

## CAFII Executive Operations Committee Meeting Agenda

**Date:** Tuesday, July 26, 2022  
**Chair:** K. Kasperski (Vice-Chair)  
**Location:** [Virtual MSTEams Meeting](#)

**Time:** 2:00 – 3:30 p.m. EDT  
**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		K. Kasperski		
b. Welcome to New EOC Member: Tal Zisu, ScotiaLife Financial		K. Kasperski		

2. Consent Items	2:05 p.m.	Presenter	Action	Document
a. Consultations/Submissions Timetable				✓
b. Regulator and Policy-Maker Visit Plan Recap				✓
c. Summary of Board and EOC Action Items				✓
d. Board-Approved Schedule of CAFII 2022 Meetings and Events				✓

3. Financial Management Matters	2:06 p.m.	Presenter	Action	Document
a. CAFII Financial Statements as at June 30/22		D. Hinnecke	Update	✓
b. Forecast For CAFII 2022 Fiscal Year as at June 30/22		D. Hinnecke	Update	✓
c. Issuance of CAFII Member 2022 Second Instalment Dues Invoices; and CAFII Associate 2022 Dues Payments as at July 22/22		B. Wycks	Update	
d. Recommendation from CAFII Management, Supported by Treasurer, That CAFII Member Dues Be Consolidated Into One Invoice/Payment Starting in 2023		K. Martin	Update	

4. Committee Updates	2:20 p.m.	Presenter	Action	Document
a. Market Conduct & Licensing	2:20 p.m.	B. Kuiper	Update	✓
i. OSFI Consultation On Updated Guideline B-10: Third Party Risk Management (Submission Deadline: July 27/22)		K. Martin/B. Wycks	Update	✓ (3)
ii. FCNB's July 4/22 Communication of June 23/22 Adoption (Final Versions) of <i>Rule INS-001: Insurance Intermediaries Licensing and Obligations</i> (Pending Ministerial Approval); and <i>Rule INS-002: Insurance Fees</i> (Pending Ministerial Approval)		B. Wycks/K. Martin	Update/ Discussion	✓ (3)
iii. BC Ministry of Finance Consultation on "Proposed Introduction of A Restricted Licensing Regime for The Sale of Some Insurance in BC" (Submission Deadline: October 3/22)		B. Wycks/K. Martin	Update/ Discussion	✓
b. Media Advocacy	2:34 p.m.	J. Marcus		
i. Results of CAFII Media Release on Appointment of Peter D. Thompson as Board Chair		K. Martin	Update	✓
ii. Results of CAFII Media Release on Highlights of CAFII-Commissioned Research with Deloitte Canada on "Best Practices in the Digitization of CPI"		K. Martin	Update	✓
iii. Operatic Agency Completion of CAFII Website Video on Consumer Protections Embedded In CPI In Canada		K. Martin	Update	
c. Research & Education	2:48 p.m.	A. Stuska		
i. Execution of EOC-Approved CAFII 2022 Tracking Study Research on Consumers' Satisfaction with CPI, with Pollara Strategic Insights		K. Martin	Update	✓
d. Networking & Events	2:52 p.m.	C. Manno	Update	
i. Plans for September 13/22 In-Person CAFII Annual Members and Associates Luncheon with Mark White, CEO, FSRA, as Guest Speaker		B. Wycks/K. Martin	Update	✓
e. Travel Insurance Experts	2:56 p.m.	K. Umtoniwase	Update	
i. Issues Discussed in and Insights Gained from Recent Meetings of Travel Insurance Experts Committee		K. Umtoniwase	Update	
ii. Insights Gained From CAFII/CLHIA/THIA Bi-Weekly Meetings Re Impact Of COVID-19 On Travel and the Travel Insurance Industry; and Related Regulatory Issues		B. Wycks	Update	✓

5. Recent and Upcoming Strategic and Regulatory Initiatives	3:03 p.m.	Presenter	Action	Document
a. CLHIA/ACCAP Confirmation of Plans to Continue to Refrain from Involvement in Issue Around AMF's Expectations Re RADM's Applicability To Credit Card-Embedded Insurance Benefits		K. Martin	Update	✓
b. Proposal Re CAFII's Return To Insurance Regulator and Policy-Maker Visit Tours in 2023		K. Martin	Update	✓

6. Governance Matters	3:12 p.m.	Presenter	Action	Document
a. Update Re EOC Member Survey on CAFII Alerts Weekly Digest And Use/Implementation of Results		K. Kasperski	Update	
b. Plans for Tuesday, September 20/22 In-Person/Hybrid EOC Meeting; and Immediately Ensuing EOC Annual Appreciation Dinner		B. Wycks	Update	
c. Plans for Tuesday, October 11/22 CAFII Board Meeting in Montreal; and Related Liaison Lunch and Industry Issues Dialogue with AMF Staff Executives		B. Wycks	Update	
d. Plans for In-Person CAFII 25 <sup>th</sup> Anniversary Celebration in Toronto in October 2022		B. Wycks	Update	✓
e. Draft Minutes of June 28/22 EOC Meeting		B. Wycks	Approval	✓

7. Read Only Items	3:20 p.m.	Presenter	Action	Document
a. Confirmation of Date Change of November 2022 EOC Meeting to Thursday, November 24/22 to Avoid Conflict with AMF 2022 Rendez-Vous Mini-Conference on Tuesday, November 22/22				Briefing Note Only
b. AMF 2022 Rendez-Vous Mini-Conference in Montreal on Tuesday, November 22/22				✓
c. CAFII Decline of Opportunity to Participate in CISRO Consultation on Improvements to Life Insurance Replacement Declaration (LIRD) Form Due to Out-of-Scope Assessment				✓
d. Insights Shared in CAFII Licensing Experts' Virtual Focus Group with Yukon Licensing and Regulatory Affairs Department to Inform Development/Launch of Its Online Licensing Portal				✓
e. New July 2022 Blog Post On CAFII Website of Results of Deloitte Canada Thought Leadership Research on "Best Practices In The Digitization Of CPI In Canada"				✓
f. THIA Innovation Summit on September 14/22				✓
g. Plans For October 5/22 CAFII Webinar with Lesli Martin, Vice-President, Pollara Strategic Insights, as Fireside Chat Discussant on "Consumer Preferences and Product Development Insights Emerging From Recent Research In Financial Services and Relevant Comparator Industries"				✓
h. Dropping of COVID-19 Notification Pop-Up From CAFII Website				Briefing Note Only
i. Insights Gained from July 11/22 CAFII Meeting with Operatic Agency CEO Chris Barrett				Briefing Note Only

8. In Camera Session	3:20 p.m.	Presenter	Action	Document
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9. Tracking Issues		Presenter	Action	Document
a. AMF Consultation on Declaration of Operational Incidents				
b. BCFSa Consultation on "Code of Conduct For BC-Authorized Insurers" (pending proclamation into force of section 94.3 of BC Financial Institutions Act)				
c. 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 20/22, 3:00 to 5:00 p.m. In-Person/Hybrid Meeting, downtown Toronto location TBA; followed by EOC Annual Appreciation Dinner, 5:30 to 8:00 p.m. at nearby downtown Toronto restaurant

**Next Board Meeting:** Tuesday, October 11/22, 2:20 to 4:00 p.m., Hybrid Meeting (Both In-Person and Virtual via MSTEams); Hosted by Desjardins 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 26 July, 2022—Agenda Item 1(a)**  
**Call to Order, Welcome, and Priority Matters: Call to Order**

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

Start of meeting.

### **Background Information**

The meeting is called to order.

### **Recommendation / Direction Sought -- Update**

Update only.

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

No attachments.

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 1(b)**

**Call to Order, Welcome, and Priority Matters: Welcome to New EOC Member: Tal Zisu, Scotialife Financial**

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

Introduction of a new EOC member.

### **Background Information**

A new EOC member is joining: Tal Zisu, Scotialife Financial, who will be called upon to provide a brief self-introduction.

### **Recommendation / Direction Sought -- Update**

Update only.

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

No attachments.



## **Briefing Note**

### **CAFII EOC Meeting 26 July, 2022—Agenda Item 2(a-d) 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. Consultations/Submissions Timetable;
- b. Regulator and Policy-Maker Visit Plan Recap;
- c. Summary of Board and EOC Action Items;
- d. Board-Approved Schedule of CAFII 2022 Meetings and Events.

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

No action required.

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

4 attachments.

