The Law Society of British Columbia](#).

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This invitation was sent to [keith.martin@cafii.com](mailto:keith.martin@cafii.com) and is not transferable.

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**Vous êtes invité à un séminaire Classes affaires de Blakes :**


Charte de la langue française : où nous en sommes et ce qu'il faut surveiller au cours des prochains mois


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## TRAVAIL ET EMPLOI / DROIT COMMERCIAL ET DES SOCIÉTÉS

## Charte de la langue française : où nous en sommes et ce qu'il faut surveiller au cours des prochains mois

 Jeudi 11 mai 2023

 12 h – 13 h (HE) | La diffusion commence 15 min. avant le séminaire

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*Veuillez noter que ce webinaire se déroulera en anglais.*

### Description de l'événement

Joignez-vous à des avocats de Blakes pour discuter des répercussions de l'adoption du projet de loi 96 et de l'entrée en vigueur de nouvelles obligations sur les employeurs au Québec. Nos conférenciers passeront en revue les principales modifications apportées à la *Charte de la langue française* et se pencheront sur les changements importants que les employeurs ont apportés à leurs pratiques et politiques, ainsi que sur les stratégies qu'ils ont mises en place à cet égard au cours de la dernière année.

Par ailleurs, vu l'entrée en vigueur de certaines dispositions de la Charte visant les contrats commerciaux, les conférenciers discuteront également des principales

modifications apportées à la Charte relativement à ces contrats et des changements importants aux pratiques commerciales des entreprises faisant affaire au Québec.

### Conférenciers



Catherine Gagné  
Avocate, Montréal



Francis Laperrière  
Racine  
Avocat, Montréal



Jenny Ross  
Associée, Montréal

La diffusion commencera 15 minutes avant le séminaire.

Cette invitation est destinée à Keith Martin et ne peut être transférée.

---

### Formation continue obligatoire

#### Ontario

Ce programme est admissible à 1 heure de contenu de droit de fond.

---

#### Québec

Veuillez noter qu'en vertu des modifications au [Règlement sur la formation continue obligatoire des avocats](#), qui sont entrées en vigueur le 1<sup>er</sup> avril 2019, le statut de « dispensateur reconnu » a été aboli.

Blakes vous remettra tout de même une confirmation de participation pour vos dossiers. Tel que le prévoit le Règlement, le membre de l'Ordre doit conserver les pièces justificatives permettant de

vérifier qu'il a suivi une activité de formation jusqu'à l'expiration d'un délai de sept ans débutant le 30 avril qui suit la fin de la période de référence pendant laquelle l'activité a été suivie.

## Colombie-Britannique

[The Law Society of British Columbia](#) a reconnu ce programme pour une durée maximale de 1 heure de crédits de formation continue.

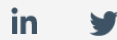
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Cette invitation est destinée à [keith.martin@cafii.com](mailto:keith.martin@cafii.com) et ne peut être transférée.

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### **CAFII Quebec/AMF Agenda, Wednesday, 29 March, 2023**

23. Welcome and start of meeting (Jennifer Russell, All)
24. 22 March, 2023 Meeting between Peter Thompson and Éric Jacob (Keith Martin—please see Addendum A)
25. Feedback Requested—What Would Quebec Committee Members Like CAFII to Raise at the June, 2023 Meeting with Éric Jacob? (All)
26. 23 March, 2023 Meeting “*Présentation panier de solutions, échanges et questions*” (Keith Martin)

27. Bill-96, Quebec Charter of the French Language—Application to insurance contracts (contracts of adhesion) (Jennifer Russell, All)
28. Recently implemented new Quebec privacy legislation (Bill-64) and related initiatives (Jennifer Russell, All)
29. Removal of spousal cover exemption by January 1, 2025 (all)
30. Other Business

### Tracking Issues

AMF initiative around statistics on Debtor Life, Health, and Employment (DLHE) Insurance claims denial rates, and return of premium to customers


### Addendum A—Briefing Note from Peter Thompson on his 22 March, 2023 Meeting with Éric Jacob

#### CAFII-AMF quarterly discussion



Thompson, Peter <Peter.Thompson@bnc.ca>

To ○ Keith Martin; ○ Brendan Wycks; ○ Rob Dobbins; ○ karyn.kasperski@rbc.com  
Cc ○ Thompson, Peter

 You forwarded this message on 2023-03-27 12:36 PM.

Hi everyone,

A short recap of my discussion with Eric Jacob on March 22nd, 2023:

- friendly discussion around how last meeting with Keith and Mario was very positive to help bring credit card embedded insurance issue to a close. I mentioned it would be good if we could each add one or two people each to our discussions depending on the issue to enable us to go deeper as needed. He agreed that could be helpful.
- I mentioned to Eric how CAFII was preparing for Brendan's retirement at the end of the year and the new structure going forward (Keith as sole Executive Director with 2 direct reports). He felt that was good planning on CAFII's part.
- Eric spoke about his added responsibilities on an interim basis (team of about 200 people responsible for "enforcement") further to JF Fortin's retirement. He has experience in this type of role which he indicated would be helpful. He expects this added responsibility would last at least 6-9 months to allow for new CEO to come on board who would then likely be looking at structures.
- I told Eric CAFII still had 2 primary issues when it came to Quebec that it had concerns about: 1) the "complaints" definition which was much broader and not harmonized with other jurisdictions (thereby leading to a significant increase in number of "reported complaints" without any real value added for consumers); and 2) the lack of clarity around the intent/objective/next steps for the claims data which the AMF had requested from CAFII members (and other insurance distributors). This is the issue which was first introduced by Mario Beaudoin last October at the AMF-CAFII meeting in Montreal.
- On the "complaints" definition issue, he said he understood our concerns and that the team was working through all the feedback received after the second round of consultations. It sounded as though they had a lot of feedback from many different constituents to work through and that it was challenging work. He did not commit to any timeline but said they would be getting back to us on this.



- On the claims data issue, he was very keen on discussing this further with us to ensure we (CAFII & AMF) have a common understanding of why data is being collected, how it should be interpreted, what are next steps, etc. He said this could be a good subject to have one or two others join the discussion. On our end, I mentioned Keith and also Rob, as head of the EOC, who should have a good understanding of most of our members questions/concerns around this issue. Although I would revert to them and see if this is what made most sense on this issue. On AMF's end, Éric mentioned Mario and possibly Christian (Mario's boss) although he too would check with them. Eric also offered to prepare a proposed agenda and schedule the meeting. He will keep us posted.

Overall, positive tone and I continue to believe we are headed in right direction with AMF.

I think I captured most of what was discussed but don't hesitate to ask any questions you may have.

Thanks and have a great week!

Peter

#### **Notes from 29 March, 2023 Meeting**

Jennifer Russell thanked everyone for participating in the meeting, and asked Keith Martin to give a summary of the most recent meeting between Éric Jacob and Peter Thompson. Keith Martin said that the meeting was very productive and positive, with discussion on the statistics being collected on claim denial rates by the AMF, as well as the AMF second consultation on complaints. Éric Jacob said he was appreciative of our sharing our thoughts on both those issues, and the AMF was working on them. There was also agreement that Keith Martin would attend these meetings going forward, along with additional participation from the AMF.

Keith Martin gave an overview of the 23 March 2023 presentation by the AMF on burden reduction, noting that it was very general, high-level, and generic, with no specific commitments beyond listening better and being more transparent. Deliska Beauregard (Securian Canada) was also at the session and agreed with Keith Martin's interpretation. David Self (CIBC Insurance) suggested that requesting that the AMF make concrete comments on burden reduction could be a topic at a future Éric Jacob and Peter Thompson session.

Iman Muntazir (RBC Insurance) said that they were still trying to determine how to deal with the phone channel for the Charter of the French Language; Peter Thorn (TD Insurance) said that they were also trying to determine how to deal with certain elements of the implementation of the Charter's requirements, with fulfilment being one option being explored (getting customer permission to send documentation later). Elyse Lemay (Canada Life) said that the Charter has amended its language to "remit" which means that a French version needs to be sent, but an English version could be sent at the same time.

Catherine Latulippe (Canadian Tire Financial Services) said that the Charter does not require that the document be sent in French only, but to send the document in English only requires consent after the document is sent in French or in bilingual fashion. The intention is not to deny English customers access to English documents, but rather to ensure that the documents are sent in French as well. Documents have to be in French only, or bilingual, but to send them in English only can only happen if the customer explicitly requests this after having received the contract of adhesion in French. Silvana Capobianco

(BMO Insurance) said that they will be fulfilling packages bilingually if the customer indicates an English preference, including for the contract of adhesion; and those who say they prefer French will be send documentation in French only. Cecillia Xiao (Assurant) said that the contract of adhesion for an insurance contract could raise some issues if there is no clarity of the language preference of the customer. This is why there is some requirement to use fulfilment to share documents after the discussion with customers on the phone. The issue is that whatever choice the customer makes with a distributor may be different than what a customer may need to be provided in a legally-binding document from the insurer. A customer, in some interpretations, cannot chose English as their preference until they have first received the contract of adhesion. However, a different interpretation is that the company needs to “remit” the document, which may permit sending the bilingual version of the document.

Jennifer Russell (Assurant) felt that the customer still had to indicate that they wanted to receive documentation in English after receiving the contract of adhesion, but Pete Thorn (TD Insurance) felt that in practice this would never happen. “Remit” replaces “examine” in the latest version of the Charter, which provides more flexibility. Another issue is that francophones may not wish to receive bilingual documents. Catherine Latulippe felt that if you cannot deliver the contract of adhesion to the customer on the phone call, you cannot avoid sending documentation in French only. Catherine Latulippe asked about the possibility of sending emails of the contract, and then getting confirmation of receipt and language preferences on the phone.

Iman Muntazir (RBC Insurance) said that RBC Insurance is intending to fulfil in the preferred language whenever possible. Contracts of adhesion may also be provided in both languages for customers where it is not clear what is the language preference. Nadine Roy said that she tried to get clarity from the Office of the French Language, but has not heard back. CAFII will ask CLHIA to see if they have more clarity around the expectations created by the Charter of the French Language.

### **In Attendance**

Jennifer Russell, Assurant \* Chair  
 Iman Muntazir, RBC Insurance \* Vice Chair  
 Belinda Lynch, Scotia Insurance  
 Bessie Paliouras, Manulife  
 Cassandra Litniansky, CUMIS  
 Catherine Latulippe, Canadian Tire Financial Services  
 Cecilia Xiao, Assurant  
 David Self, CIBC Insurance  
 Deliska Beauregard, Securian Canada  
 Doug Weir, CIBC  
 Élyse Lemay, Canada Life  
 Greg Caers, BMO Insurance  
 Ibrahim Idowu, CIBC Insurance  
 Isabelle Choquette, Desjardins  
 Jonathan Poulin, BNC Insurance  
 Lindsey LeClair, Valeyo  
 Michelle Costello, CUMIS  
 Nadine Roy, Assurant  
 Peter Thorn, TD Insurance

Sergio Gomes, BMO Insurance  
 Susan Gibaut, Assurant  
 Silvana Capobianco, BMO Insurance

**Next Meeting: Wednesday, 26 April, 2023, 1-2pm**

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**CAFII Quebec/AMF Agenda, Wednesday, 1 March, 2023**

31. Welcome and start of meeting (Jennifer Russell, All)
32. Jennifer Russell Formally Confirmed as Chair of the Quebec/AMF Committee at 14 February, 2023 EOC Meeting (Keith Martin)
33. Updates on intelligence gained about AMF Including 7 March, 2023 Meeting with Eric Jacob; and 23 March, 2023 Meeting “*Présentation panier de solutions, échanges et questions*” (Keith Martin)
34. Round 2 of AMF consultation on its updated Draft Regulation respecting Complaints Handling and Dispute Resolution in the Financial Services Sector – Submission Sent to AMF (Brendan Wycks, All)
35. Bill-96, Quebec Charter of the French Language—Application to insurance contracts (contracts of adhesion) (Jennifer Russell, All)
36. Recently updated and implemented new AMF Sound Commercial Practices Guideline, including problematic clause regarding reporting any conflicts of interest to customers (Jennifer Russell, All)
  - a. Open Discussion—How do members intend to implement the conflict of interest clause? (All)
37. Recently implemented new Quebec privacy legislation (Bill-64) and related initiatives (Jennifer Russell, All)
38. Removal of spousal cover exemption by January 1, 2025 (all)
39. Other Business

**Tracking Issues**

AMF initiative around statistics on Debtor Life, Health, and Employment (DLHE) Insurance claims denial rates, and return of premium to customers.

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Jennifer Russell opened the meeting and noted that we had a very robust Agenda today. Keith Martin confirmed that the EOC formally confirmed that Jennifer Russell was approved as the new Chair of the Quebec/AMF Committee at its 14 February, 2023 meeting.

Keith Martin provided an update on the resolution of the issue of the RADM and credit card-embedded insurance benefits, noting that a meeting would be held on 7 March, 2023 to confirm the understanding of the AMF and CAFII that the Fact Sheet and Notice of Rescission would not need to be distributed for these products, and that the AMF would have an “unwritten understanding” on this issue with CAFII. Keith Martin would be in attendance of that meeting along with Mario Beaudoin from the AMF, as “witnesses.” As well, Keith Martin noted that a French-only session would be held on 23 March, 2023 on burden reduction initiatives by the AMF. Keith Martin will attend that meeting and provide an English summary; and it was noted that the AMF was increasingly holding meetings only in French, and

distributing written documents in French only, or with the English translation only provided many weeks after the distribution of the French.

Brendan Wycks noted that CAFII had submitted its formal submission to the updated AMF draft regulation respecting complaints handling and dispute resolution. The Quebec/AMF Committee was consulted on that submission.

The Committee turned next to Bill-96 on the Charter of the French Language. Michelle Costello from CUMIS asked whether the group policy was also considered a “contract of adhesion.” The group policy is provided by the insurer to the distributor, but the customer may request to see that policy. At Assurant, the group master policy is not viewed to fall within the definition of a “contract of adhesion.” If requested by a policy holder, it would be provided in the language of choice of the consumer. Pete Thorn said TD was in agreement with this interpretation. Isabelle Choquette said that Desjardins was still determining its position, but was leaning towards considering the group policy to fall within the contract of adhesion, so that if a consumer requests to see it the French would be shared first. Kristal McKay from CIBC also felt that CIBC would likely view the group policy to fall within the contract of adhesion.

A question was asked about whether underwriting which might require communication with the customer might be considered to fall within Section 55. The whole issue is whether these documents relate to the contract. Catherine Latulippe from CTFS said that fulfilment packages would be sent by her institution in the language preference of the customer, because it would fall under the consent from customers around language preference, which would already have been received. There is uncertainty around how phone channel enrollment will occur.

It was agreed that “Recently updated and implemented new AMF Sound Commercial Practices Guideline, including problematic clause regarding reporting any conflicts of interest to customers” would be moved to a tracking issue.

Isabelle Choquette said that Desjardins were facing major issues around cancelling the remaining spousal insurance policies by 2025, and had concerns about how to do this. Kristal McKay said CIBC was on track to cancel these spousal insurance policies. There was discussion about whether a spouse who has been enrolled by the primary card holder and who is paying additional premium would need to be removed from spousal coverage, and Desjardins felt that yes that was the view of the AMF.

#### **In Attendance**

Jennifer Russell, Assurant \* Chair  
 Belinda Lynch, Scotia Insurance  
 Bessie Paliouras, Manulife  
 Cassandra Litniansky, CUMIS  
 Catherine Latulippe, Canadian Tire Financial Services  
 David Self, CIBC Insurance  
 Doug Weir, CIBC  
 Greg Caers, BMO Insurance  
 Jonathan Poulin, BNC Insurance  
 Kristal McKay, CIBC Insurance

Lindsey LeClair, Valeyo  
Marc-Andre Chartrand, Canada Life  
Michelle Costello, CUMIS  
Nadine Roy, Assurant  
Peter Thorn, TD Insurance  
Silvana Capobianco, BMO Insurance

From staff:  
Keith Martin, CAFII Co-Executive Director  
Brendan Wycks, CAFII Co-Executive Director

**NEXT MEETING: Wednesday, 29 March, 2023, 1-2pm**

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**9 February, 2023 Quebec/AMF Committee Special Purpose Meeting on Bill-96**

A special purpose meeting of the Quebec/AMF Committee was held on 9 February, 2023 to discuss how CAFII member companies would be responding to Bill-96, the Charter of the French Language with an implementation deadline of 1 June, 2023.

However, before that part of the meeting started Committee Chair Jennifer Russell (Assurant) called on Keith Martin to update the Committee on a development with the AMF. Keith Martin mentioned that he sent a note to CAFII members on 8 February, 2023 about a resolution to the RADM and credit card-embedded insurance benefits issue with the AMF, where the AMF's Superintendent of Client Services and Distribution Oversight said that there would be an "unwritten agreement" that the AMF would take no action with respect to regulated entities who have chosen not to distribute the Fact Sheet and Notice of Rescission.

David Self (CIBC Insurance) asked if there would be any issues due to CIBC Insurance distributing the Fact Sheet and Notice of Rescission to credit card-embedded insurance benefits, and Keith Martin said that the AMF was already well-aware of this and their decision was more around "we will not do anything if a company does not distribute these documents for embedded insurance" as opposed to a company not being able to distribute those documents if they wished to.

Peter Thorn (TD Insurance) said that he supported the outcome, but that there was a risk of a customer or a consumer organization complaining that the Regulation was not being complied with. Keith Martin agreed that there was some risk of that, but that it was still the best solution available in the circumstances, and it would be difficult for the AMF to reverse position at a later point in time on a matter which they were fully aware of and which had been in place for years.

The meeting then turned to Bill-96, with Jennifer Russell providing an overview of her understanding of the Bill and how Assurant was thinking of implementing it. In reviewing the bill, especially with respect to "Contracts of adhesion" which are final contracts that are non-negotiable, the conclusion reached at her company is that for credit protection insurance (CPI), customer certificates meet the definition of a contract of adhesion. However, it is less clear that embedded benefits within a credit card meet the definition of a contract of adhesion.

There are exceptions in the Bill to the application of the Charter to contracts of adhesion, but there is nothing in the Charter that says that group creditor certificates are exempted. The contract in this case is the certificate for the policy-holder. If that interpretation is correct, then for certificates for CPI French documents must be presented first even if the consumer is English. The consumer may then choose to continue in French or request the English version and continue to discuss the contract in English, but they must first see the contract in French.

Farhad Eslah (Canadian Tire Financial Services) said CTFS would offer the certificates as two links, one in French, and one in English. The same would be done for the Fact Sheet etc. The individual at the end of the credit card application would have an extra sentence in French and English asking them to confirm that if they are a resident of Quebec they have received all documentation in French first, and that they chose to proceed in English for all subsequent communications and reception of documentation. In-store customers would only receive documentation in French, to avoid the risk of staff accidentally providing documentation in English first. In general for credit card applications there will be more physical handouts at the branch, because this lowers the amount of information that needs to be distributed with the material sent in the mail afterwards to the customer.

Elyse Lemay (Canada Life) asked about the Charter's exemptions for loans. If the insurance offer is separate from the loan it would have to be subject to the Charter, but if they are done together it is not clear if the exemption would apply to the loan and the insurance as well. The loan would come first and so how Section 55 applies to the insurance associated with the loan is not completely clear.

Elyse Lemay also said that the interpretation Jennifer Russell is advancing is based on treating the certificate as though it was an individual contract, which is not necessarily everyone's interpretation. Peter Thorn (TD Insurance) asked if there was any legal basis for the interpretation that the certificate is in fact a contract? Peter Thorn said that the incidental insurance to the loan should not be separated from the decision to apply for the loan, which is the primary contract. Catherine Latulippe (Canadian Tire Financial Services) said that there has been work been done at the CBA level on this issue. Section 55 exempts some loan contracts, but subsequent Section 26 amendments to the Consumer Protection Act may remove those exemptions in practice, so the Section 55 exemptions may not matter in practice.

Iman Muntizir (RBC Insurance) said that at RBC they will act as if the insurance needs to be subject to Bill-96. The process for digital and online applications are still up in the air, but one approach may be to send the application and certificate in French first, and then customer can choose or request after the fact to receive an English version. The Product Summary and Fact Sheet are not viewed as part of the contract of adhesion. So the links will be provided in French first, but only for the application and the certificate. That likely includes the approach for documents that are mailed out. RBC Insurance has chosen to not send out the English version of the documents as well to avoid sending out too much paper. There is still discussion internally on the approach to take, however, as there may be an easier way to let the customer get a copy of the document in English.

Jennifer Russell noted that in addition to the customer experience being negatively affected by some of these processes, there is also the issue of communicating with the customer in a reasonable timeline. She noted that the implications of not complying with the rules are significant, as if the contract of adhesion is not offered in French the contract is voided.

Maude-Marie Dorval (Desjardins) said that underwriting is viewed as part of the contract as well, for example if a customer is told that their application is rejected as part of an underwriting process, that

this needs to be communicated in French first. A question was asked if some members are thinking of not providing an English version of the contract at all? Some members said that they will provide general information bilingually, but the fulfillment element may be in French only.

Kristal McKay (CIBC Insurance) asked if there is consideration of fulfillment being bilingual for some members, and Sergio Gomes (BMO Insurance) said BMO was planning on sending fulfillment packages in both languages, with French being first for everyone. Keith Martin noted that this has the ironic outcome of sending English versions of documents to French speakers, which is not the intention of the Charter which seeks to promote French in Quebec.

David Self (CIBC Insurance) said that there was still uncertainty around the how to interpret Bill-96 for embedded coverages.

Michelle Costello (CUMIS) asked about whether the French contract needed to be signed, and the general view was that it was the presentation of the contract that needed to be in French first, and it was fine if the customer chose to sign the English version of the document thereafter. Maude-Marie Dorval (Desjardins) and Cecillia Xiao (Assurant) agreed with that interpretation.

Farhad Eslah (CTFS) said that for the phone channel, CTFS will send the certificate over email during the phone call, and so they will only make an offer to a customer when they have an email. It was noted that the RADM indicates that the Fact Sheet and Notice of Rescission do not need to be provided to the customer during a phone call if there is no way to provide the customer with those documents during the call; if the certificate is being sent during the call to the customer, does that mean the customer should also be sent the Fact Sheet and Notice of Rescission?

Mandy Rutten (CIBC Insurance) said that her view was that embedded insurance is included as part of the credit card so the insurance does not require a separate process, and Keith Martin noted that while that is logical, it is not the interpretation that the AMF has used. Having said that, it is also important to keep in mind that Bill-96 is not an AMF regulation.

Lea Dufresne (Desjardins) asked about the process for travel insurance, and members generally felt that the process should be the same as for credit protection insurance. Silvana Capobianco (BMO Insurance) asked if the Fact Sheet and Notice of Rescission are in scope for Bill-96, and the general consensus was that these documents were not captured by the bill.

There was some discussion of asking for an extension of the 1 June, 2023 deadline, and Catherine Latulippe (CTFS) said that even if there was an extension, there is a private right of action that will be available as of 1 June, 2023. It was noted that monitoring and enforcement of the Charter of the French Language was the jurisdiction of the *Office québécois de la langue française*.

### **Additional Information**

Please find links to two legal opinions on Bill-96:

[Charter of the French language | Knowledge | Fasken](#)

[Stikeman Elliott on Bill-96](#)

**In Attendance**

Jennifer Russell, Assurant \* Chair  
 Iman Muntazir, RBC Insurance \*\* Vice Chair  
 Belinda Lynch, Scotia Insurance  
 Cassandra Litniansky, CUMIS  
 Catherine Latulippe, Canadian Tire Financial Services  
 Cecilia Xiao, Assurant  
 David Self, CIBC Insurance  
 Deliska Beauregard, Canadian Premier Life  
 Elliot Yoo, Scotia Insurance  
 Elyse Lemay, Canada Life  
 Farhad Eslah, Canada Tire Financial Services  
 Greg Caers, BMO Insurance  
 Jason Beauchamp, Canada Life  
 Jonathan Poulin, BNC Insurance  
 Kristal McKay, CIBC Insurance  
 Léa Dufresne, Desjardins  
 Mandy Rutten, CIBC Insurance  
 Marc-Andre Chartrand, Canada Life  
 Maude-Marie Dorval, Desjardins  
 Michelle Costello, CUMIS  
 Nadine Roy, Assurant  
 Peter Thorn, TD Insurance  
 Sergio Gomez, BMO Insurance  
 Silvana Capobianco, BMO Insurance  
 Susan Gibaut, Assurant  
 Tejal Harri-Morar, BMO Insurance

**STAFF:**

Keith Martin, CAFII  
 Brendan Wycks, CAFII

**1 February, 2023 Quebec/AMF Agenda Meeting****Draft CAFII Quebec/AMF Agenda, Wednesday, 1 February, 2023**

40. Jennifer Russell as Chair of the Quebec/AMF Committee (Keith Martin)
41. Welcome and Introductions (Jennifer Russell, All)
42. Terms of Reference for this Committee (Jennifer Russell, All)
43. Nominating Iman Muntazir, RBC Insurance as Vice-Chair of this Committee— (Jennifer Russell)
44. Updates on intelligence gained about AMF (Keith Martin)
45. AMF initiative around statistics on Debtor Life, Health, and Employment (DLHE) Insurance claims denial rates, and return of premium to customers (Jennifer Russell, All)



46. Round 2 of AMF consultation on its updated Draft Regulation respecting Complaints Handling and Dispute Resolution in the Financial Services Sector (Jennifer Russell, All)
47. Recently updated and implemented new AMF Sound Commercial Practices Guideline, including problematic clause regarding reporting any conflicts of interest to customers (Jennifer Russell, All)
  - a. Open Discussion—How do members intend to implement the conflict of interest clause? (All)
48. Bill-96, Quebec Charter of the French Language—Application to insurance contracts (contracts of adhesion) (Jennifer Russell, All)
49. Recently implemented new Quebec privacy legislation (Bill-64) and related initiatives (Jennifer Russell, All)
50. Removal of spousal cover exemption by January 1, 2025 (all)
51. Frequency of Meetings (all)
52. Other Business

### **Notes 1 February 2023**

Agenda #1: The Committee unanimously supported Jennifer Russell as the new Chair with a motion from David Self, seconded by Peter Thorn.