## CAFIL Consultations/Submissions Timetable, 2022-23

Regulatory Issue	Deliverable	Deadline	Accountable
Financial Consumer Agency of Canada (FCAC)	<ul style="list-style-type: none"> <li>CAFIL submission on “Proposed Guideline on Appropriate Products and Services For Banks and Authorized Foreign Banks”</li> <li>CAFIL 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 CAFIL’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)	<ul style="list-style-type: none"> <li>Revised Financial Institutions Act (FIA) tabled in the legislature</li> <li><u>Ministry releases consultation paper on introducing a Restricted Insurance Agent licensing regime in BC (October 3/22 submission deadline)</u></li> <li><b><u>CAFIL submission on BC RIA licensing regime consultation paper</u></b></li> </ul>	<ul style="list-style-type: none"> <li>October 21/19</li> <li><u>June 30/22</u></li> <li><b><u>October 3/22</u></b></li> <li>February 24/22</li> <li>March 1/22</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>CAFIL meeting with BCFSA re “Discussion Paper: Information Security Incident Reporting”</li> <li>CAFIL written submission on BCFSA’s Information Security Incident Discussion Paper (overhauled based on insights from February 24/22 meeting)</li> </ul>	<ul style="list-style-type: none"> <li>February 24/22</li> <li>March 1/22</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<u>OSFI: Consultation on Updated Guideline B-10: Third-Party Risk Management</u>	<ul style="list-style-type: none"> <li><b>CAFIL submission on OSFI Consultation on Updated Guideline B-10: Third-Party Risk Management (consideration being given as to whether this is “in scope” for CAFIL)</b></li> </ul>	<ul style="list-style-type: none"> <li><b><u>September 30/22 (extended from July 27, 2022)</u></b></li> </ul>	<ul style="list-style-type: none"> <li>Mkt Conduct &amp; Licensing Cttee; 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>CAFIL submission on Draft Regulation Respecting Complaint Processing</li> <li>CAFIL makes submission to AMF on wording modifications needed to Fact Sheet and Notice of Rescission to make them fit credit card-embedded insurance benefits</li> <li>CAFIL submission on AMF draft Incentive Management Guideline</li> </ul>	<ul style="list-style-type: none"> <li>December 8/21</li> <li>January 17/22</li> <li>February 18/22</li> </ul>	<ul style="list-style-type: none"> <li>Mkt Conduct &amp; Licensing Committee; Co-Eds to monitor</li> </ul>
CCIR/CISRO Guidance: Conduct of Insurance Business and Fair Treatment of Customers	<ul style="list-style-type: none"> <li><i>CCIR/CISRO FTC Working Group accepts proposal in CAFIL’s July 2/20 letter</i></li> <li>CAFIL submission on CCIR/CISRO Draft “Incentives Management Guidance”</li> <li>CAFIL submission on CCIR/CISRO proposed “Incentives Management Guidance”</li> </ul>	<ul style="list-style-type: none"> <li>August 31/20</li> <li>September 17/21</li> <li><u>April 4/22</u></li> </ul>	<ul style="list-style-type: none"> <li>Mkt Conduct &amp; Licensing Cttee; Co-Eds to monitor</li> </ul>
FCNB Insurance Act Rewrite and Introduction of RIA Regime	<ul style="list-style-type: none"> <li>CAFIL responds to David Weir follow-up questions re legislative constraints which prevent bank branch employees from being individually licensed to sell travel insurance</li> <li>FCNB Releases “Proposed Rule INS-001: Insurance Intermediaries Licensing and Obligations” for consultation, with February 7/22 submission deadline</li> <li>CAFIL submission on FCNB’s “Insurance Act Rewrite: Questions For Industry, Dec. ‘21”</li> <li>CAFIL submission on Proposed Rule INS-001: Insurance Intermediaries Licensing and Obligations</li> <li>CAFIL submission on Proposed Rule INS-002: Insurance Fees</li> <li>CAFIL submission on FCNB legislative change proposals re Life Insurance and Accident &amp; Sickness Insurance sections of Insurance Act (informal sounding board consultation)</li> <li><u>FCNB releases final versions of Rule INS-001 and Rule INS-002 (“in force” date TBA, pending Ministerial approval)</u></li> </ul>	<ul style="list-style-type: none"> <li>May 19/21</li> <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><u>July 4/22</u></li> </ul>	<ul style="list-style-type: none"> <li>Mkt Conduct &amp; Licensing Cttee; Co-Eds to monitor</li> </ul>
Financial Services Regulatory Authority of Ontario (FSRA) Regulatory Consultations	<ul style="list-style-type: none"> <li>CAFIL responds to FSRA consultation on “Enforcement Proceedings and Investigations”</li> <li>CAFIL responds to FSRA consultation on Proposed 2022-23 Statement of Priorities</li> <li>CAFIL responds to FSRA “Information Guidance on Complaints Resolution” consultation</li> <li>CAFIL submission on FSRA’s “Principles-Based Regulation” consultation document</li> <li>CAFIL submission on FSRA’s “Principles of Conduct for Insurance Intermediaries”</li> <li>CAFIL submission on FSRA’s “Guidance on Use of Retained Revenues”</li> </ul>	<ul style="list-style-type: none"> <li>Sept 24/21</li> <li>October 29/21</li> <li>February 15/22</li> <li>April 29/22</li> <li>May 3/22</li> <li>May 31/22</li> </ul>	<ul style="list-style-type: none"> <li>Mkt Conduct &amp; Licensing Cttee; Co-EDs to monitor</li> </ul>

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

**Agenda Item 2(b)**  
**July 26/22 EOC Meeting**

**CAFII Insurance Regulator and Policy-Maker Meetings/Interactions**  
**From June 27/22 To July 22/22**

<b><u>Date</u></b>	<b><u>Event/Occasion/Issue</u></b>	<b><u>Who</u></b>
June 28/22 to July 22/22	CAFII invitation to Mark White, CEO, Financial Services Regulatory Authority of Ontario (FSRA), to be guest speaker at CAFII's 2022 Annual Members and Associates Luncheon on Tuesday, September 13/22.	On June 28/22, CAFII received a written response confirmation via email from Diba Kohandani, Events Specialist, FSRA, that Mark White, CEO, FSRA, had accepted CAFII's invitation that he be the guest speaker at the Association's 2022 Annual Members and Associates Luncheon on September 13/22. Iterative email communication with FSRA has ensued thereafter, around the logistical details of Mr. White's presentation at the upcoming CAFII event, including FSRA's acceptance of CAFII's supplementary invitation to have several FSRA staff executives accompany Mr. White to the CAFII Luncheon event, at no charge as the Association's guests.
June 29/22	Yukon Government outreach/request for input into its development of an online licensing portal for insurance professionals.	A one-hour CAFII-sponsored Virtual Focus Group with Yukon Government project lead Spring Huston took place on this date, to provide Yukon with design input for its upcoming implementation of an Online Licensing Portal for Insurance Professionals. Six CAFII member representatives and the Association's Co-Executive Directors participated in this meeting with Ms. Huston, which proved to be a very mutually beneficial dialogue and input session. Detailed meeting notes prepared by Sandy Prokop, RBC Insurance, were provided to Ms. Huston after the meeting and gratefully acknowledged.

July 11/11	Email exchange with Peter Burston, Director, National Regulatory Coordination Financial Services Regulatory Authority (FSRA), around efforts to identify an optimal date for CAFII 25 <sup>th</sup> Anniversary Celebration in Fall 2022	Brendan Wycks had an email exchange with Peter Burston, which provided a clarifying update around plans for in-person CCIR and CISRO meetings to be held in Toronto in October 2022, which should create an ideal scheduling opportunity for a CAFII 25 <sup>th</sup> Anniversary Celebration on the evening of either Wednesday, October 19 or Thursday, October 20/22 (to be confirmed).
July 13/22	CAFII meeting with three OSFI staff executives to seek clarifications related to its Revised Draft Guideline B-10: Third-Party Risk Management (current consultation document).	Keith Martin and Brendan Wycks met virtually with OSFI staff executives Elspeth Bowler, Managing Director; Josh Lattimore, Senior Advisor; and John Preiato, Director. Ms. Bowler took the lead and delivered the key message that the scope of the proposed updated Guideline on Third-Party Risk Management was quite deliberately intended to be broader than the predecessor B-10 Guideline on Outsourcing, and that wholly-owned subsidiaries were indeed meant to be captured.
July 13/22	CAFII meeting with two AMF staff executives re plans for October 2022 CAFII Board liaison with relevant AMF staff executives	Keith Martin and Brendan Wycks met virtually with AMF staff executives Eric Jacob, Superintendent, Client Services and Distribution Oversight; and Louise Gauthier, Senior Director of Distribution Framework Policies, to discuss and settle on the date (Tuesday, October 11/22); location (to be hosted by Desjardins Insurance at its Montreal office); and format for an informal liaison lunch and immediately ensuing Industry Issues Dialogue (shared agenda approach) between the CAFII Board of Directors and relevant AMF staff executives.

		This meeting was very cordial and successful in terms securing immediate agreement on all of the key details for the upcoming October 11/22 event.
July 19/22	Quarterly meeting of the Saskatchewan Restricted Insurance Agent Advisory Committee (RIAAC), and the first to be organized by new Insurance Councils of Saskatchewan (ICS) Executive Director April Stadnek	Keith Martin represented CAFII management at this meeting, along with CAFII member representative appointees Moira Gill (Chair), Charles MacLean (Vice-Chair), and Shawna Sykes.