Agenda #2: Welcome to all by Committee Chair Jennifer Russell.

Agenda #3: Terms of Reference were approved by the at the 17 January, 2023 EOC Meeting. Jennifer Russell will join the EOC as the Chair of the Committee. It was suggested that the creation of this Committee should be shared with the AMF.

Agenda #4: Iman Muntazir as Vice Chair of the Quebec/AMF Committee was approved by the Committee. Moved by David Self, seconded by Deliska Beauregard.

Agenda #5: Keith Martin noted that Louis Morriset, CEO of the AMF would not be renewing his contract and would be leaving in the summer of 2023. Internal candidates to succeed him include Patrick Déry. Keith Martin spoke to Lynne Duhaime of the Quebec CLHIA on 19 January, 2023 at a FSRA Conference, and she said that meetings in recent years with the AMF had been very difficult and awkward. It was noted that on Monday, 6 February 2023 CAFII Chair Peter Thompson would be meeting virtually with AMF's Eric Jacob, in their first quarterly virtual meeting.

Agenda #6: The AMF exercise around insurance denial rates and return of premium to customers was discussed. This was first brought to CAFII's attending in September, 2022 and is based on annual reporting done by industry for the AMF around insurance benefits. This time around, embedded benefits were not included in the exercise. The AMF has sent companies that are not meeting the averages for the industry letters requiring additional information. The letters were sent in November, 2022 and 1 February, 2023 is the deadline for responding. It is not clear if the AMF will have any follow up on this. The focus of the AMF has been on claims denial rates more than loss ratios. TD Insurance's letter only spoke about claims denial rates. CUMIS also did not have any loss ratio questions. It was suggested that for the Peter Thompson/Eric Jacob virtual meeting on 1 February, 2023 the question of whether this exercise would occur again could be asked, as well as how the data would be used.

Agenda #7: The AMF consultation on complaints handling and dispute resolution was discussed. It was noted that the AMF draft is still prescriptive, is not harmonized with other jurisdictions and the CCIR, and is aligned more with the FCAC definition of complaints. This could also be a question Peter Thompson raises with Eric Jacob, around the strategic direction that the AMF is taking on these files. The letter CAFII has drafted for the AMF will be circulated to the EOC and the Quebec/AMF Committee for comment. Feedback was originally due by February 6<sup>th</sup>, but industry received an extension offer from the AMF for another two weeks. Plan is to have letter circulated and approved by the EOC and the Quebec/AMF Committee very shortly, and well prior to the deadline.

Agenda #8: AMF Sound Commercial Practices Guideline includes a problematic conflict of interest clause where all potential conflicts need to be captured and all changes need to be shared with customers. Members were encouraged to review the appropriate documents and this can be discussed in future meetings.

Agenda #9: Bill 96 is an open issue in terms of how to interpret the new rules. Section 55 is a concern for group insurance. This might be something that CAFII needs to explore. How are member companies planning to apply this provision? This was something that members of the Committee felt should be added to the Agenda for future meetings. Perhaps there could be a dedicated group that discusses this, or a separate meeting on this issue. CIBC Insurance is taking an approach where documents will be bilingual. CTB said that in a bilingual document the French has to be viewed first.  
***ACTION: A separate meeting will be organized on this issue alone.***

Agenda #10: It was agreed that the issue of Quebec privacy legislation with certain elements requiring implementation by September 2023 would be tabled at future meetings. There was an interest in having a separate meeting on Bill 64 at some point, but it will be on the Agenda for the next meeting as well.

Agenda #11: Postponed due to time issues.

Agenda #12: Agreed to hold monthly meetings every 4 weeks on Wednesdays from 1-2pm.

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**In Attendance**

Jennifer Russell, Assurant \* Chair  
Iman Muntazir, RBC Insurance \*\* Vice Chair  
Deliska Beauregard, Canadian Premier Life  
Silvana Capobianco, BMO Insurance  
Cecilia Xiao, Assurant  
Elyse Lemay, Canada Life  
Farhad Eslah, Canada Tire Financial Services  
Jonathan Poulin, BNC Insurance  
Léa Dufresne, Desjardins  
Belinda Lynch, Scotia Insurance  
Marc-Andre Chartrand, Canada Life  
Maude-Marie Dorval, Desjardins  
Michelle Costello, CUMIS  
Kristal McKay, CIBC Insurance  
Nadine Roy, Assurant  
David Self, CIBC Insurance  
Susan Gibaut, Assurant  
Peter Thorn, TD Insurance

**STAFF:**

Keith Martin, CAFII  
Brendan Wycks, CAFII

## **Briefing Note**

### **CAFII EOC Meeting 18 July, 2023—Agenda Item 4(e) Committee Updates—Research & Education**

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#### **Purpose of this Agenda Item – Written Summary Only**

A written summary will be provided of the recent activities of this Committee.

#### **Background Information**

A written summary of this Committee's recent activities will be provided.

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

This is a written summary only.

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

One (1) attachment.

***Agenda Item 4(e)***  
***July 18/23 EOC Meeting***

**Research & Education Committee (Chair: Andrea Stuska; Vice-Chair: Michelle Costello)**

The R&E Committee met on June 23/23 to discuss options for the 2023 CAFII research project.

After considering a few options, the Committee landed on a proposal to explore a possible commissioned research project with LIMRA/LOMA on whether Canadians in certain lower income bands are more likely to rely on CPI life and health insurance for coverage protection.

Keith and Brendan made an initial outreach to Brent Lemanski of LIMRA/LOMA in Canada to discuss this option and Keith has subsequently set out the project specifications in greater detail in a written request for research proposal to LIMRA/LOMA.

An email summarizing the proposal and next steps was shared with the R&E Committee on July 10.

Next steps: Keith, Brendan, Andrea, and Michelle will represent the R&E Committee in a clarifications-focused virtual meeting with Brent Lemanski and several of his research professional colleagues from LIMRA/LOMA in the U.S., on Monday, July 17/23.

LIMRA/LOMA will then send CAFII a formal written research proposal.

Taking into account vacation season, an R&E committee meeting will be scheduled for early September to discuss LIMRA/LOMA's written research proposal.

## **Briefing Note**

**CAFII EOC Meeting 19 July, 2023—Agenda Item 4(e)i  
Committee Updates—Research & Education-- Outcomes of Recent Research & Education Committee  
Meetings, Including Identification of Proposed CAFII 2023 Research Project**

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

This is an update-only item.

### **Background Information**

This is an update on the outcomes of recent meetings of the Research & Education Committee, including a recommendation on a possible topic for the CAFII 2023 research initiative.

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

This is an update-only item.

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

No attachments.

## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 4(e)ii  
Committee Updates—Research & Education Committee-- Outcomes of Recent CAFII Meetings with  
Brent Lemanski, AVP and Executive Director, LIMRA/LOMA Canada and Colleagues Re Possible CAFII-  
Commissioned Research Project**

---

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

This is an update-only item.

### **Background Information**

This is an update on the outcomes of recent CAFII meetings with Brent Lemanski of LIMRA/LOMA Canada and other LIMRA/LOMA colleagues on a possible CAFII-commissioned research project with that organization.

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

This is an update-only item.

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

One (1) attachment.

**Agenda Item 4(e)(ii)**  
**July 18/23 EOC Meeting**

**From:** Keith Martin <Keith.Martin@cafii.com>  
**Sent:** Monday, July 10, 2023 3:26 PM  
**To:** Research & Education Committee Members  
**Cc:** Jake Becker <jake.becker@cafii.com>; Brendan Wycks <brendan.wycks@cafii.com>  
**Subject:** Update to R&E Committee

Hello members of the CAFII Research & Education Committee,

At the last meeting of the Committee, we discussed possible 2023 research initiatives, and there was interest in exploring a possible commissioned research project with LIMRA/LOMA on whether certain lower income bands are more likely to rely on CPI for protection.

I have shared a draft of this proposal with Andrea Stuska (Committee Chair) and Michelle Costello (Committee Vice Chair), and am writing to you on their behalf.

On Wednesday, 5 July, Brendan and I met with Brent Lemanski of LIMRA / LOMA about a possible research collaboration. Brent is the Canadian representative for LIMRA/LOMA. By way of follow-up, I am sending him the attached proposal and asking for a formal proposal back from LIMRA/LOMA.

When that proposal is ready to be reviewed, we will set up a meeting of the R&E Committee to review it, possibly in early September. In the meantime, we will cancel the meeting of the Committee slated for this Friday, 14 July.

Any questions or comments, please let me know. Thank you

**Keith Martin**

Co-Executive Director / Co-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

**Summary of Research Request from CAFII to LIMRA/LOMA**

Hypothesis: Canadians are uninsured/underinsured, with the percentage that are uninsured/underinsured increasing in lower income bands.

Hypothesis: A higher percentage of Canadians in lower income bands have credit protection insurance.

Conclusion: Credit Protection Insurance plays a disproportionately important role in the marketplace for lower income bands, and without it they would be at higher risk.



### Recommended approach:

- Identify Canadians with a mortgage, HELOC, or loan.
- Of those, segment them into income bands.
- For each band, identify the percentage with each of the following insurance products.

Mortgage life insurance	Mortgage disability insurance	Mortgage critical illness insurance	Employer benefits life insurance	Term life insurance	Whole life insurance	Other life insurance	No life insurance
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### Project Outputs, Timelines and Budget:

- Aim to complete study by late fall 2023.
- Outputs would include research results, powerpoint presentation summarizing results, and access to 4 hours of time of lead researcher to present findings including to CAFII management and Research & Education Committee, to the CAFII Board, and to regulators and policy-makers in a recorded webinar.
- Process should include engagement of CAFII management and the Research & Education Committee, and CAFII and its volunteers in turn are committed to assisting LIMRA/LOMA in its progress and to answer any questions or clarifications it may have.
- All outputs are co-branded LIMRA/LOMA and CAFII and CAFII has the right to use the research publicly, issue a press release about it, and post findings on our website. However, the research results are to be confidential until such time as CAFII decides to release the study.
- Project budget: Maximum of \$60,000 CAN (before HST).

### Demographics

- Need to capture province, age, gender, postal code.
- Interested in learning family status of people with insurance:
  - Single; married; children.
- Are there any sick, old, or other people you care for in the household?
- Do you know what you would do if you did not have insurance coverage and something happened to you? Do you have emergency funds?

## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 4(e)iii  
Committee Updates—Research & Education Committee-- Arranging Opportunities to Present CAFII's  
Current Research Results-Focused Powerpoint Deck to FSRA and AMF Regulator Audiences**

---

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

This is an update-only item.

### **Background Information**

This is an update on CAFII possibly presenting to FSRA and AMF staff executive audiences the same deck which the Association shared during the recent CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour.

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

This is an update-only item.

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

No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 18 July, 2023—Agenda Item 4(f) Committee Updates—Networking & Events**

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#### **Purpose of this Agenda Item – Written Summary Only**

A written summary will be provided of the recent activities of this Committee.

#### **Background Information**

A written summary of this Committee's recent activities will be provided.

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

This is a written summary only.

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

One (1) attachment.

***Agenda Item 4(f)***  
***July 18/23 EOC Meeting***

**Networking & Events Committee (Chair: Carmelina Manno; Vice-Chair: Marco DeiCont)**

Over the past month, the Networking & Events Committee has been engaged in planning for the following CAFII events:

- a webinar on 26 September, 2023 with Stuart Wilkinson, head of the FSRA's Consumer Office, which will also include an introduction by FSRA's Glen Padassery, Executive Vice-President Policy & Chief Consumer Officer; and
- a webinar in late October 2023 on "Words Matter," with a guest discussant who is an expert on inclusive language.

## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 4(f)i  
Committee Updates—Networking & Events-- Plans for September 27/23 CAFII Webinar with Stuart  
Wilkinson, Director, Consumer Office, FSRA**

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

This is an update-only item.

### **Background Information**

This is an update on CAFII's plans for a webinar with Stuart Wilkinson, Director of the FSRA Consumer Office, in September 2023.

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

This is an update-only item.

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

No attachments.

## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 4(f)ii  
Committee Updates—Networking & Events-- Plans for October 2023 CAFII Webinar on “Words  
Matter” Featuring Expert Perspectives/Advice on Inclusive Language**

---

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

This is an update-only item.

### **Background Information**

This is an update on CAFII’s plans for a webinar on inclusive language in October 2023.

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

This is an update-only item.

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

No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 18 July, 2023—Agenda Item 4(g) Committee Updates—Travel Insurance Experts—Written Update**

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

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This is a written update-only item.

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

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This is a written update on the recent activities of the Travel Insurance Experts Committee.

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

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This is a written update-only item.

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

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One (1) attachment.

***Agenda Item 4(g)***  
***July 18/23 EOC Meeting***

**Travel Insurance Experts Committee (Chair: Katia Umutoniwase)**

The Travel Insurance Experts Committee last met when it held two virtual meetings in Q1 of 2023 to discuss ongoing and emergent travel medical insurance issues.

While the industry is generally very busy at this time dealing with a significant increase in consumer travel, the number of problematic issues has diminished as the COVID-19 pandemic's impact has declined.

When the Committee next meets, it will be pleased to welcome two new members of the Committee – Michel Winterburn, Senior Manager, Scotia Insurance; and Ryan Basant, Product Manager, Wellness & Protection Insurance, CIBC Insurance -- to their first meeting.



## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 4(g)i  
Committee Updates—Travel Insurance Experts— Insights Gained from Recent CAFII/CLHIA/THIA  
Meetings On Regulatory Issues**

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

This is an update-only item.

### **Background Information**

This is an update on the insights gained from recent CAFII/CLHIA/THIA biweekly virtual meetings on regulatory issues.

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

This is an update-only item.

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

No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 18 July, 2023—Agenda Item 5(a)**

**Recent and Upcoming Strategic and Regulatory Initiatives-- Insights Gained from July 4/23 Quarterly Virtual Meeting Between CAFII Board Chair Peter Thompson and AMF Superintendent, Client Services and Distribution Oversight Eric Jacob**

---

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

This is an update item with an opportunity for discussion.

### **Background Information**

This is an update on insights gained from a 4 July, 2023 meeting between CAFII Board Chair Peter Thompson and the AMF's Superintendent, Client Services and Distribution Oversight Eric Jacob.

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

This is an update item with an opportunity for discussion.

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

One (1) attachment.

**Agenda Item 5(a)**  
**July 18/23 EOC Meeting**

***Insights Gained from July 4/23 Quarterly Virtual Meeting Between CAFII Board Chair Peter Thompson and AMF Superintendent, Client Services and Distribution Oversight Éric Jacob***

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

**Sent:** Thursday, July 6, 2023 12:18 PM

**To:** CAFII Board, EOC, and Quebec/AMF Issues Committee Members

**Cc:** Brendan Wycks <brendan.wycks@cafii.com>; Jake Becker <jake.becker@cafii.com>

**Subject:** Update on 4 July, 2023 Meeting between CAFII Board Chair Peter Thompson, and AMF Superintendent Eric Jacob

Hello CAFII Board, EOC, and Quebec/AMF Issues Committee Members:

CAFII Board Chair Peter Thompson held another very successful quarterly session with AMF Superintendent of Client Services and Distribution Éric Jacob on 4 July. Peter has summarized the meeting in a note, which I am forwarding to you to bring you up-to-speed on the outcomes of the meeting (see below my signature block). In addition to the note, I have had a debrief follow up meeting with Peter and am including some of the observations from that meeting in my highlights below. Notable takeaways from the meeting are:

- Another open, transparent, and collaborative meeting was held;
- Eric Jacob is very willing to assist in introducing CAFII members to the new AMF CEO Yves Ouellet, and we are exploring doing so at the AMF Liaison Lunch and Dialogue meeting in Montreal on 10 October, 2023;
- CAFII is proposing to present at that 10 October meeting its appreciation for the collaborative progress we have seen over the past year with the AMF, and the AMF is considering sharing its observation that CAFII members are making more progress on various files than is the case for other industries;
- On the spousal issue, Éric Jacob will follow up with Mario Beaudoin and Christian Beaulieu on options to resolve this issue, but he seemed very committed to finding a solution to the challenge, including possibly extending the 1 January, 2025 deadline.

On the spousal issue, I want to thank Dallas Ewen and Élyse Lemay of Canada Life, who provided a very helpful summary note on the issue that Peter was able to reference during his meeting with Mr. Jacob. Also on the spousal issue, it would be helpful to demonstrate to the AMF that even if we as an industry would not want to cancel remaining in-force spousal policies on 1 January, 2025, we have made progress in the past three years in running off these policies. I will be following up with members to see if I can be provided with some high-level trends on progress made through natural attrition of these policies.

Thank you,

--Keith

**Keith Martin**

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**From:** Thompson, Peter <[Peter.Thompson@bnc.ca](mailto:Peter.Thompson@bnc.ca)>

**Sent:** Tuesday, July 4, 2023 4:15 PM

**To:** Keith Martin <[Keith.Martin@cafii.com](mailto:Keith.Martin@cafii.com)>; Rob Dobbins <[rob.dobbins@assurant.com](mailto:rob.dobbins@assurant.com)>;  
[karyn.kasperski@rbc.com](mailto:karyn.kasperski@rbc.com)

**Cc:** Thompson, Peter <[Peter.Thompson@bnc.ca](mailto:Peter.Thompson@bnc.ca)>

**Subject:** CAFII-AMF Quarterly meeting

Good afternoon everyone,

I had a good call with Eric Jacob this morning. After spending a few minutes catching up, we spoke about the incoming CEO at AMF, Yves Ouellet. In fact, the official announcement/appointment by the government should occur tomorrow (this was to occur last week but a charged agenda prevented that from happening). While Eric Jacob does not know Yves Ouellet, he seemed to think that a fresh start with a new seasoned leader would be quite positive.

This segued into a first discussion point which was when he thought a good meeting time with the new CEO might be. I mentioned that the October 10, 2023 CAFII-AMF meeting in Montreal might be a good opportunity where many of our board members would be present. I informed him that I believed the meeting would precede our scheduled board meeting (2:30-4pm), such that similar to last year, it would probably involve a combined lunch and meeting from noon until 2pm. I said this would probably be better than a meeting at 4pm as many members would be catching flights back to Toronto. He liked the idea and made a note of it to see if possible once his new boss arrives.

We then discussed the potential content of the October meeting. I mentioned that from CAFII's end, we had planned to spend time recognizing/thanking the AMF for the enhanced collaborative meetings we have had this past year which we feel were very helpful in improving understanding and helping all concerned make some good progress on files of mutual interest. Eric liked the idea and mentioned that they too could present from their end similar findings showing the industry was making progress relative to other industries where progress seemed slower. He clearly seemed to think that this could be a good way for the new CEO to be introduced to our industry.

Finally, I was able to outline the key area of concern our members have relative to spousal insurance coverage (ie. Needing to cancel by January 1<sup>st</sup>, 2025, coverage for spouses where there was no “pecuniary interest”, according to the AMF’s interpretation - - these individuals having been provided coverage prior to December, 2019, since the industry has stopped offering spousal coverage since then).

I explained the risk of litigation and very poor customer experience that would result from such an approach. I also explained that the runoff of these existing coverages was probably not as rapid as initially expected. While he did say he would meet with his team to more fully understand the reasoning behind the interpretation and the AMF’s primary objectives around this file, he immediately suggested that if industry were able to demonstrate “progress” in terms of runoff, that he felt there might be a solution to be found (example, extend for another 5 years or something similar). I told him a request had been made of members to provide some data around numbers and that this would probably be available for a meeting with the right people from CAFII and AMF.

Next step: Eric will speak with Christian Beaulieu and Mario Beaudoin about this file to better understand. Christian and Mario will then provide to Keith potential dates to meet with the appropriate CAFII people.

This is a brief summary of our discussion. I am happy to give more color as needed.

Regards,

Peter

**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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## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 5(b)**

**Recent and Upcoming Strategic and Regulatory Initiatives-- Insights Gained from Recent CAFII Correspondence Exchange with Louise Gauthier, AMF on Its Definition of Complaints and Related Complaints Handling Regime**

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

This is an update-only item.

### **Background Information**

This is an update on insights gained from a recent correspondence exchange with Louise Gauthier of the AMF on its Regulation respecting Complaints Handling and Dispute Resolution.

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

This is an update-only item.

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

One (1) attachment.

**Agenda Item 5(b)**  
**July 18/23 EOC Meeting**

***Insights Gained from Recent Correspondence Exchange with Louise Gauthier, AMF on Its Definition of Complaints and Related Complaints Handling Regime***

**De :** Keith Martin <[Keith.Martin@cafii.com](mailto:Keith.Martin@cafii.com)>

**Envoyé :** 28 juin 2023 11:53

**À :** Gauthier Louise <[Louise.Gauthier@lautorite.qc.ca](mailto:Louise.Gauthier@lautorite.qc.ca)>

**Cc :** Perreault Mélissa <[Melissa.Perreault@lautorite.qc.ca](mailto:Melissa.Perreault@lautorite.qc.ca)>; Déry Isabelle <[Isabelle.Dery@lautorite.qc.ca](mailto:Isabelle.Dery@lautorite.qc.ca)>; Sirois Nathalie <[nathalie.sirois@lautorite.qc.ca](mailto:nathalie.sirois@lautorite.qc.ca)>; Côté Cindy <[Cindy.Cote@lautorite.qc.ca](mailto:Cindy.Cote@lautorite.qc.ca)>

**Objet :** Suivi de CAFII/ACIFA

Bonjour Louise,

Merci encore de nous avoir rencontré le 21 juin au sujet du règlement sur les plaints. J'ai contacté mes membres et nous n'avons pas d'autres commentaires à faire pour le moment.

Bonne fin de semaine!

*(English Translation:*

*Hello Louise,*

*Thank you again for meeting with us on June 21 regarding the Regulation on complaints. I have contacted my members and we have no further comments to make at this time.*

*Have a great weekend!)*

--Keith

**Keith Martin**

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**RESPONSE FROM LOUISE GAUTHIER:**

**From:** Gauthier Louise <[Louise.Gauthier@lautorite.qc.ca](mailto:Louise.Gauthier@lautorite.qc.ca)>

**Sent:** Wednesday, June 28, 2023 1:21 PM

**To:** Keith Martin <[Keith.Martin@cafii.com](mailto:Keith.Martin@cafii.com)>

**Cc:** Perreault Mélissa <[Melissa.Perreault@lautorite.qc.ca](mailto:Melissa.Perreault@lautorite.qc.ca)>; Déry Isabelle  
<[Isabelle.Dery@lautorite.qc.ca](mailto:Isabelle.Dery@lautorite.qc.ca)>; Sirois Nathalie <[nathalie.sirois@lautorite.qc.ca](mailto:nathalie.sirois@lautorite.qc.ca)>; Côté Cindy  
<[Cindy.Cote@lautorite.qc.ca](mailto:Cindy.Cote@lautorite.qc.ca)>

**Subject:** RE: Suivi de CAFII/ACIFA

Bonjour Keith,

Merci beaucoup pour votre courriel et pour les échanges constructifs de la semaine dernière.

Nous avons pris en note vos préoccupations résiduelles et les considérerons avec attention dans la finalisation de ce projet de règlement.

Bonne journée!

*(English Translation:*

*Hello Keith,*

*Thank you very much for your email and for the constructive discussions over the past week.*

*We have taken note of your ongoing concerns and will consider them carefully in the finalization of this draft regulation.*

*Have a great day!)*

Louise

Louise Gauthier, LLB  
Directrice principale des politiques d'encadrement de la distribution  
**Autorité des marchés financiers**  
2640, boul. Laurier, 4e étage  
Québec (Québec) G1V 5C1  
Téléphone : 418 525-0337, poste 4821  
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## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 5(c)**

**Recent and Upcoming Strategic and Regulatory Initiatives-- Adjusted Schedule and Outreach for Meeting Confirmations for CAFII Atlantic Canada Insurance Regulators and Policy-Makers Visits Tour in Late September and Early October 2023**

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

This is an update-only item.

### **Background Information**

This is an update on CAFII's plans for an Atlantic Canada insurance regulators and policy-makers visits tour in the Fall of 2023.

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

This is an update-only item.

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

One (1) attachment.

***Agenda Item 5(c)***  
***July 18/23 EOC Meeting***

**Adjusted Schedule and Outreach for Meeting Confirmations for**  
**CAFII 2023 Atlantic Canada Insurance Regulators and Policy-Makers Visits Tour**  
**in Late September and Early October**

New Brunswick and Prince Edward Island (or Prince Edward Island followed by New Brunswick, depending upon optimal order)

- Wednesday, September 20/23;
- Thursday, September 21/23; and
- Friday, September 22/23 (if needed)

Nova Scotia and Newfoundland and Labrador (or Newfoundland and Labrador followed by Nova Scotia, depending upon optimal order)

- Wednesday, October 4/23;
- Thursday, October 5/23; and
- Friday, October 6/23 (if needed)

## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 6(a)**  
**Governance Matters-- Confirmation or Cancellation of Tentative August 15/23 EOC Virtual-Only Meeting**

---

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

This is an update and discussion item.