Summary of CAFII Board and EOC Action Items					
	Source	Action Item	Responsible	Deadline	Status July 22, 2022
		<b>Association Strategy, Governance and Financial Management</b>			
1	EOC and Board: October 2019	Launch CAFII EOC Working Group to Explore a New Lower Dues Category of CAFII Membership, via a first meeting and a draft Terms of Reference for this Working Group.	B. Wycks/K. Martin	31-Dec-22	In Progress/ See #2
2	BOD: June 9, 2020	Revisit the launch of the CAFII Working Group On A Proposed Lower Dues Category Of CAFII Membership once the economic environment stabilizes, via a first meeting and a draft Terms of Reference for this Working Group.	K. Martin	31-Dec-22	In Progress
3	EOC May 29, 2018	Develop a summary job description for the CAFII EOC Chair role and circulate it to EOC Members.	B. Wycks/K. Martin	31-Dec-22	In Progress
4	EOC February 27, 2018	Document in writing the process for reviewing, approving, and admitting applicants for CAFII Members and Associate status	B. Wycks	31-Dec-22	In Progress
5	BOD April 12, 2022	Consult with CCIR & CISRO to find a date for holding the in-person CAFII 25th Anniversary celebration that maximizes regulators participation	B. Wycks/K. Martin	30-Apr-22	In Progress
6	BOD April 12, 2022	Implement the Board resolution around public release of selective components of the Deloitte thought leadership paper research results	K. Martin/B. Wycks	30-Jun-22	Completed
7	BOD April 12, 2022	Work with CAFII's Treasurer and assigned Controller to wind down the Restricted Fund and transfer its residual monies into the Association's General Fund during the Association's 2022 fiscal year	B. Wycks/K. Martin	31-Dec-22	In Progress
		<b>Regulatory Initiatives</b>			
8	EOC October 26, 2021	Organize a meeting of the Market Conduct and Licensing Committee to review CCIR's 2021 document on the industry's adoption of the FTC guidance	K. Martin/B. Wycks	31-Jul-22	In Progress
		<b>Association Operations</b>			
9	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	31-May-22	Ongoing

**CAFII 2022 Schedule of Meetings and Events (Approved By Board of Directors on October 5/21;  
But Subsequently Adjusted/Amended)**

**Assumes Restart of In-Person Meetings in June 2022 for Board; and September 2022 for EOC**

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

- **Tuesday, January 18, 2022** (2:00–4:00 p.m. via MS Teams)
- **Tuesday, February 15, 2022** (2:00–3:30 p.m. via MS Teams)  
*(Family Day Stat Holiday in Ontario: Monday, February 21)*
- **Tuesday, March 22, 2022** (2:00–4:00 p.m. via MS Teams)  
*(Quebec Spring Break: March 7 – March 11. Ontario March Break: March 14 – March 18. Purim: March 17 – March 18)*
- **Tuesday, April 26, 2022** (2:00–3:30 p.m. via MS Teams)  
*(Good Friday: Friday, April 15. Easter Monday: Monday, April 18)*
- **Tuesday, May 17, 2022** (2:00–4:00 p.m. via MS Teams)  
*(Victoria Day Stat Holiday: Monday, May 23)*
- **Tuesday, June 28, 2022** (2:00–3:30 p.m. via MS Teams)  
*(St. Jean Baptiste Day in Quebec: Friday, June 24. Canada Day: Friday, July 1)*
- **Tuesday, July 26, 2022**, tentative summer meeting (2:00–3:30 p.m. via MS Teams)
- ~~**Tuesday, August 16, 2022**, tentative summer meeting (2:00–3:30 p.m. via MS Teams)~~  
*(Civic Stat Holiday: Monday, August 1)*
- **Tuesday, September 20, 2022** (2:00–4:00 p.m. in-person)  
*(Labour Day: Monday, September 5. Rosh Hashanah: September 26 & 27. National Day for Truth and Reconciliation: Friday, September 30)*
- **Tuesday, October 25, 2022** (2:00–3:30 p.m. via MS Teams)  
*(Yom Kippur: October 4 – October 5. Thanksgiving Stat Holiday: Monday, October 10. Diwali: Monday, October 24)*
- ~~**Tuesday, November 22, Thursday, November 24, 2022** (2:00–4:00 p.m. in-person)~~  
*(Remembrance Day: Friday, November 11)*
- **EOC Annual Appreciation Dinner: Proposed for Tuesday, May 17, September 20, 2022** at 5:30 p.m. at a downtown Toronto restaurant, immediately following a 3:00 to 5:00 p.m. EOC meeting, if public health restrictions allow.

**Board Meetings:**

- **Tuesday, April 12, 2022** (2:00–4:00 p.m. via MS Teams)  
*(Good Friday: Friday, April 15. Easter Monday: Monday, April 18)*
- **Tuesday, June 7, 2022** (2:20–5:00 p.m., preceded by 2022 Annual Meeting of Members; and followed by CAFII 25<sup>th</sup> Anniversary Celebration at same or nearby downtown Toronto venue). **HOST: BMO Insurance, 68<sup>th</sup> Floor Event Space, First Canadian Place, Toronto**–TD Insurance, 66 Wellington St. West, Toronto
- **Tuesday, October 11, 2022** (2:20–4:00 p.m., immediately following liaison lunch and Industry Issues Dialogue with AMF staff executives) **HOST: Desjardins Insurance in Levis/Quebec City** (This is the day immediately following Thanksgiving Monday; however, Tuesday, October 4, 2022 is Yom Kippur)
- **Tuesday, December 6, 2022** (3:00–5:00 p.m.; followed by Holiday Season/Year-End Reception).  
**HOST: CIBC Insurance**

**2022 Annual Members and Associates Luncheon:**

- *Confirmed Date: Tuesday, September 13, 2022 from 11:45 a.m. EST to 2:15 p.m. EDT at St. James Cathedral Centre Event Venue , 65 Church St., Toronto*

**CAFII 25<sup>th</sup> Anniversary Celebration:**

- *Tentative Date: Wednesday, October 19, 2022 (alternate date: Thursday, October 20, 2022), hosted by BMO Insurance at BMO Corporate Event Space, 68<sup>th</sup> Floor, First Canadian Place, Toronto*

**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; CIBC Insurance*

**2016 Board Meetings Hosted by:**

*CUMIS Group; Assurant Solutions; RBC Insurance; BMO Insurance*

**Recent Years' Annual Members and Associates Luncheons****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"*

*Speaker: 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*

**2018 Annual Members and Associates Luncheon**

*Topic: "Leading For Success in A Volatile World"*

*Speaker: Richard Nesbitt, CEO, the Global Risk Institute*

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



## **Briefing Note**

### **CAFII EOC Meeting 26 July, 2022—Agenda Item 3(a) Financial Management Matters--CAFII Financial Statements as at June 30/22**

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

To update the EOC on the Association's financials as at 30 June, 2022.

#### **Background Information**

CAFII Treasurer Donald Hinnecke will provide an update on the CAFII Financial Statements as at 30 June, 2022.

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

This is an update only.

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

1 attachment.

**CAFI I**  
411 Richmond Street E, Suite 200  
Toronto, ON M5A 3S5  
**Statement of Operations**  
**As at June 30th, 2022**