### **Background Information**

The EOC will be asked to confirm whether or not an EOC meeting should be held in August 2023.

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

This is an update and discussion item.

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

No attachments.

## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 6(b)  
Governance Matters-- Implementation of Board-Approved 'New CAFII Management Structure' (Post-2023)**

---

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

This is an update-only item.

### **Background Information**

This will be an update on progress being made in the process of hiring two new CAFII staff members who will report to Keith Martin.

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

This is an update-only item.

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

One (1) attachment.

**Agenda Item 6(b)**  
**July 18/23 EOC Meeting**

**From:** Keith Martin <Keith.Martin@cafii.com>  
**Sent:** Wednesday, June 28, 2023 10:32 AM  
**To:** CAFII Board, EOC, and Other Committee Members  
**Cc:** Lyn Wallington <lyn@managingmatters.com>; Brendan Wycks <brendan.wycks@cafii.com>; david moorcroft <david@strategy2communications.com>  
**Subject:** CAFII Job Postings, Operations Manager and Research Analyst

Hello CAFII Board, EOC, and Committee members,

CAFII has now posted the two new roles that we are seeking candidates for. The links to the postings are below. The postings went up earlier this week, and hundreds of applicants have applied for each role.

I will keep everyone advised of progress. Managing Matters' Lyn Wallington is parsing through the applications to bring them down to the best candidates, at which time I will engage in the interview process with her.

Meanwhile, if you know of any potential candidates, please feel free to share the links below.

Thank you,

--Keith

**LinkedIn**

**Operations Manager**

<https://www.linkedin.com/jobs/view/3629596325>

**Research Analyst**

<https://www.linkedin.com/jobs/view/3644241828>

**Indeed**

**Operations Manager**

<https://ca.indeed.com/job/operations-manager-e85b38ab962f136c>

**Research Analyst**

<https://ca.indeed.com/job/research-analyst-14fe7d5f77cf0a65>

**Keith Martin**

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## **Briefing Note**

### **CAFII EOC Meeting 18 July, 2023—Agenda Item 6(c) Governance Matters-- Draft Minutes of June 6/23 Board Meeting**

---

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

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This is a request for EOC endorsement.

#### **Background Information**

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EOC members will be asked to endorse the draft minutes of the June 6, 2023 CAFII Board Meeting, for presentation to the Board for approval at its own next meeting.

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

---

The EOC will be asked to endorse the draft minutes of the June 6, 2023 Board meeting, which the Board will be asked to approve at its own next meeting.

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

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One (1) attachment.

**BOARD MEETING**  
**CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE**  
**In-Person/Hybrid Meeting at Manulife, 200 Bloor St. East, Toronto, Ontario**  
**Tuesday, June 6, 2023**  
**2:50 to 5:00 p.m. EDT**  
**Minutes**

**Board Members**

<b>Present In Person:</b>	Rohit Thomas	BMO Insurance
	Louie Georgakis	The Canada Life Assurance Company
	Heather McLachlin	CUMIS/The Co-operators
	Wally Thompson	Manulife
	Peter Thompson	National Bank Insurance, Chair
	Julie Gaudry	RBC Insurance
	Wayne Hewitt	Scotia Insurance
	Nigel Branker	Securian Canada
	Valerie Gillis	TD Insurance
<b>Present Virtually:</b>	Adam Vespi	Canadian Tire Bank
	Rahul Kakar	Chubb Life Insurance Company of Canada
	Simon Lacroix-Hubert	Desjardins Insurance
	Nicole Benson	Valeyo
<b>Regrets:</b>	Paul Cosgrove	Assurant Canada
	Ian Oncea	CIBC Insurance
<b>Also Present:</b>	Brendan Wycks, Co-Executive Director	
	Keith Martin, Co-Executive Director	
	Rob Dobbins, EOC Chair and Board Secretary	
	Karyn Kasperski, EOC Vice-Chair and Vice-Board Secretary	
	Donald Hinnecke, Treasurer	
	Jake Becker, Association Coordinator	

**Item 1: Welcome, Call to Order, and Meeting Confirmation**

Board Chair Peter Thompson welcomed all to this meeting of the CAFII Board of Directors and called the meeting to order at 2.50 p.m. Jake Becker served as Recording Secretary.

**Item 1(a): Declaration of Meeting Properly Called and Constituted**

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

**Item 1(b): Welcome to New CAFII Directors: Heather McLachlin, CUMIS/The Co-operators; and Julie Gaudry, RBC Insurance**

Board Chair Peter Thompson welcomed new CAFII Directors Heather McLachlin of CUMIS/The Co-operators, and Julie Gaudry of RBC Insurance, both of whom provided a brief self-introduction.

### **Item 1(c): Approval of Agenda**

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

### **Item 1 (d): Review and Acceptance of CAFII Competition Law Policy**

Peter Thompson noted that the CAFII Competition Law Policy provided in today's Board meeting package had been adopted by the Association's then-Board of Directors on April 3, 2008. CAFII's practice has been to highlight the key principles set out in the Competition Law Policy annually, at this first Board meeting in a new CAFII governance year.

CAFII has also provided -- as a related document for this particular agenda item, particularly given that seven (7) of the fifteen (15) Directors are relatively new Directors who have been on the Board for less than a year -- a legal analysis of our CAFII Competition Law Policy which was completed by Mike Kilby, a competition law expert lawyer at Stikeman Elliott, and presented to the CAFII Board in June 2019.

Mr. Thompson summarized the CAFII Competition Law Policy, noting that it commits the Association's Directors and other Member representatives who participate in the Association's affairs to avoidance of the following:

- Making or discussing any agreement on prices, premiums, fees, or products;
- Exchanging cost information (with the intent to fix prices or reduce competition);
- Restricting independent dealing with industry suppliers; and
- Precluding, arbitrarily, participation in CAFII in a manner that may limit competition.

On a motion duly made, seconded and unanimously carried, **IT WAS RESOLVED** that CAFII members agree to comply with and abide by the CAFII Competition Law Policy.

### **Item 1 (e): Deliberations of 2023 CAFII Nominating Committee, Taking Into Account Board-Approved Principles-Based Guideline on Appointment of CAFII Board Members Into Leadership Roles of Board Chair and Board Vice-Chair**

Peter Thompson provided an update on the recent deliberations of the CAFII Nominating Committee, which he had chaired. Those deliberations culminated in the successful identification of a well-qualified candidate for the position of CAFII Board Vice-Chair, with that candidate being Wally Thompson, CAFII Board Director from Manulife.

Mr. Thompson indicated that the Nominating Committee members who had met over the past few weeks were EOC Chair and Board Secretary Rob Dobbins; EOC Vice-Chair and Vice-Board Secretary Karyn Kasperski; Co-Executive Directors Keith Martin and Brendan Wycks; and himself as current Board Chair.

Mr. Thompson reported that the Nominating Committee had met three times over the past few weeks to deal with the iterative steps in a process that included the following:



- reviewing data on the length of tenure and Board meeting attendance of the 13 Directors on the Board who were candidates for the Board Vice-Chair position, that is all 2023-24 Directors other than myself as current Board Chair and other than Nicole Benson who is a past Board Chair of our Association;
- taking into account the fact that seven (7) of the 13 eligible Directors on the 2023-24 Board have been on the Board for less than one year, and five (5) of those seven (7) Directors were first appointed to the Board in 2023;
- having an assessment discussion around the “level of engagement in CAFII” demonstrated by the 13 Directors on the Board who were candidates for the Board Vice-Chair position, since the time of their respective appointments to the Board; and
- taking into account the new *Principles-Based Guideline on Appointment of CAFII Board Members Into Leadership Roles of Board Chair and Board Vice-Chair*, which the Board passed unanimously at our previous meeting on April 4; and, in particular, that Guideline’s principle that, all other things being equal, the CAFII Board Chair will ideally come from a financial institution distributor Member of CAFII; and the Board Vice-Chair will ideally come from an insurer/underwriter Member of the Association.

Peter Thompson advised that that assessment process had led to the identification of a well-qualified candidate for the position of Board Vice-Chair, Wally Thompson, and following an outreach to that Director on behalf of the Nominating Committee, the Committee was pleased to be able to report that it had received a confirmation of keen interest in the position and a commitment to serve in that that CAFII Officer role for a minimum of two years.

The Nominating Committee was delighted to reach such a successful outcome of its deliberations, Mr. Thompson concluded.

#### **Item 1 (f): Appointment of 2023-2024 CAFII Officers**

Peter Thompson noted that as this was the first Board meeting following the election of the Association’s Directors, the Board must now appoint the volunteer Officers of the Association for 2023-2024, with those volunteer Officer positions being Board Chair; Board Vice-Chair; Board Secretary & Executive Operations Committee Chair; Vice-Board Secretary & Vice-Executive Operations Committee Chair; and Treasurer.

He noted that Article 7.1 of the CAFII Bylaw specifies that *“the Directors shall select annually Officers of the Corporation. Except for the Executive Director, Officers shall hold their position for a period of one year.”*

Therefore, the Nominating Committee was pleased to propose the following slate of 2023-24 CAFII Officers for appointment by the Board:

Board Chair:	Peter Thompson, National Bank Insurance
Board Vice-Chair:	Wally Thompson, Manulife
Board Secretary & EOC Chair:	Rob Dobbins, Assurant Canada
Vice-Board Secretary & Vice-EOC Chair:	Karyn Kasperski, RBC Insurance Holdings Inc.
Treasurer:	Donald Hinnecke, RBC Insurance Holdings Inc.

On a motion duly made, seconded and unanimously carried, **IT WAS RESOLVED** that the CAFII Board hereby appoints the previously named individuals to the CAFII Officer positions specified, effective June 6, 2023 until the next Annual Meeting of the Association in 2024.

### **Item 2: Consent Items**

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

- a. Draft Board Meeting Minutes, April 4, 2023
- b. Summary of Board and EOC Action Items
- c. April 2023 Regulatory Update
- d. Consultations/Submissions Timetable
- e. Regulator and Policy-Maker Visit Plan Recap
- f. Committee Reports Addressing CAFII Priorities
- g. Board-Approved CAFII 2023 Schedule of Meetings and Events

And further, **IT WAS RESOLVED** that the minutes of the meeting of the Board of Directors held April 4, 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: Financial Management Matters**

#### **Item 3(a): CAFII Financial Statements as at April 30/23**

CAFII Treasurer Donald Hinnecke provided an overview of the Association's financial statements as at April 30, 2023, noting that the Association's finances were in a strong position.

On a motion duly made, seconded, and unanimously carried **IT WAS RESOLVED** that the CAFII financial statements as at April 30, 2023 be and are approved.

#### **Item 3(b): Forecast for CAFII 2023 Fiscal Year as at April 30/23**

CAFII Treasurer Donald Hinnecke provided an overview of the Forecast for CAFII's 2023 fiscal year as at April 30, 2023 and reported that the forecast was currently aligning very closely with the Board-approved budget for the 2023 fiscal year.

### **Item 4: Strategic and Regulatory Matters**

#### **Item 4(a): Insights Gained from May 11/23 CAFII Special Purpose Virtual Meeting with AMF on Its Definition of Complaints and Related Complaints Handling Regime; and Next Steps Arising**

Keith Martin reported that CAFII held a successful meeting on May 11/23 with the AMF on its complaints and dispute resolution Regulation, and shared the many concerns with the regulation as it stood. The AMF agreed that there was confusion about the Regulation in the marketplace and that it needed to communicate about some of the elements in the Regulation more effectively. The AMF was looking at modifications to the Regulation and offered to have a follow-up meeting with CAFII in June about it, he concluded.

**Item 4(b): Plans for June 8/23 CAFII/AMF Special Purpose Virtual Meeting on AMF Gathering of Industry Statistics on Claims Denials, and Utilization Intentions**

Keith Martin provided an overview of the approach which the CAFII representatives who would be participating in the June 8/23 Special Purpose Virtual Meeting with the AMF on its gathering of industry statistics on Debtor Life, Health and Employment (DLHE) Insurance claims denials, and its utilization intentions for those statistics planned to take in the meeting. There was agreement that it would be appropriate for CAFII to take a 'listening mode' approach to this meeting.

**Item 4(c): Responses Received from FCNB Re Restricted Insurance Representative (RIR) Licensure Deadline Extension Request and Related Rule INS-001 Compliance Issues**

Brendan Wycks provided an overview of the key deadline extension, several licensing application concessions, and numerous clarifications that CAFII had received from FCNB regarding its new Restricted Insurance Representative (RIR) licensing regime.