	Current Month	Budget Jun-22	Variance to Monthly Budget	Current YTD	Budget '22 YTD	Variance Budget to YTD	Budget 2022
<b>Revenue</b>							
Membership Dues	\$83,038	\$83,038	\$0	\$498,226	\$498,226	\$0	\$996,452
Interest Revenue	\$55	\$21	\$34	\$182	\$125	\$57	\$250
<b>TOTAL REVENUE</b>	<b>83,093</b>	<b>\$83,058</b>	<b>34</b>	<b>\$498,407</b>	<b>\$498,351</b>	<b>\$57</b>	<b>\$996,702</b>
<b>Expenses</b>							
Management Fees	\$41,468	\$42,241	\$773	\$258,691	\$253,444	(\$5,247)	\$510,518
Legal and consulting costs	\$0	\$7,533	\$7,533	\$0	\$45,200	\$45,200	\$90,400
Audit Fees	\$1,305	\$1,246	(\$59)	\$7,356	\$7,475	\$119	\$14,950
Insurance	\$526	\$539	\$13	\$3,122	\$3,233	\$111	\$6,466
Website Ongoing Maintenance	\$525	\$626	\$101	\$4,585	\$3,757	(\$828)	\$7,513
Telephone/Fax/Internet	\$104	\$501	\$397	\$1,786	\$3,008	\$1,222	\$6,016
Postage/Courier	\$0	\$13	\$13	\$48	\$79	\$31	\$158
Office Expenses	\$920	\$437	(\$482)	\$2,690	\$2,625	(\$65)	\$5,250
Bank Charges	\$25	\$60	\$35	\$248	\$360	\$113	\$721
Miscellaneous Expense	\$0	\$44	\$44	\$0	\$262	\$262	\$524
Depreciation Computer/Office Equipment	\$60	\$0	(\$60)	\$358	\$0	(\$358)	\$0
<i>Budget for Co-Executive Directors' New Office Equipment</i>	\$0	\$753	\$753	\$0	\$4,520	\$4,520	\$9,040
<b>Board/EOC/AGM</b>							
<i>Annual Members Luncheon</i>	\$0	\$1,255	\$1,255	\$0	\$7,533	\$7,533	\$15,065
<i>Board Hosting (External)</i>	\$0	\$1,875	\$1,875	\$0	\$11,250	\$11,250	\$22,500
<i>Board/EOC Meeting Expenses</i>	\$0	\$2,421	\$2,421	\$150	\$14,527	\$14,377	\$29,055
<i>Industry Events</i>	\$0	\$283	\$283	\$0	\$1,695	\$1,695	\$3,390
<i>EOC Annual Appreciation Dinner</i>	\$0	\$442	\$442	\$0	\$2,653	\$2,653	\$5,305
<i>Speaker fees &amp; travel</i>	\$0	\$283	\$283	\$0	\$1,695	\$1,695	\$3,390
<i>Gifts</i>	\$0	\$100	\$100	\$0	\$600	\$600	\$1,200
<i>Networking Events &amp; Reception Events</i>	\$0	\$424	\$424	\$0	\$2,543	\$2,543	\$5,085
<i>CAFI 25th Anniversary Celebration</i>	\$0	\$3,296	\$3,296	\$0	\$19,775	\$19,775	\$39,550
<b>Total Board/EOC/AGM</b>	\$0	\$10,378	\$10,378	\$150	\$62,270	\$62,120	\$124,540
Provincial Regulatory Visits and Relationship-Building	\$0	\$1,695	\$1,695	\$629	\$10,170	\$9,541	\$20,340
Federal Regulatory Visits and Relationship-Building	\$0	\$471	\$471	\$0	\$2,825	\$2,825	\$5,650
Research/Studies	\$0	\$5,650	\$5,650	\$14,831	\$33,900	\$19,069	\$67,800
Website SEO and Enhancements	\$0	\$3,767	\$3,767	\$0	\$22,600	\$22,600	\$45,200
Regulatory Model(s)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal Financial Reform	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CAFI Benchmarking Study/RSM Canada	\$0	\$5,650	\$5,650	\$16,950	\$33,900	\$16,950	\$67,800
FCAC Presentation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Media Outreach	\$809	\$612	(\$197)	\$1,946	\$3,673	\$1,727	\$7,345
Media Consultant Retainer	\$9,363	\$2,543	(\$6,821)	\$22,076	\$15,255	(\$6,821)	\$30,510
Marketing Collateral	\$0	\$141	\$141	\$195	\$848	\$653	\$1,695
Contingency For Possible Resumption Of In-Person Meetings/E	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENSE</b>	<b>\$55,104</b>	<b>\$84,901</b>	<b>\$29,796</b>	<b>\$335,661</b>	<b>\$509,404</b>	<b>\$173,743</b>	<b>\$1,022,437</b>
<b>NET INCOME</b>	<b>\$27,988</b>	<b>(\$1,842)</b>	<b>29,831</b>	<b>\$162,747</b>	<b>(\$11,053)</b>	<b>\$ 173,800</b>	<b>(\$25,735)</b>
proof	-	-	0	-	0	-	3,630

**Explanatory Notes:**

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

# CAFII

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

## Balance Sheet

As at June 30th, 2022

	CAFII Operations			CCBPI Project			Combined		
	30-Jun 2022	31-May 2022	31-Dec 2021	30-Jun 2022	31-May 2022	31-Dec 2021	30-Jun 2022	31-May 2022	31-Dec 2021
<b>ASSETS</b>									
<b>Current Assets</b>									
Bank Balance	\$570,839	\$514,543	\$480,291	\$0	\$0	\$0	\$570,839	\$514,543	\$480,291
Savings Account	\$102,696	\$102,641	\$102,514	\$12,151	\$12,151	\$12,151	\$114,847	\$114,792	\$114,665
Accounts Receivable	\$51,933	\$153,121	\$0	\$0	\$0	\$0	\$51,933	\$153,121	\$0
Prepaid Expenses	\$8,851	\$9,376	\$5,513	\$0	\$0	\$0	\$8,851	\$9,376	\$5,513
Computer/Office Equipment	\$10,878	\$10,878	\$10,878	\$0	\$0	\$0	\$10,878	\$10,878	\$10,878
Accumulated Depreciation -Comp/Equip	(\$8,372)	(\$8,312)	(\$8,014)	\$0	\$0	\$0	(\$8,372)	(\$8,312)	(\$8,014)
<b>Total Current Assets</b>	<b>\$736,826</b>	<b>\$782,247</b>	<b>\$591,182</b>	<b>\$12,151</b>	<b>\$12,151</b>	<b>\$12,151</b>	<b>\$748,977</b>	<b>\$794,399</b>	<b>\$603,333</b>
<b>TOTAL ASSETS</b>	<b>\$736,826</b>	<b>\$782,247</b>	<b>\$591,182</b>	<b>\$12,151</b>	<b>\$12,151</b>	<b>\$12,151</b>	<b>\$748,977</b>	<b>\$794,399</b>	<b>\$603,333</b>
<b>LIABILITIES</b>									
<b>Current Liabilities</b>									
Accrued Liabilities	\$5,933	\$4,627	\$58,732	\$0	\$0	\$0	\$5,933	\$4,627	\$58,732
Credit Card	\$1,384	\$674	\$1,224	\$0	\$0	\$0	\$1,384	\$674	\$1,224
Account Payable	\$25,293	\$17,680	\$25,327	\$0	\$0	\$0	\$25,293	\$17,680	\$25,327
Deferred Revenue	\$35,569	\$118,607	\$0	\$12,151	\$12,151	\$12,151	\$47,720	\$130,758	\$12,151
<b>Total Current liabilities</b>	<b>\$68,179</b>	<b>\$141,588</b>	<b>\$85,282</b>	<b>\$12,151</b>	<b>\$12,151</b>	<b>\$12,151</b>	<b>\$80,330</b>	<b>\$153,740</b>	<b>\$97,433</b>
<b>TOTAL LIABILITIES</b>	<b>\$68,179</b>	<b>\$141,588</b>	<b>\$85,282</b>	<b>\$12,151</b>	<b>\$12,151</b>	<b>\$12,151</b>	<b>\$80,330</b>	<b>\$153,740</b>	<b>\$97,433</b>
<b>UNRESTRICTED NET ASSETS</b>									
Unrestricted Net Assets, beginning of year	\$505,900	\$505,900	\$383,859	\$0	\$0	\$0	\$505,900	\$505,900	\$383,859
Excess of revenue over expenses	\$162,747	\$134,758	\$122,041	\$0	\$0	\$0	\$162,747	\$134,758	\$122,041
<b>Total Unrestricted Net Assets</b>	<b>\$668,647</b>	<b>\$640,658</b>	<b>\$505,900</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$668,647</b>	<b>\$640,658</b>	<b>\$505,900</b>
<b>TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS</b>	<b>\$736,826</b>	<b>\$782,247</b>	<b>\$591,182</b>	<b>\$12,151</b>	<b>\$12,151</b>	<b>\$12,151</b>	<b>\$748,977</b>	<b>\$794,398</b>	<b>\$603,333</b>
	- 0	- 0		0			-		
<b>Financial Reserves Targets as per 2022 Budget:</b>									
Minimum 3 months (25%) of Annual Operating Expenses=			\$ 255,609	-	907.44				
Maximum 6 months (50%) of Annual Operating Expenses=			\$ 511,218	-	1,814.88				
<b>Current Level of Financial Reserves (total unrestricted net assets):</b>			<b>\$668,647</b>						
<b>Current Level of Financials Reserve (%):</b>			<b>65%</b>		0.00				

## CAFI

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

### Membership Fees

			<u>Feb-22</u>			<u>Jul-22</u>		
			<u>Billed</u>	<u>Received</u>		<u>Billed</u>	<u>Received</u>	
BMO Bank of Montreal	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	
CIBC Insurance	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	
RBC Insurance	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	
ScotiaLife Financial	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	
TD Insurance	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	
Desjardins Financial Security Life Assurance Company	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	
National Bank Life Insurance Company	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	
Manulife Financial	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	
The Canada Life Assurance Company	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	
Sun Life Financial	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	
Assurant Solutions	2022 Lower Tier Member	\$	19,278	\$	19,278	\$	19,277	\$ 19,277
Canadian Premier Life Insurance Company	2022 Lower Tier Member	\$	19,278	\$	19,278	\$	19,277	
Cumis Group Ltd/Co-operators Life Insurance Co.	2022 Lower Tier Member	\$	19,278	\$	19,278	\$	19,277	
Valeyo	2022 Lower Tier Member	\$	19,278	\$	19,278	\$	19,277	
Canadian Tire Bank	2022 Initiation Members (Lower Tier)	\$	23,133	\$	-			
Norton Rose Fulbright Canada	Associate	\$	4,800	\$	4,800			
RSM Canada	Associate	\$	4,800	\$	-			
Willis Towers Watson	Associate	\$	4,800	\$	-			
KPMG MSLP	Associate	\$	4,800	\$	4,800			
Optima Communications	Associate	\$	4,800	\$	4,800			
RGA Life Reinsurance Company of Canada	Associate	\$	4,800	\$	4,800			
Torys LLP	Associate	\$	4,800	\$	4,800			
Dog and Pony Studios	Associate	\$	4,800	\$	-			
Stikeman Elliott LLP	Associate	\$	4,800	\$	4,800			
RSA	Associate	\$	4,800	\$	4,800			
<b>Feb Invoices</b>			<b>\$533,795</b>		<b>\$496,262</b>		<b>\$462,658</b>	<b>\$19,277</b>
<b>July Invoices</b>					<b>\$462,658</b>			
<b>Total Membership Fees</b>			<b>\$996,453</b>					
Total amount to realocate monthly Jan-Dec. 2022			<b>\$83,038</b>					

## **Briefing Note**

### **CAFII EOC Meeting 26 July, 2022—Agenda Item 3(b) Financial Management Matters—Forecast For CAFII 2022 Fiscal Year as at June 30/22**

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

To update the EOC on the financial forecast for the Association for fiscal year 2022 as at June 30/22.