**Item 4(d): Insights Gained from May 8/23 CAFII Preliminary Consultation Meeting with Insurance Council of BC Re Contemplated 'Competency Model' Component of Restricted Insurance Agency Licensing Regime To Be Launched In BC**

Brendan Wycks and Keith Martin reported that CAFII's May 8/23 virtual meeting with the Insurance Council of BC regarding its contemplated 'competency model' component of the province's soon-to-be-developed Restricted Insurance Agency (RIA) licensing regime had been effective and that the Council appeared to be listening intently and open to constructive stakeholder feedback.

**Item 4(e): Insights Gained from May 8/23 BCFSa Virtual Update Meeting With CAFII Re BCFSa's Plans For Proceeding With A BC Insurer Code of Market Conduct**

Keith Martin reported that the BCFSa had significantly modified its approach to a BC Insurer Code of Market Conduct. Originally, BC intended to have a very unique version of such a Code, which is the BC version of the Fair Treatment of Customers; and intended to add two new components. BCFSa has now essentially adopted the CCIR/CISRO Guidance: Conduct of Insurance Business and Fair Treatment of Customers, with small wording modifications to reflect unique BC legislative requirements; and it has decided not to add any additional components. This is a significant modification and a win for industry, as BC's approach will now be much more aligned with existing requirements than would otherwise have been the case.

**Item 4 (f): Insights Gained from CAFII**

**-May 31/23 Liaison Meeting With Jan Seibel, Director, Insurance and Real Estate Division, Saskatchewan Financial and Consumer Affairs Authority (FCAA)**

**-June 1/23 Joint Liaison Meeting With Scott Moore, Manitoba Superintendent of Insurance; and Stacey Aubrey, Executive Director, Insurance Council of Manitoba and**

**-Approved Utilization of Results of 2022 Tracking Study on 'Consumers' Satisfaction with Credit Protection Insurance' In Presentation Deck for Regulator and Policy-Maker Liaison Meetings**

Keith Martin and Brendan Wycks provided an overview of the very successful meetings held as part of Phase 1 of the 2023 CAFII Western Canada Insurance Regulators and Policy-Makers Visits Tour. Meetings in Manitoba and Saskatchewan were collaborative, engaging, and positive. The CAFII presentation deck used provided the opportunity to share key CAFII priorities with regulators and policy-makers, and the Pollara research results were of real interest to them.

**Item 4 (g): Plans for Upcoming CAFII Liaison Meetings with BC and Alberta Insurance Regulators and Policy-Makers, June 13-15/23**

Brendan Wycks provided an overview of the meetings planned for the upcoming Phase 2 of the CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, with five meetings to be held in BC and Alberta over the course of three days, from June 13-15/23.

**Item 4 (h): Insights Gained from Recent Meetings of FSRA's Stakeholder Advisory Committee (SAC) for Life and Health Insurance**

Keith Martin reported that recent meetings of FSRA's Stakeholder Advisory Committee (SAC) for Life and Health Insurance were focused on FSRA's activities in relation to MGAs with what FSRA considered questionable sales practices. There was no discussion or concerns raised around credit protection insurance at these meetings.

**Item 5: Governance Matters**

**Item 5(a): Implementation of Board-Approved "New CAFII Management Structure (Post-2023)"**

Keith Martin thanked the Board for approving a budget to receive recruitment support from Managing Matters in relation to the hiring of two new staff at CAFII. The job descriptions were complete and CAFII was now planning to post the jobs and begin the recruitment and interview process. The Board and EOC would be kept informed of developments.

**Item 5(b): Outcomes of First Meeting of CAFII DEI Working Group**

Keith Martin reported that the CAFII Diversity, Equity, and Inclusion Working Group had recently held its first meeting and was developing a plan for its activities going forward.

**Item 5(c): CAFII-Requested Proposal from Operatic Agency for Development of New Back-End to CAFII Website**

Keith Martin reported that the back-end of the CAFII website, which is essentially an intranet, operates using Drupal, a software program that is not well-supported and which needs regular updates. At this time, the intention is to request an allocation as part of the 2024 Operating Budget to replace the backend with a more user-friendly site. But that if the site crashes over the course of 2023 and it is too costly to bring it back up, it may be necessary to expedite the replacement process and request of the Board a budget to do this project in 2023, he concluded.

*[Action Item: If necessary, request from the Board a financial provision, outside of the approved 2023 Operating Budget, for a partial rebuild of the CAFII back-end website in 2023; K. Martin, 2023.]*

**Item 5 (d): Plans for Immediately Ensuing June 6/23 CAFII Reception Event**

Brendan Wycks reported that CBA President and CEO Anthony Ostler would be making a speech at the CAFII Reception event that would immediately follow this 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.

## **Briefing Note**

### **CAFII EOC Meeting 18 July, 2023—Agenda Item 6(d) Governance Matters-- Draft Minutes of June 27/23 EOC Meeting**

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

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This is a request for approval.

#### **Background Information**

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EOC members will be asked to approve the draft minutes of the June 27, 2023 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 VIRTUAL MEETING  
CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE**

**Tuesday, June 27, 2023, 2:00-4:00 pm**

**MINUTES**

**EOC Present**

**In Person:**

Afzal Baig	Chubb Life Insurance Company of Canada
John Juba	Chubb Life Insurance Company of Canada
Charles MacLean	RBC Insurance
Peter Thorn	TD Insurance
Dallas Ewen	The Canada Life Assurance Company
Jason Beauchamp	The Canada Life Assurance Company

**Virtual:**

Karyn Kasperski	RBC Insurance and Vice-Chair (Chair of this meeting)
Donald Hinneke	RBC Insurance and Treasurer
Jennifer Russell	Assurant
Martin Boyle	BMO Insurance
Tejal Harri-Morar	BMO Insurance
Catherine Latulippe	Canadian Tire Bank
David Self	CIBC Insurance
Konstance Allain	CIBC Insurance
Lauren Ross	CIBC Insurance
Doug Weir	CIBC Insurance
Michelle Costello	CUMIS/The Co-operators
Carmelina Manno	Manulife
Katia Umutoniwase	Manulife
Sharon Murrell-Foster	Manulife
Jonathan Poulin	National Bank Insurance
Fernando Heleno	RBC Insurance
Iman Muntazir	RBC Insurance
Mais El-Magraby	Scotia Insurance
Prithipal Rajasekaran	Scotia Insurance
Brad Kuiper	Scotia Insurance
John Burns	Securian Canada
Deliska Beauregard	Securian Canada
Fay Coleman	TD Insurance
Andrea Stuska	TD Insurance
Fergal Murphy	TD Insurance
Moir Gill	TD Insurance

**Regrets:**

Rob Dobbins	Assurant and EOC Chair
Farhad Eslah	Canadian Tire Bank
Cynthia Golubic	Canadian Tire Bank
Cassandra Litniansky	CUMIS/The Co-operators
Almas Satwat	CUMIS/The Co-operators
Diane Quigley	CUMIS/The Co-operators

Jawid Kargger	CUMIS/The Co-operators
Isabelle Choquette	Desjardins Insurance
Nathalie Baron	Desjardins Insurance
Pierre-Olivier Cyr	Desjardins Insurance
Janet Pacini-Thibodeau	Manulife
Suzie Blanchard	Manulife
Ivan Murray	National Bank Insurance
Shannon Dowe	RBC Insurance
Stacey Hughes-Brooks	RBC Insurance
Alfonso Movilla	Scotia Insurance
Sean Kradjian	Scotia Insurance
Asma Desai	Securian Canada
Catherine Laspina	The Canada Life Assurance Company
Jacqlyn Marcus	Valeyo
Marco DeiCont	Valeyo

Also Present: Brendan Wycks, *Co-Executive Director*  
Keith Martin, *Co-Executive Director*  
Jake Becker, *Association Coordinator*

Guests: Gaurav Sharma, The Canada Life Assurance Company  
Isake Tom, The Canada Life Assurance Company

### Item 1: Welcome, Call to Order, and Priority Matters

This meeting was chaired by EOC Vice-Chair Karyn Kasperski, who called the meeting to order.

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

- Mais El-Magraby, Scotia Insurance; and Prithipal Rajasekaran, Scotia Insurance

Karyn Kasperski welcomed two new EOC members, Mais El-Magraby, Scotia Insurance; and Prithipal Rajasekaran, Scotia Insurance, who each provided a brief self-introduction.

### Item 2: Consent Items

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

- Consultations/Submissions Timetable
- May 31/23 CAFII Submission to FSRA on "Proposed Guidance: Administrative Monetary Penalties"
- Regulator and Policy-Maker Visit Plan Recap
- Summary of Board and EOC Action Items
- Board-Approved Schedule of CAFII 2023 Meetings and Events



### **Item 3: Financial Management Matters**

#### **Item 3 (a): CAFII Financial Statements as at May 31/23**

CAFII Treasurer Donald Hinnecke provided an update on CAFII's financial statements as at May 31, 2023, noting that the Association was in a strong financial position, and was tracking closely to budget without any significant variances so far this year.

#### **Item 3 (b): Forecast for CAFII 2023 Fiscal Year as at May 31/23**

Treasurer Donald Hinnecke reported that, thus far in 2023, CAFII was tracking closely to budget with respect to Expenses; that it would achieve a favourable variance at year-end due to securing Chubb Life Insurance Company of Canada as a new Initiation Member and due to higher-than-budgeted interest income on its cash balances; and that its financial reserves as a percentage of annual operating expenses was expected to decline from the current 63% but would still be within the 25% to 50% target range by year-end.

### **Item 4: Committee and Working Group Updates**

#### **Item 4 (a): Diversity, Equity and Inclusion**

##### **i. June 19/23 Meeting of CAFII Diversity, Equity and Inclusion Working Group**

DEI Working Group Chair Tejal Harri-Morar reported that two very productive meetings of the Working Group had been held thus far and progress was being made, with a focus on existing research that the group could utilize in its deliberations.

#### **Item 4 (b): Marketing Conduct & Licensing**

A written summary of Market Conduct & Licensing Committee's recent activities was tabled.

#### **Item 4 (c): Quebec/AMF Issues**

##### **i. Quebec "Bill C-30: An Act to amend various provisions mainly with respect to the financial sector" Clause 106 Which Bans Single Premiums For Multi-Year Insurance Contracts**

Keith Martin reported that single premium-type insurance products are not a core focus for CAFII. Further, in a recent conversation with CLHIA staff executives, they indicated that most of their Association's members were not active with single premium products either. The EOC agreed that CAFII should monitor this file, but that we likely would not be making a formal submission on it.

##### **ii. Quebec Government Appointment of New AMF CEO**

Keith Martin reported that Yves Ouellet, currently the Secretary to Cabinet with the Quebec government and that province's senior-most civil servant, had been appointed the new CEO of the AMF. There was discussion about how CAFII should seek to meet and have a get acquainted dialogue with Mr. Ouellet, and it was agreed that Peter Thompson should ask Eric Jacob in his upcoming meeting with him on 4 July, 2023 for his advice on this matter.



#### **Item 4 (d): Media Advocacy**

A written summary of Media Advocacy Committee's recent activities was tabled.

##### **i. CAFII-Requested Proposal from Operatic Agency for Development of New Back-End to CAFII Website**

Keith Martin reported that there is a plan to rebuild the CAFII back-end (intranet) website in 2024, but that the current technology software for the backend, Drupal, is unstable and there may be a need to invest at least a portion of the funds needed to rebuild the backend in 2023.

#### **Item 4 (e): Research & Education**

A written summary of Research & Education Committee's recent activities was tabled.

##### **i. Impact of CAFII Utilization of Results of 2022 Tracking Study on 'Consumers' Satisfaction with Credit Protection Insurance' in Presentation Deck for Spring 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour**

Keith Martin reported that during the seven different Western Canada insurance regulator and policy-maker authority visits which CAFII had recently made, the presentation of the 2022 Pollara research results was very well-received. Regulators and policy-makers are always interested in market trends and they greatly appreciated the openness and transparency of CAFII's presentation.

##### **ii. Arranging an Opportunity to Present CAFII's Current Research Results-Focused Deck to FSRA and AMF Regulators?**

Keith Martin proposed that CAFII should present the same presentation deck that was used on the recent CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour to FSRA in Ontario; and to the AMF in Quebec. It was suggested that while it would be beneficial to make such a presentation to the AMF in English so that CAFII members who do not speak French could participate in it, we should offer to make the presentation in French and ask the AMF for their language preference. It was also agreed that regardless of the language in which the presentation is made, CAFII would translate the presentation into French and make that version available to the AMF.

#### **Item 4 (f): Networking & Events**

A written summary of the Networking & Events Committee's recent activities was tabled.

##### **i. Insights Gained from May 18/23 CAFII Webinar on Quebec's Charter of the French Language with Quebec-Based Legal Experts from Stikeman Elliott and Norton Rose**

Keith Martin reported that there was excellent attendance and positive feedback received from attendees at the May 18, 2023 CAFII webinar on the Charter of the French Language.