#### **Background Information**

CAFII Treasurer Donald Hinnecke will provide an update on the CAFII 2022 fiscal year forecast as at June 30/22.

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

This is an update only.

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

1 attachment.

2022 CAFII Budget

Reference Only										
	2018 Actuals	2019 Actuals	2020 Actuals	2021 Actuals	CAFII 2022 Operating Budget Pre Tax	CAFII 2022 Operating Budget HST	CAFII 2022 Operating Budget	2022 YTD June 2022	2022 Forecast	Comment/Rationale
<b>Revenue</b>										
Membership Dues	\$695,545	\$734,664	\$884,721	\$955,970	\$996,452	\$0	\$996,452	\$498,226	\$986,852	At mid-point in the fiscal year, forecast to year-end includes the confirmed loss of Dog and Pony Studios as a CAFII Associate and the possible loss of Willis Towers Watson as a CAFII Associate (\$4,800 annual dues X2)
Annual Members' Luncheon "Additional Seats" Revenue	\$0	\$195	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Interest	\$0	\$982	\$399	\$236	\$250	\$0	\$250	\$182	\$250	Same as budget
<b>TOTAL REVENUE</b>	<b>\$ 695,545</b>	<b>\$ 735,841</b>	<b>\$ 885,120</b>	<b>\$ 956,206</b>	<b>\$ 996,702</b>	<b>\$ -</b>	<b>\$ 996,702</b>	<b>\$ 498,407</b>	<b>\$ 987,102</b>	
<b>EXPENSE</b>										
Management Fees	\$460,299	\$465,134	\$476,844	\$486,711	\$451,786	\$58,732	\$510,518	\$258,691	\$510,518	Same as budget
Legal and consulting costs associated with regulatory submissions and initiatives	\$563	\$0	\$28,975	\$74,221	\$80,000	\$10,400	\$90,400	\$0	\$60,000	At mid-point in the fiscal year, the forecast is that only up to \$60,000 (incl. HST) of the budgeted amount for legal and consulting costs will be spent in 2022. A further assessment and possible adjustment will be made in the Forecast as at September 30, 2022.
Audit Fees	\$14,432	\$14,799	\$16,743	\$13,224	\$13,230	\$1,720	\$14,950	\$7,356	\$14,950	Same as budget
Insurance	\$5,258	\$5,338	\$5,385	\$5,877	\$5,722	\$744	\$6,466	\$3,122	\$6,466	Same as budget
Website Ongoing Maintenance	\$6,461	\$10,022	\$5,765	\$6,958	\$6,649	\$864	\$7,513	\$4,585	\$7,513	Same as budget
Telephone/Fax/Internet	\$5,939	\$6,494	\$5,808	\$6,799	\$5,324	\$692	\$6,016	\$1,786	\$6,016	Same as budget
Postage/Courier	\$458	\$159	\$53	\$140	\$18	\$18	\$158	\$48	\$158	Same as budget
Office Expenses	\$2,423	\$2,025	\$2,158	\$2,694	\$4,646	\$604	\$5,250	\$2,690	\$5,250	Same as budget
Bank Charges	\$23	\$112	\$236	\$662	\$638	\$83	\$721	\$248	\$721	Same as budget
Depreciation Computer/Office Equipment	\$1,136	\$1,136	\$1,136	\$1,136	\$464	\$60	\$524	\$358	\$524	Same as budget
Miscellaneous Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Budget for Co-Executive Directors' New Office Equipment					\$8,000	\$1,040	\$9,040	\$0	\$9,040	Same as budget
<b>Board/EOC/AGM</b>										
Annual Members Luncheon	\$10,503	\$12,052	\$0		\$13,332	\$1,733	\$15,065	\$0	\$15,065	Same as budget
Board Hosting (External)	\$19,515	\$14,001	\$0		\$19,912	\$2,588	\$22,500	\$0	\$16,950	At mid-point in the fiscal year, the forecast is that only up to \$16,950 (incl. HST) of the budgeted amount for Board Hosting (External) will be spent in 2022. A further assessment and possible adjustment will be made in the Forecast as at October 31, 2022.
Board/EOC Meeting Expenses	\$20,715	\$35,419	\$4,676		\$25,712	\$3,343	\$29,055	\$150	\$19,000	At mid-point in the fiscal year, the forecast is that only up to \$19,000 (incl. HST) of the budgeted amount for Board and EOC Meeting Expenses will be spent in 2022. A further assessment and possible adjustment will be made in the Forecast as at October 31, 2022.
Industry Events	\$1,270	\$0	\$0		\$3,000	\$390	\$3,390	\$0	\$3,390	Same as budget
EOC Annual Appreciation Dinner	\$763	\$2,193	\$4,244		\$4,695	\$610	\$5,305	\$0	\$5,305	Same as budget
Speaker fees & travel	\$191	\$1,189	\$0		\$3,000	\$390	\$3,390	\$0	\$3,390	Same as budget
Gifts	\$0	\$200	\$0		\$1,062	\$138	\$1,200	\$0	\$1,200	Same as Budget
Networking Events	\$0	\$0	\$0		\$4,500	\$585	\$5,085	\$0	\$5,085	At mid-point in the fiscal year, the forecast is that only up to \$3,500 (incl. HST) of the budgeted amount for Networking Events will be spent in 2022. A further assessment and possible adjustment will be made in the Forecast as at September 30, 2022.
CAFII Reception Events	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	Placeholder line item
CAFII 25th Anniversary Celebration	\$0	\$0	\$0		\$35,000	\$4,550	\$39,550	\$0	\$39,550	Same as budget
<b>Total Board/EOC/AGM</b>	<b>\$52,957</b>	<b>\$65,053</b>	<b>\$8,920</b>	<b>\$1,822</b>	<b>\$110,213</b>	<b>\$14,328</b>	<b>\$124,540</b>	<b>\$150</b>	<b>\$124,540</b>	
Provincial Regulatory Visits and Relationship-Building	\$11,230	\$16,833	\$983		\$18,000	\$2,340	\$20,340	\$629	\$8,150	At mid-point in the fiscal year, the forecast is that only up to \$8,150 (incl. HST) of the budgeted amount for Provincial Regulatory Visits and Relationship-Building will be spent in 2022. A further assessment and possible adjustment will be made in the Forecast as at September 30, 2022.
Federal Regulatory Visits and Relationship-Building	\$0	\$442	\$540		\$5,000	\$650	\$5,650	\$0	\$2,825	At mid-point in the fiscal year, the forecast is that only up to \$2,825 (incl. HST) of the budgeted amount for Federal Regulatory Visits and Relationship-Building will be spent in 2022. A further assessment and possible adjustment will be made in the Forecast as at September 30, 2022.
Research/Studies	\$77,345	\$5,368	\$28,646	\$75,473	\$60,000	\$7,800	\$67,800	\$14,831	\$67,800	Same as budget
Website SEO and Enhancements	\$21,702	\$40,914	\$31,144	\$50,737	\$40,000	\$5,200	\$45,200	\$0	\$45,200	Same as budget
Regulatory Model(s)	\$6,490	\$7,555	\$0		\$0	\$0	\$0	\$0	\$0	Placeholder line item
CAFII Benchmarking Study/RSM Canada	\$0	\$0	\$68,365	\$67,800	\$60,000	\$7,800	\$67,800	\$16,950	\$67,800	Same as budget
FCAC Presentation	\$0	\$0	\$20,905	\$0	\$0	\$0	\$0	\$0	\$0	Same as budget
Media Outreach	\$6,883	\$5,683	\$350	\$9,543	\$6,500	\$845	\$7,345	\$1,946	\$7,345	Same as budget
Media Consultant Retainer	\$31,639	\$27,120	\$27,685	\$29,792	\$27,000	\$3,510	\$30,510	\$22,076	\$38,000	At mid-point in fiscal year, the forecast is for a modest unfavourable variance to budget, due largely to increased wire service and related costs for issuing CAFII media releases (but offset in large measure by budget provision in "Media Outreach" line item)
Marketing Collateral	\$557	\$1,629	\$845	\$717	\$1,500	\$195	\$1,695	\$195	\$1,695	Same as budget
Tactical Communications Strategy	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	Placeholder line item
Contingency For Possible Resumption Of In-Person Meetings/Events, Etc. in 2022	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	Placeholder line item
<b>TOTAL EXPENSE</b>	<b>\$ 705,793</b>	<b>\$ 675,816</b>	<b>\$ 731,485</b>	<b>\$ 834,165</b>	<b>\$ 904,811</b>	<b>\$ 117,625</b>	<b>\$ 1,022,437</b>	<b>\$ 335,661</b>	<b>\$ 984,512</b>	
<b>Excess of Revenue over Expenses</b>	<b>(\$10,248)</b>	<b>\$60,025</b>	<b>\$153,636</b>	<b>\$122,041</b>			<b>(\$25,735)</b>	<b>\$162,747</b>	<b>\$2,590</b>	
Total Equity (beginning of year)	\$180,447	\$170,198	\$230,223	\$383,859			\$505,900	\$505,900	\$505,900	
Total equity (end of year)	\$170,198	\$230,223	\$383,859	\$505,900			\$480,165	\$668,647	\$508,490	

**Explanatory Notes:**  
(1) Assumes Two Co-Executive Directors, one @ 5 days per week; one @ 4.5 days per week; plus Managing Matters Admin support  
(2) Amortization of office equipment based on 4 year straight line depreciation  
(3) \$90,400 Legal Expense for Marc Dequette/Norton Rose Fulbright to complete legal opinion re: AMF Spousal Coverage Issue. Alternative for paying for legal opinion is to use the remaining funds from the CCPBI Special Project Fund

Actual/Forecasted Financial Reserves	2018 Actuals	2019 Actuals	2020 Actuals	2021 Actuals	2022 Operating Budget	2022 Forecast
Minimum 3 months (25%) of Annual Operating Expenses =	\$176,448	\$168,954	\$182,871	\$208,541	\$255,609	\$246,128
Maximum 6 months (50%) of Annual Operating Expenses =	\$352,897	\$337,908	\$365,742	\$417,083	\$511,218	\$492,256
Actual/Forecasted Level of Financial Reserves:	\$170,198	\$230,223	\$383,859	\$505,900	\$480,165	\$508,490
Actual/Forecasted Level of Financial Reserves %:	24%	34%	52%	61%	47%	52%

### 2019 Operational Budget - Member Dues Breakdown

#### 2018 Member Dues Breakdown

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

#### 2019 (Base) Member Dues Breakdown

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

### 2019 Operational Budget - Member Dues Breakdown - Revised

#### 2019 Member Dues Breakdown

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

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

#### 2020 Member Dues Breakdown

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

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

#### 2020 Member Dues Breakdown

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

#### 2020 Upper Tier Member

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

#### 2020 Lower Tier Member

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

#### 2020 Initiation Members (Upper Tier)

Sun Life Financial

#### 2020 Associate

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

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

Did not renew in 2020

PWC  
Munich Reinsurance Company Canada Branch (Life)  
RankHigher.ca

### 2021 Operational Budget - Member Dues Breakdown - No Dues Increase

#### 2021 Member Dues Breakdown

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

#### 2021 Upper Tier Member

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

#### 2021 Lower Tier Member

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

#### 2021 Initiation Members (Upper Tier)

Sun Life Financial 2 Year

#### 2021 Associate

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

### 2021 Forecast

#### 2021 Member Dues Breakdown

Upper Tier Member	77,110	9	693,989.10
Lower Tier Member	38,555	4	154,219.80
Initiation Members (Upper Tier)	46,266	1	46,265.94
Initiation Members (Lower Tier)	13,494	1	13,494.00
Associate	4,800	10	48,000.00
			955,968.84

#### 2021 Upper Tier Member

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

#### 2021 Lower Tier Member

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

#### 2021 Initiation Members (Upper Tier)

Sun Life Financial 2 Year

#### 2021 Associate

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

#### Initiation Members (Lower Tier)

Canadian Tire Bank CTB is joining CAFII in early June, we will

### 2022 Operational Budget - Member Dues Breakdown - No Dues Increase

#### 2022 Member Dues Breakdown

Upper Tier Member	77,110	10	771,099.00
Lower Tier Member	38,555	4	154,219.80
Initiation Members (Upper Tier)	46,266	0	0.00
Initiation Members (Lower Tier)	23,133	1	23,132.97
Associate	4,800	10	48,000.00
			996,451.77

#### 2022 Upper Tier Member

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

#### 2022 Lower Tier Member

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

#### 2022 Initiation Members (Upper Tier)

#### 2022 Associate

RSM Canada  
Willis Towers Watson (renewal for 2022 remains uncertain)  
KPMG MSLP  
Optima Communications  
RGA Life Reinsurance Company of Canada  
Torys LLP  
Dog and Pony Studios (declined to renew for 2022)  
Stikeman Elliott LLP  
RSA  
Norton Rose Fulbright Canada

#### Initiation Members (Lower Tier)

Canadian Tire Bank

2nd Year

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 3(c)  
Financial Management Matters—Issuance of CAFII Member 2022 Second Instalment Dues Invoices;  
and CAFII Associate 2022 Dues Payments as at July 22/22**

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

To update the EOC on the issuance of 2022 second instalment member dues invoices.

### **Background Information**

CAFII issued the 2022 second instalment member dues invoices in early July.

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

This is an update only.

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

No attachments.



## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 3(d)  
Financial Management Matters— Recommendation from CAFII Management, Supported by Treasurer,  
That CAFII Member Dues Be Consolidated Into One Invoice/Payment Starting in 2023**

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

To inform the EOC of a proposed new approach to the collection of membership dues.

### **Background Information**

CAFII has traditionally, for reasons that are not entirely clear, issued dues invoices in two instalments. Inevitably, there is some to-and-fro around the collection of the dues payment arising from the invoices, and in some cases significant management time is spent getting the dues settled. To save time for members as well as CAFII management, it is being proposed that starting in 2023, one single annual invoice will be sent early in the year for the collection of the full year's dues.

The request is that the EOC consider this recommendation and socialize it within members' respective companies over the remainder of the summer; and the proposal will then be brought back to the September 20/22 EOC meeting for formal endorsement. If endorsed by the EOC, the proposal would be presented to the CAFII Board for approval at its October 11/22 meeting.

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

This is an update-only on a proposal that will be presented to the EOC for endorsement at its subsequent meeting on September 20/22.

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

No attachments.

**Agenda Item 4(a)**  
**July 26/22 EOC Meeting**

**Recently Completed and Imminent/Pending CAFII Regulatory Submissions As At July 22, 2022**

<b><u>Regulatory Authority</u></b>	<b><u>Topic</u></b>	<b><u>Deadline</u></b>	<b><u>Comments</u></b>
CISRO	Survey of Industry Associations on "Understanding the Consumer Awareness Strategies Currently Undertaken By Industry"	November 30, 2021	Completed by B. Wycks on CISRO's Survey Monkey site.
AMF	Draft Regulation on Complaints Handling and Dispute Resolution in the Financial Sector	December 8, 2021	CAFII submission sent on December 8/21.
FCAC	Proposed Guideline On Complaint Handling Procedures For Banks and Authorized Foreign Banks	December 11, 2021	CAFII submission sent on December 11/21.
FCAC	Proposed Guideline on Appropriate Products and Services For Banks and Authorized Foreign Banks	January 6, 2022	CAFII submission sent on January 6/22. Follow-up virtual Stakeholder Session, requested by FCAC, took place on Friday, January 15/22.
AMF	Revised/Updated Sound Commercial Practices Guideline	January 28, 2022	CAFII submission sent on January 28/22.
FCAC	Proposed Guideline on Whistleblowing Policies and Procedures for Banks and Authorized Foreign Banks	January 29, 2022	CAFII Co-Executive Directors are of the view that this consultation is "out of scope" for our Association, and is best left for the Canadian Bankers Association (CBA) to respond to/address. This is the third in a series of consultations on guidelines that FCAC has developed to help Banks comply with their obligations in the <a href="#">Bank Act</a> and the new <a href="#">Financial Consumer Protection Framework Regulations</a> , which will come into force on June 30, 2022. A first consultation on a proposed <a href="#">Guideline on Complaints Handling Procedures</a> ended on December 11, 2021. A second consultation on a proposed <a href="#">Guideline on Appropriate Products and Services</a> is in progress until January 6, 2022.