#### **Item 4 (g): Travel Insurance Experts**

A written summary of the Travel Insurance Experts Committee's recent activities was tabled.

##### **i. Insights Gained from June 21//23 THIA 2023 Annual General Meeting**

Brendan Wycks provided an overview of the THIA 2023 Annual General Meeting, which he and Keith Martin had attended as CAFII representatives. There was a fireside chat presentation by Mark White, CEO of FSRA; and an excellent presentation by THIA member Warren Brown on 2LGBTQ+ community travel trends and issues, which CAFII may wish to pursue as the focus of a webinar in 2024.

**ii. Insights Gained from Recent CAFII CAFII/CLHIA/THIA Biweekly Meetings on Regulatory Issues**

Brendan Wycks provided an update on recent biweekly meetings of the CAFII, CLHIA, and THIA on regulatory issues of mutual interest.

**Item 5: Recent and Upcoming Strategic and Regulatory Initiatives**

**Item 5 (a): Insights Gained from June 8/23 CAFII Special Purpose Virtual Meeting with Christian Beaulieu and Mario Beaudoin on AMF's Gathering of Industry Statistics on Claims Denials, and Utilization Intentions**

Keith Martin provided an overview of the meeting held with Christian Beaulieu and Mario Beaudoin on the AMF's gathering of industry statistics, noting that the meeting was very cordial, and focused on the broad objectives of the initiative by the AMF. The AMF emphasized that this was a long-term project, and not focused on enforcement. Rather, the AMF wanted to understand trends in the marketplace.

**Item 5 (b): Insights Gained from June 21/23 CAFII Special Purpose Virtual Meeting with Louise Gauthier and Melissa Perreault on AMF's Regulation on Complaints Handling and Dispute Resolution**

Keith Martin updated the EOC on a June 21/23 CAFII meeting with the AMF on complaints and dispute resolution, noting that the AMF emphasized that it had heard some of the concerns of industry and was actively looking at making some modifications to the draft Regulation respecting Complaints and Dispute Resolution to reflect some of that feedback.

**Item 5 (c): Insights Gained from Liaison Meetings (7) Held During CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, Phase 1 and Phase 2:**

- May 31/23 Meeting with Jan Seibel and Ann Ottenbrite, Saskatchewan Financial and Consumer Affairs Authority (FCAA);
- June 1/23 Joint Meeting with Scott Moore, Manitoba Superintendent of Insurance; and Stacey Aubrey, Executive Director, Insurance Council of Manitoba;
- June 13/23 Meeting with Kari Toovey, Joey Primeau, and Tiffany Norman, BC Ministry of Finance;
- June 13/23 Meeting with Blair Morrison, Saskia Tolsma, and Other BCFSA Staff Executives;
- June 14/23 Meeting with Janet Sinclair, Brett Thibault, and Galen Aker, Insurance Council of BC
- June 15/23 Meeting with Joanne Abram, Brent Rathgeber, Joseph Fernandez, and Other Alberta Insurance Council Staff Executives; and
- June 15/23 Meeting with David Sorensen, David Mulyk, and Thembi Mathwasa, Alberta Treasury Board and Finance.

Brendan Wycks and Keith Martin provided a general overview of the seven liaison meetings held between May 31 and June 15, 2023 as part of CAFII's 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour, with the consensus of in-person CAFII participants being that the meetings were very successful and that the regulators and policy-makers were appreciative of the information shared by CAFII. It was noted that the regulators and policy-makers made numerous mentions of the benefits of the webinars which CAFII holds, and encouraged CAFII to continue to organize those. As well, regulators and policy-makers encouraged CAFII to continue to publicize the positive research information gathered about credit protection insurance, including the high claims payout rate.

**Item 5 (d): EOC Overall Feedback on Just Completed CAFII Spring 2023 Insurance Regulators and Policy-Makers Visits Tour, Phase 1 and Phase 2**

Chair Karyn Kasperski invited EOC members to provide high level feedback on the recently completed CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour. EOC feedback was that the tour was highly successful, and that such tours should continue to be a regular part of CAFII's activities.

**Item 5 (e): Adjusted Schedule and Outreach for Meeting Confirmations for CAFII 2023 Atlantic Canada Insurance Regulators and Policy-Makers Visits Tour in Late September and Early October**

Brendan Wycks provided an update on the plans for a Fall 2023 regulator and policy-maker visits tour to the four provinces in Atlantic Canada.

**Item 6: Governance Matters**

**Item 6 (a): Outcome of Deliberations of 2023 CAFII Nominating Committee, Taking Into Account Board-Approved Principles-Based Guideline on Appointment of CAFII Board Members Into Leadership Roles of Board Chair and Board Vice-Chair**

Brendan Wycks provided an update on the recent deliberations of the CAFII Nominating Committee, which had resulted in the appointment of CAFII Board member Wally Thompson (Manulife) to the role of CAFII Board Vice-Chair.

**Item 6 (b): Implementation of Board-Approved 'New CAFII Management Structure' (Post-2023)**

Keith Martin reported that CAFII would soon be moving to the interview phase of the process to hire two new staff members of the Association.

**Item 6 (c): Draft Minutes of May 16/23 EOC Meeting**

The draft minutes of the May 16, 2023 EOC meeting were approved as circulated.

## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 7(a)**

**Read Only Items-- Results of CAFII Media Release on Appointment of Wally Thompson as CAFII Board Vice-Chair**

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

This is a Read-Only item, for information.

### **Background Information**

A CAFII Media Release was issued on the appointment of Wally Thompson as the Association's Board Vice-Chair; and, as a result, a trade press article was published.

### **Recommendation / Direction Sought – Read Only Item**

This is a Read-Only item, for information.

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

One (1) attachment.

***CAFII appoints Manulife VP as Board Vice-Chair  
He has served as Board Director since 2018***

By [Mika Pangilinan](#), Insurance Business Canada, June 28, 2023

[CAFII appoints Manulife VP as board vice chair | Insurance Business Canada \(insurancebusinessmag.com\)](#)

The Canadian Association of Financial Institutions in Insurance (CAFII) has appointed Wally Thompson as vice chair of its board of directors.

Thompson is vice president, head of distribution, Affinity Markets at [Manulife](#). He has served as director of CAFII since 2018.

CAFII is a not-for-profit industry association representing financial institutions involved in selling insurance through various distribution channels across Canada, including client contact centres, agents and brokers, travel agents, direct mail, branches of financial institutions, and the internet.

CAFII collaborates with government and regulators at the provincial and territorial levels to develop a legislative and regulatory framework for the insurance sector. The association's aim is to [establish appropriate standards](#) for the distribution and marketing of all insurance products and services.

CAFII's membership comprises 15 organizations, which include the insurance arms of major financial institutions such as BMO Insurance, CIBC Insurance, [Desjardins](#) Insurance, National Bank Insurance, RBC Insurance, Scotia Insurance, and TD Life Insurance Company.

Other noteworthy industry players like [Assurant](#) Canada, The Canada Life Assurance Company, Canadian Tire Bank, CUMIS Services Incorporated, Manulife, Securian Canada, and Valeyo are also part of CAFII's roster of members.

[Chubb](#) Life Insurance Company of Canada [became a member of the association](#) earlier this year, with senior vice president and head of accident and health Rahul Kakar joining the board of directors.

“I am delighted to be appointed to the board of CAFII,” Kakar said in February. “Together, we can take proactive steps to make insurance more accessible and simpler for Canadians while continuing to provide a great customer experience for our clients.”

Last year, CAFII appointed [National Bank Insurance CEO and president Peter Thompson](#) as board chair, succeeding Chris Lobbezoo after a two-year term.

### **Wally Thompson of Manulife Appointed Vice-Chair of CAFII’s Board of Directors**

**Toronto, June 27, 2023** – The Canadian Association of Financial Institutions in Insurance (CAFII) is pleased to announce that Wally Thompson has been appointed Vice-Chair of its Board of Directors.

Mr. Thompson, who is VP, Head of Distribution, Affinity Markets at Manulife, has been a director of CAFII since 2018.

CAFII is a not-for-profit industry association that was established in 1997 to create a voice for financial institutions involved in selling insurance through a variety of distribution channels including client contact centres, agents and brokers, travel agents, direct mail, branches of financial institutions, and the internet. Its members offer credit protection insurance, travel, life, health, and property and casualty insurance across Canada.

CAFII works with government and regulators (primarily provincial/territorial) to develop a legislative and regulatory framework for the insurance sector that helps ensure Canadian consumers get the insurance products that suit their needs. The Association’s aim is to ensure that appropriate standards are in place for the distribution and marketing of all insurance products and services.

CAFII’s 15 members include the insurance arms of Canada’s major financial institutions – BMO Insurance, CIBC Insurance, Desjardins Insurance, National Bank Insurance, RBC Insurance, Scotia Insurance, and TD Life Insurance Company; 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); Securian Canada; and Valeyo.

Find out more about CAFII on its [website](#), and follow them on [LinkedIn](#).

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## **Briefing Note**

### **CAFII EOC Meeting 18 July, 2023—Agenda Item 7(b)**

#### **Read Only Items-- Moira Gill, TD Insurance, One Of 13 Awardees In Insurance Business Canada's Elite Women 2023**

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

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This is a Read-Only item, for information.

#### **Background Information**

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Moira Gill, a long-standing EOC member and former EOC Chair, was recognized by Insurance Business Canada as one of Canada's Elite Women 2023.

#### **Recommendation / Direction Sought – *Read Only Item***

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This is a Read-Only item, for information.

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

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One (1) attachment.

**Agenda Item 7(b)**  
**July 18/23 EOC Meeting**

**Moira Gill, TD Insurance, One Of 13 Awardees In Insurance Business Canada's Elite Women 2023**

*by Insurance Business Canada Staff, July 6, 2023*

[Women Leaders in Insurance](#) | [Elite Women 2023](#) | [Insurance Business Canada](#)  
([insurancebusinessmag.com](https://insurancebusinessmag.com))

*Insurance Business Canada* has revealed the awardees for [Elite Women 2023](#), the annual list of exceptional female insurance leaders bringing meaningful change, challenging the status quo, and empowering their peers in a traditionally male-dominated field.

The report highlights the contributions of the 2023 awardees to the industry and explores the methods that led to their success. The winners also shared ways to empower others, promote advocacy, and increase diversity and inclusion.

The 2023 winners' list includes:

- [Christine Wilson](#) of Canada Life
- [Erika Schiavoni](#) of TD Insurance Canada
- [Moira Gill](#) of TD Insurance Canada
- [Sarah Lenore Gibson](#) of TruStar
- [Melissa Bajwa](#) of PROLINK
- [Anita Swamy](#) of Medavie Blue Cross
- [Christa O'Neil](#) of McFarlan Rowlands Insurance Brokers
- [Cheryl Roberts](#) of McDougall Insurance & Financial
- [Kawkab Jamal](#) of SCU Insurance Agencies
- [Farzina Coladon](#) of AXA XL
- [Nikki Keith](#) of Wilson M. Beck Insurance Services
- [Carole J. Bissett](#) of Wilson M. Beck Insurance Services
- [Sonia Boyle](#) of Gore Mutual Insurance



## Profile

<https://premium.insurancebusinessmag.com/ca-ibc-elite-women-2023-moira-gill/p/1>

Driven to make an impact on issues critical to our environment and our customers, **Moira Gill** harnessed her negotiation, advocacy, public policy, and government relations skills to push for progress on these issues both within TD Insurance and in the national and international insurance industry.

She is a tenacious voice for developing approaches to address the protection gaps in under-served groups, physical regions, or types of coverages that consumers and communities need in order to be financially and climate risk resilient.

The assistant vice president of environment, government and industry relations had her sights set on a career in international relations before joining the financial services sector. "I have taken opportunities ever since then that incorporated the most valued aspects of that original goal," explains Gill, whose strengths lie in her diplomacy and leadership abilities.

"Not only was it personally fulfilling to hone those skills, but it also meant that when opportunities similar to my original goal presented themselves, I had the qualities necessary to succeed."

Gill's path to success may not have been straight, but she has tweaked her goals along the way. A maxim that has served her well throughout her career says, "Be prepared to be lucky." Her education, experience, and professional relationships have stood her in good stead to take advantage of unexpected opportunities.

In her current role, Gill's mandate has expanded to include leadership of TDI's sustainability strategy. She learned that part of her mandate from the ground-up over the past seven years, thanks to her commitment to lifelong learning.

Her peers note that she applies that same philosophy to employee engagement and development. For more than 20 years, she has been recognized as an influential TD leadership team member, providing valuable guidance on emerging industry issues.

She's a passionate advocate for insurers to enact meaningful environmental and social responsibility changes, and her leadership has brought attention to ESG opportunities within TDI.

She is a regular speaker at industry conferences on sustainability issues and leads several sector-leading committees prioritizing education and action through Canadian and international partner collaboration. She is a standout leader in the industry and a champion for sustainability and economic inclusion.