FCNB	"Proposed Rule INS-001: Insurance Intermediaries Licensing and Obligations"	CAFII submission sent on February 7, 2022	Among various matters, outlines specifics of FCNB's plan to introduce a Restricted Insurance Agent (RIA) licensing regime in New Brunswick, which will be the first in Atlantic Canada.
OSFI	Draft Guideline B-13: Technology and Cyber Risk Management	February 9, 2022	Insights gained from a November 30/21 OSFI Information Session webinar enabled CAFII to determine that this OSFI consultation is "out of scope" for our Association, as it is exclusively prudential regulation/"going concern"-focused and not inclusive of consumer-oriented, market conduct regulatory issues.
FSRA	"Information Guidance on complaints resolution"	CAFII submission sent on February 15, 2022	Released on December 22/21 for a 55 days public consultation. CAFII has responded to FSRA consultations of this nature/type in the past.
FCNB	Proposed Rule INS-002: Insurance Fees"	CAFII submission sent on February 18, 2022	Released on December 17/21 for a 60 days public consultation. CAFII has responded to FCNB consultations of this nature/type in the past.
AMF	Incentive Management Guideline	CAFII submission sent on February 18, 2022	AMF extended deadline from the initial January 28/22, largely at CLHIA's behest.
BCFSA	"Discussion Paper: Information Security Incident Reporting"	CAFII submission sent on March 1, 2022	A delegation of approximately 15 CAFII representatives met virtually with BCFSA staff executives Saskia Tolsma, Rob O'Brien, and Steven Wright to discuss the Authority's "Discussion Paper: Information Security Incident Reporting" and CAFII's preliminary feedback on that consultation document (Rob and Steven, collectively, are responsible for drafting BCFSA's market conduct-related consultation documents). Insights gained caused CAFII to overhaul its draft written submission on the Discussion Paper – largely to be more emphatic and specific in its recommendations around national harmonization, through CCIR – and to secure a two business days deadline extension to March 1/22.
CCIR/CISRO	Proposed "Incentive Management Guidance"	April 4, 2022	CAFII submission sent on April 4/22.
FSRA	"Principles-Based Regulation" consultation document	April 29, 2022	CAFII submission sent on April 29/22.
FSRA	Proposed "Principles of Conduct for Insurance Intermediaries"	May 3, 2022	CAFII submission sent on May 3/22.

FCNB	Informal Consultation on Imminent Amendments to Life; and Accident & Sickness Insurance sections of New Brunswick Insurance Act	May 20, 2022 (Life Insurance section) and May 27, 2022 (Accident and Sickness Insurance section)	With FCNB's agreement/permission, CAFII formed a special ad hoc Working Group comprised of one representative from 12 participating Member companies to tackle this review and feedback assignment under a Confidentiality Undertaking. CAFII submissions sent on May 20, 2022 (Life Insurance section) and May 27, 2022 (Accident and Sickness Insurance section).
FSRA	Consultation on "Guidance on Use of Retained Revenues under Regulation 'Money Retained Outside the Consolidated Revenue Fund'	May 31, 2022	CAFII submission sent on May 31/22.
OSFI	Consultation on "Culture Risk Management"	May 31, 2022	EOC determined that this consultation is out-of-scope for CAFII.
Insurance Council of BC	Consultation on "Insurance Council Rules" (which set the licence conditions and requirements for all BC insurance licensees)	June 1, 2022	EOC determined that this consultation is out-of-scope for CAFII.
CISRO	Consultation on Improvements to Life Insurance Replacement Declaration (LIRD) Form	July 8, 2022	EOC determined that this consultation is out-of-scope for CAFII.
OSFI	Consultation on Updated Guideline B-10: Third Party Risk Management	September 30, 2022	CAFII's Market Conduct & Licensing Committee has had two meetings on this consultation document. A decision remains to be reached as to whether this consultation is "in scope" for CAFII. Released on April 27/22 for a 90 days public consultation. However, on July 18/22, OSFI announced that the submission deadline had been extended from July 27/22 to September 30/22.
BC Ministry of Finance	Consultation on Proposed Restricted Insurance Agent (RIA) Licensing Regime in BC	October 3, 2022	Released on June 30/22 for a 95 days public consultation.

## **Briefing Note**

### **CAFII EOC Meeting 26 July, 2022—Agenda Item 4(a)i**

#### **Committee Updates: Market Conduct & Licensing: OSFI Consultation On Updated Guideline B-10:**

#### **Third-Party Risk Management (Submission Deadline Recently Extended by OSFI to September 30/22)**

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

This is an update on a current OSFI regulatory consultation.

### **Background Information**

CAFII is considering whether to make a submission to OSFI on its updated Guideline B-10: Third-Party Risk Management.

CAFII met with OSFI officials on 13 July, 2022 (Elspeth Bowler, Managing Director; Josh Lattimore, Senior Advisor; John Preiato, Director) and learned that OSFI does intend to have the new guideline apply to wholly-owned subsidiaries within FRFIs. It also expects some form of risk assessment to occur for all third-party activities, even if they are incidental to the operations of the organization.

This constitutes a significantly increased work effort for regulated entities. However, it is not clear what, if any, specific issues this raises for credit protection insurance, travel insurance, and direct-to-consumer distribution. And if there are no specific issues related to these areas of core focus for CAFII, it may make best sense for CAFII to pass on making a written response submission and instead to defer to the CBA and the CLHIA, and support their respective submissions.

CAFII learned on July 19/22 that OSFI has extending the deadline for response submissions to September 30, 2022.

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

This is an update only.

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

Three attachments.

***Agenda Item 4(a)(i)(1)***  
***July 26/22 EOC Meeting***

**July 18/22 CAFII Market Conduct & Licensing Committee Meeting**  
**on Possible CAFII Submission to OSFI on Its Revised Guideline B-10: Third-Party Risk Management**  
**Meeting Summary**

**In Attendance:**

Brad Kuiper, ScotiaLife Financial (Chair)  
Fay Coleman, TD Insurance (Vice Chair)  
David Self, CIBC Insurance  
John Burns, Canadian Premier Life  
Casandra Litniansky, CUMIS  
Tejal Harri-Morar, BMO Insurance  
Brendan Wycks, CAFII  
Keith Martin, CAFII

**Background**

This was the second one-hour meeting of the CAFII Market Conduct & Licensing Committee on what response CAFII should make to OSFI's consultation on its revised B-10 Guideline (Third-Party Risk Management). At the prior meeting on 27 June, 2022, there were many questions about whether OSFI really intended to expand the scope of its Guideline to capture all outsourced activities, including those conducted by a FRFI's wholly-owned subsidiaries. In response, CAFII was asked to inquire about this with OSFI prior to the Association's completing any further work on this consultation.

**Meeting with OSFI on 13 July, 2022**

Keith Martin and Brendan Wycks met virtually with three OSFI staff executives on 13 July, 2022. The OSFI participants were

- Elspeth Bowler, Managing Director;
- Josh Lattimore, Senior Advisor;
- John Preiato, Director.

All three representatives participated but Ms. Bowler took the lead. Her key message was that the scope of the proposed updated Guideline on Third-Party Risk Management was quite deliberately intended to be broader than the predecessor Guideline on Outsourcing, and that wholly owned subsidiaries were indeed meant to be captured.

However, the OSFI representatives took pains to emphasize that while nothing was “formally excluded,” they recognized that certain types of third party risks (such as garbage collection or snow removal, for example) are less material and ‘critical’. As such, they expected FRFIs to have a risk assessment model and approach which would relegate some third-party risks to the status of immaterial. Everything had to be looked at through the lens of a sliding scale of risk, and with elements such as criticality and concentration risk (too much risk in one geographic area) etc. all being relevant to the overall risk assessment.

On the specific matter of wholly owned subsidiaries, an example was given of a parent company that performed functions for a subsidiary; and, through that relationship, “stacked the board” of the subsidiary. Such a situation would create real risks and therefore would have to be captured as such. Another example given was how during an early phase of the COVID pandemic, some call centre operations in India – which could be wholly owned subsidiaries -- were impacted in a major way by the virus. Such risks would have to be captured.

Keith Martin noted that the number and complexity of the third-party relationships in large financial institutions made the reporting requirement of capturing all of these relationships daunting; and that there were constant changes being made to these arrangements and the parties they were with, meaning that these reports would have to be constantly updated.

OSFI commented that they were currently involved in a pilot testing exercise with a particular FRFI on the capturing of this data efficiently, and they were making adjustments to their expectations based on their observations.

This would be an exercise that would be implemented over time; and after the Guideline is finalized, there will be a Working Group with industry representation struck in the fall of 2022 to discuss the implementation of the Guideline.

Brendan Wycks noted that the insurance divisions of banks have their own unique issues that are separate from their corporate bank parents, and Elspeth Bowler therefore committed to ensuring that there is representation on this Working Group from the insurance division of at least one of the major banks. However, OSFI also said that “a big list of exceptions has not worked well for OSFI” in the past; and that all third-party risk relationships needed to go through the risk assessment exercise in some capacity.

#### **Meeting with CLHIA on 30 June, 2022 on OSFI B-10**

CAFII’s Co-Executive Directors also met with Sarah Hobbs, Director, Policy, and Devika Prashad, Vice President and Chief Actuary, at CLHIA on 30 June, 2022 to compare notes on the OSFI B-10 consultation.

CLHIA said that the major points in its written submission would relate to the Guideline being too prescriptive; and around challenges to its capturing of MGAs and brokers, which are such extensive and large relationships that they could pose challenges to members around reporting requirements. There were also concerns around the requirements being all-encompassing and including marginal risks. There were also issues that would be raised by CLHIA around re-insurance.

### **Next Steps Coming Out of July 18/22 CAFII Market Conduct & Licensing Committee Meeting**

The key points made by Market Conduct & Licensing Committee members were that the reporting requirements and efforts required to meet OSFI's comprehensive capture of all third-party risks constituted an enormous effort that would require the dedication of significant new internal resources to the task.