One of her biggest challenges is the continuing evolution of issues on both sustainability and government relations files. Learning and adapting is constant. For Gill, it's a labour of love due to the significant impact such involvement can bring.

Those volunteer efforts drive one of her most notable achievements: serving as board chairperson of the United Nations Principles of Sustainable Insurance and participating in recent UN conventions on biodiversity and disaster risk reduction. “The opportunity to have an impact on an agenda at the foundations of the insurance business model and is vital to the planet and our society drives and inspires me,” she remarks.

“What I have learned from these experiences inspires, informs, enriches, and sustains all the work that I do with our Canadian associations and in my own company.”

Gill is at her best when working collaboratively to find solutions and paths forward through challenging situations. She is an active listener who finds common ground even among the most disparate views. “Your career takes up a large portion of your life, so it should enrich you personally and create some intrinsic value to society,” she notes. “The more time I spend in insurance, the more I understand how the industry is critical to the economy, society, and specific individual customers. If you base your strategies and decisions on improving the situation of your customers, that foundation will stand firm against the many pressures facing our industry.”

## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 7(c)**

**Read Only Items – July 10/23 BCFSA Advisory 23-029 on “Release of Insurer Code of Market Conduct”;  
and Related “Introducing BCFSA’s Insurer Code” Virtual Information Session on July 20/23**

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

This is a Read-Only item, for information.

### **Background Information**

On July 10/23, the BC Financial Services Authority (BCFSA) issued an Advisory 23-029 announcing the release of its anticipated “Insurer Code of Market Conduct,” along with the Insurer Code itself, and an invitation to industry stakeholder representatives to attend a 30 minute virtual information session about the new Insurer Code -- which will not come into force until April 1, 2024 -- which will be held on July 20/23.

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

This is a Read-Only item, for information.

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

Three (3) attachments.



## **Release of Insurer Code of Market Conduct**

**Date: July 10, 2023**

**Distribution: All Insurers Authorized in B.C.**

**Advisory Number: 23-029**

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### **Purpose**

This Advisory notifies B.C. authorized insurers that BC Financial Services Authority ("BCFSa") has issued [Regulatory Statement 23-015](#), which establishes an Insurer Code of Market Conduct ("Code") that B.C. authorized insurers must adopt and comply with by April 1, 2024.

This requirement applies to all B.C. incorporated insurance companies, extraprovincial insurance corporations, societies deemed under section 191 of the *Financial Institutions Act* ("FIA"), and mutual fire insurance companies. Reinsurers, reciprocal exchanges, and captive insurance companies are excluded.

### **Introducing BCFSa's Insurer Code**

Join us for an overview of BCFSa's insurer code at this 30-minute information session, highlighting key concepts and provisions. Participants will have the opportunity to ask questions during a moderated question and answer period following the presentation.

Date: 11 – 11:30 a.m. PST, July 20, 2023

[Register Now](#)

### **Additional Information**

In fall 2019, the B.C. government introduced a series of legislative amendments aimed at modernizing BCFSA's approach to market conduct supervision and oversight. This included a new provision, section 94.1 of the FIA, that requires insurers to adopt and follow a Code of Market Conduct established by BCFSA. As this requirement is now in force, BCFSA is establishing an Insurer Code of Market Conduct.

The Code establishes principles that insurers will be required to adopt and follow to help ensure consumers are protected throughout the product lifecycle. This principles-based approach emphasizes the importance of embedding the fair treatment of customers ("FTC") in governance and practices while providing insurers with latitude to implement the principles in their operations in a flexible manner.

On June 21, 2022, BCFSA released a draft of the proposed Code and an accompanying Guideline for public consultation. A summary of the [consultation feedback](#) is available on BCFSA's website.

Based on feedback received during the consultation period, BCFSA has redrafted the Code to reflect the Canadian Council of Insurance Regulators' ("CCIR") Conduct of Insurance Business and Fair Treatment of Customers guidance ("FTC guidance"). BCFSA will not proceed with an accompanying Guideline at this time.

To align the requirements in B.C. with the national guidance, the Code uses the 12 expected outcomes from CCIR's FTC guidance as principles that insurers in B.C. will be required to follow. The Code does not include the remainder of the FTC guidance beyond the articulated expected outcomes.

Once the Code has been adopted by insurers, BCFSA will work with industry to identify and address potential market conduct issues to ensure consumers continue to be treated fairly and strengthen public trust and confidence in the insurance segment. Insurers are encouraged to review FTC-related reports and guidance published by CCIR on a periodic basis to increase awareness of practices that may support insurers' adherence to the principles in the Code.

For questions or to request a meeting with BCFSA staff in respect of this Advisory or the Code, please contact BCFSA's Market Conduct Branch at [insurance@bcfsa.ca](mailto:insurance@bcfsa.ca).

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**BCFSA**  
BC Financial Services Authority  
600-750 West Pender Street  
Vancouver, BC Canada  
V6C 2T8



# Regulatory Statement

## Code of Market Conduct for B.C. Authorized Insurers

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<b>Regulatory Statement Number</b>	23-015
<b>Legislation:</b>	<i>Financial Institutions Act</i>
<b>Date:</b>	July 10, 2023
<b>Distribution:</b>	All Insurers Authorized in B.C.

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### PURPOSE

This Regulatory Statement establishes the Insurer Code of Market Conduct (“Code”) that all B.C. authorized insurers must adopt under section 94.1 of the *Financial Institutions Act* (“FIA”).

### BACKGROUND INFORMATION

The FIA provides BC Financial Services Authority (“BCFSA”) with the authority to establish a Code that insurers carrying on business in B.C. must adopt and follow. Per sections 94.1, 158, 189, and 192 of the FIA, this requirement applies to all B.C. incorporated insurance companies, extraprovincial insurance corporations, societies deemed under section 191, and mutual fire insurance companies. These entities are collectively referred to as “insurers” for the purposes of the Code. Reinsurers, reciprocal exchanges, and captive insurance companies are excluded from the requirement under the FIA to adopt and comply with the Code.

### REQUIREMENTS

Effective April 1, 2024, all insurers authorized in B.C. are required to adopt and comply with the Code.

Failure to adopt and comply with the Code may result in an order under section 244(2)(f) of the FIA or other enforcement action. The Superintendent of Financial Institutions is not limited to making an order under section 244 of the FIA but may consider all other regulatory options and/or powers available.

### ADDITIONAL INFORMATION

For questions or to request a meeting with BCFSA staff in respect of this Regulatory Statement or the Code, please contact the BCFSA Market Conduct Branch at [insurance@bcfsa.ca](mailto:insurance@bcfsa.ca).

### LEGISLATION

FIA, ss. 94.1, 158, 189, 191, 192, and 244

Copies of the legislation are available from [www.bclaws.gov.bc.ca](http://www.bclaws.gov.bc.ca)

### ATTACHMENTS

1. [Insurer Code of Market Conduct](#)

JULY 2023

# Insurer Code of Market Conduct

British Columbia

**BCFSA** The logo for the British Columbia Financial Services Authority (BCFSA). It consists of the letters "BCFSA" in a bold, white, sans-serif font, followed by a green stylized graphic element that resembles a leaf or a flame.

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# Application of the Code

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Insurers authorized to conduct insurance business in British Columbia (“B.C.”) are required to adopt and follow this Code of Market Conduct (“the Code”) established by BC Financial Services Authority (“BCFSA”). The Code is based on principles from the Canadian Council of Insurance Regulators’ (“CCIR”) and the Canadian Insurance Services Regulatory Organizations (“CISRO”) [Guidance Conduct of Insurance Business and Fair Treatment of Customers](#) (“FTC”).

Per sections 94.1, 158, 189, and 192 of the *Financial Institutions Act* (“FIA”), this requirement applies to all B.C. incorporated insurance companies, extraprovincial insurance corporations, societies deemed under section 191, and mutual fire insurance companies. These entities are collectively referred to as “insurers” for the purposes of the Code. Reinsurers, reciprocal exchanges, and captive insurance companies are excluded from the requirement under the FIA to adopt and comply with the Code.

The objective of the Code is to ensure that insurers treat customers fairly throughout the product lifecycle, from product development to the point at which all obligations under a contract have been satisfied. The Code is principles-based, providing insurers with flexibility to determine the strategies, policies, processes, procedures, and controls that apply to the offer of insurance products and services to customers based on the nature, size, and complexity of their activities. Adopting the Code will support the achievement of FTC outcomes for British Columbians. Legislation prevails if there are inconsistencies or conflict between the Code and legislation.

Although ongoing policy servicing is traditionally seen as primarily the responsibility of the insurer, intermediaries are often involved, particularly where there is an ongoing relationship between the customer and the intermediary. In such a case, the insurer remains responsible for servicing policies throughout their life cycle and ensuring that intermediaries have appropriate policies and procedures in place in respect of the policy servicing activities performed on the insurer’s behalf.

# Insurer Code of Market Conduct – British Columbia

## Fair Treatment of Customers (“FTC”) Principles

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### 1. **GOVERNANCE AND BUSINESS CULTURE**

FTC is a core component of the governance and business culture of insurers.

### 2. **CONFLICT OF INTEREST**

Any potential or actual conflicts of interest are avoided or properly managed and do not affect FTC.

### 3. **OUTSOURCING**

Functions related to conduct of insurance business outsourced to service providers do not hinder the quality of services or jeopardize the insurer’s ability to achieve FTC.

### 4. **DESIGN OF INSURANCE PRODUCTS**

The design of a new insurance product or significant adaptations made to an existing product take into account the interests of the target consumers’ group.

### 5. **DISTRIBUTION STRATEGIES**

Distribution strategies are tailored to the product, consider the interests of the targeted consumer groups, and result in consistent consumer protections independently of the distribution model chosen.

### 6. **DISCLOSURE TO CUSTOMER**

Customers are given appropriate information to make an informed decision before entering into a contract.

### 7. **PRODUCT PROMOTION**

Product promotional material is accurate, clear, not misleading, and consistent with the result reasonably expected to be achieved by the customer of the product.

### 8. **ADVICE**

When provision of advice is required by law before concluding the contract, customers receive relevant advice, considering the customer’s disclosed circumstances.

**9. DISCLOSURE TO POLICYHOLDERS**

Policyholders are provided with information which allows them to make informed decisions throughout the lifetime of their contracts.

**10. CLAIMS HANDLING AND SETTLEMENT**

Claims are examined diligently and fairly settled, using a simple and accessible procedure.

**11. COMPLAINTS HANDLING AND DISPUTE RESOLUTION**

Complaints are examined diligently and fairly, using a simple and accessible procedure.

**12. PROTECTION OF PERSONAL INFORMATION**

Policies and procedures adopted by insurers for the protection of confidentiality of personal information ensure compliance with legislation relating to privacy protection and reflect best practices in this area.



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## **Briefing Note**

**CAFII EOC Meeting 18 July, 2023—Agenda Item 7(d)**

**Read Only Items – LIMRA/LOMA Canada “Canadian Insurance Immersion Program”: September 12-14, 2023**

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

This is a Read-Only item, for information.

### **Background Information**

On July 10/23, LIMRA/LOMA Canada announced and shared with CAFII the dates of its Fall 2023 “Canadian Insurance Immersion Program”: September 12 to 14. This educational/industry orientation program may be of interest to CAFII member companies with recent new hires.

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

This is a Read-Only item, for information.

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

One (1) attachment.

***Agenda Item 7(d)  
July 18/23 EOC Meeting***

**From:** Lemanski, Brent <[BLemanski@limra.com](mailto:BLemanski@limra.com)>  
**Sent:** Monday, July 10, 2023 8:34 AM  
**To:** Lemanski, Brent <[BLemanski@limra.com](mailto:BLemanski@limra.com)>  
**Subject:** LIMRA/LOMA Canada "Canadian Insurance Immersion Program" - Sept 12 - 14

Our highly successful Canadian Insurance Immersion Program will again be held in-person in Toronto from September 12 - 14. I know it's still 2 months away, but I don't want this opportunity to get lost during summer vacations. The early-bird discount ends on Aug 14th.

For more information, or to register: <https://www.loma.org/en/events/conferences/2023/insurance-immersion-canada/>

**Highlights**

A unique, instructor-led program that provides a comprehensive overview of the industry and how insurers operate.

**Connect With Success**

To succeed, new hires and emerging leaders need a solid understanding of the industry and business in which they work. Insurance Immersion can help! This unique, instructor-led program explains and connects key concepts to promote a holistic view of the life insurance business, which improves collaboration and decision-making. Available in a variety of formats.

**Who Attends**

Newly recruited professionals who need to learn about the industry  
Emerging leaders who need a broader perspective of the business  
Skilled professionals with roles expanding beyond a single business unit

Please pass this on to anyone you feel might be interested.

Thanks,

Brent Lemanski  
LIMRA and LOMA Canada  
519-748-7130