Keith Martin noted that typically CAFII -- which is focused on credit protection insurance, travel insurance, and direct-to-consumer distribution channels -- emphasizes issues specific to those areas alone in its response submissions to regulatory consultations; and it was not clear what was unique about those areas with respect to OSFI's revised/updated Guideline B-10: Third-Party Risk Management, such that CAFII's feedback would provide input that would not be addressed by the Canadian Bankers Association (CBA) and/or the Canadian Life and Health Insurance Association (CLHIA) in their respective submissions to OSFI.

Keith Martin noted the risk of expanding the scope of CAFII's submission to address issues that might be considered 'bank-wide' issues, including the potential for taking a different approach than the CBA might take.

It was agreed that the next step would be for CAFII to meet with the relevant CBA staff executives to discuss these issues, and then to communicate the outcomes of that discussion to the Market Conduct & Licensing Committee members. At that stage, CAFII should be able to reach a consensus determination on whether or not our Association should make a submission of its own to OSFI on Revised Guideline B-10, or instead defer to CBA and CLHIA and support their respective submissions.

### **Other Matters and Next Steps**

CAFII has subsequently learned that OSFI has extended the deadline for submissions in response to its Revised Guideline B-10 consultation document, from 27 July, 2022 to 30 September, 2022.

CAFII has reached out to the CBA staff executives in order to arrange a virtual meeting to discuss these matters.

### **Addendum**

Fasken has produced a helpful legal analysis summary on OSFI's B-10 consultation document which can be found here:

[Transition to Risk-Based Approach: OSFI's Revised Draft Guideline on Third-Party Risk Management | Knowledge | Fasken](#)



**Agenda Item 4(a)(i)(2)**  
**July 26/22 EOC Meeting**

**From:** Sarah Hobbs <SHobbs@clhia.ca>  
**Sent:** July-20-22 9:16 AM  
**To:** Keith Martin <Keith.Martin@cafii.com>; Brendan Wycks <brendan.wycks@cafii.com>  
**Cc:** Devika Prashad <dprashad@clhia.ca>  
**Subject:** OSFI Guideline B-10 extension

Hi Keith/Brendan,

You likely would have seen yesterday that OSFI is extending the comment period for the public consultation processes on [Draft Revised Guideline B-10 Third-Party Risk Management](#) and [Draft Guideline B-15 Climate Risk Management](#) until **September 30, 2022**.

I know we have our touch base next week on Guideline B-10. Given that we have more time to provide comments, it probably makes sense for us to reschedule our touch base to September. Please let me know if you have availability for Wednesday, September 28 at 10am EST.

**Sarah Hobbs** (she/her)  
Director, Policy  
Direct: 416-359-2012  
Cell: 416-312-7201



Canadian Life and Health  
Insurance Association  
79 Wellington St. West, Suite 2300  
P.O. Box 99, TD South Tower  
Toronto, Ontario M5K 1G8

**From:** [Tolga.Yalkin@osfi-bsif.gc.ca](mailto:Tolga.Yalkin@osfi-bsif.gc.ca)  
**Sent:** July 18, 2022 5:09 p.m.  
**Subject:** Feedback on OSFI consultations

As the Office of the Superintendent of Financial Institution's (OSFI) new head of Policy Innovation and Stakeholder Affairs, I would like to thank you for your feedback on our recent policy consultations. We appreciate that significant time and effort is needed for our industry stakeholders to provide us input, and that when multiple requests occur simultaneously, this work can become more difficult. This is why we are extending the comment period for the public consultation processes on [Draft Revised Guideline B-10 Third-Party Risk Management](#) and [Draft Guideline B-15 Climate Risk Management](#) until September 30, 2022.

Recognizing that these extensions may also delay the release of final guidance—and to support the industry's forward planning—OSFI will provide a scheduling update on these guidelines, as well as a broader update on all its policy timelines in the fall.

Finally, [OSFI's Strategic Plan](#) sets the foundation for future enhancements to our policy development practices and processes. As we shape this initiative, we will engage in ongoing dialogue with industry stakeholders and consider your recent feedback.

Best regards,

**Tolga R. Yalkin**

**Assistant Superintendent, Policy Innovation and Stakeholder Affairs (PISA) (he/him)**

Policy Innovation and Stakeholder Engagement (PISA)

Office of the Superintendent of Financial Institutions / Government of Canada

[amanda.devost@osfi-bsif.gc.ca](mailto:amanda.devost@osfi-bsif.gc.ca) / Tel: [\(343\) 542-8329](tel:(343)542-8329)

*My working hours may not be your working hours. Please do not feel obligated to reply outside of your normal work schedule.*

**Agenda Item 4(a)(i)(1)**  
**July 26/22 EOC Meeting**

Fasken Financial Services Bulletin

JULY 18, 2022

On April 27, 2022, the Office of the Superintendent of Financial Institutions (OSFI) released a draft update to its Guideline B-10, **Draft Guideline B-10: Third-Party Risk Management** (Draft Guideline), which sets out enhanced expectations for federally regulated financial institutions (FRFIs) in managing an expanded scope of third-party risks. The Draft Guideline is a substantial revision to **the current Guideline B-10** and places a greater emphasis on governance and risk management plans and specific outcomes and principles. The Draft Guideline is near the end of its three-month public consultation period. Interested stakeholders may still submit their comments to [b10@osfi-bsif.gc.ca](mailto:b10@osfi-bsif.gc.ca) until **September 30, 2022**. The final Guideline B-10 is expected to be issued in fall 2022.

The Draft Guideline offers a new perspective on risk-management expectations through four main changes relative to the existing Guideline B-10.

First, the scope of the Draft Guideline is expanded to include a wider variety of third-party arrangements. The current Guideline B-10 applies to “outsourcing arrangements”, which are arrangements “whereby the service provider performs a business activity, function or process that is, or could be, undertaken by the [FRFI] itself”. In developing the Draft Guideline, OSFI recognizes FRFIs are increasingly relying on a broad range of third parties in delivering critical activities that go beyond outsourcing arrangements. As a result, the Draft Guideline applies to “third-party arrangements” more broadly, which include any business or strategic arrangement with external entities. Examples of arrangements that would be subject to the Guideline include the use of independent professionals, brokers, and utilities (such as telecommunications); use of financial market infrastructure; other relationships involving the provision of services for the storage, use or exchange of data; and, generally any outsourced activities, functions, and services.

Second, the Draft Guideline widens the scope of risk governance beyond outsourcing activities to encompass third party risks generally. The Draft Guideline introduces “third-party risks” as an expanded concept that captures “risk to the FRFI’s operational and financial resilience or reputation due to a third party failing to provide goods and services, protect data or systems, or otherwise carry out activities in accordance with the arrangement”.

Third, the Draft Guideline replaces the materiality threshold in the current guideline and introduces a new “risk-based approach”, which requires a more comprehensive risk management framework that accounts for the level of risk and the criticality associated with individual third-party arrangements. The level of risk and FRFI’s operational and financial resilience are not measured against the “materiality” of the agreement, but through “criticality”, which is defined “as the degree of impact of the third-party arrangement on the FRFI’s risk profile, operations, strategy and/or financial condition.”

OSFI provides that the exercise of determining risk should be a multi-pronged assessment that takes into consideration:

- the risks intrinsic in a particular third party (such as insolvency risks and the possibility of operational disruptions),
- the “criticality” of the nature of engagement with that third party, and
- the “concentration risks” associated with reliance on a small number of and/or geographically concentrated third-party providers or subcontractors.

Ultimately, the FRFIs are expected to manage the third-party risks in a manner that is proportionate to the level of risk and complexity of the FRFI’s third-party ecosystem.

#### OSFI’s Key Expectations as Set Out in the Draft Guideline

The fourth major change in the Draft Guideline is that it introduces a modernized guidance structure that is designed around five overarching outcomes based on 11 principles to enhance the operational and financial resilience of FRFIs. The intended outcomes start with foundational issues to ensure that FRFIs have put into place appropriate governance and accountability structures that deal with third-party engagements. This risk management framework is then expected to be used to identify and assess the risks posed by third parties, to manage and mitigate those risks within the FRFI’s risk appetite, as well as to continually monitor the performance of third parties. Finally, OSFI expects the FRFI’s risk management program to be dynamic and actively capture a range of third-party arrangements and interactions, including those with standardized contracts or those involving technology and cyber risks. Below is a summary of OSFI’s desired outcomes and the principles and other expectations devised by OSFI to help FRFIs achieve these outcomes.

1. Governance	
<b>Governance Generally</b>	<b>Outcome:</b> Governance and accountability structures are clear with comprehensive risk strategies and frameworks in place to contribute to ongoing operational and financial resilience.
<b>Accountability</b>	<b>Principle 1:</b> The FRFI is ultimately accountable for all business activities, functions, and services outsourced to third parties and for managing the risks related to third-party arrangements.

<b>Third-Party Risk Management Framework (TPRMF)</b>	<p><b>Principle 2:</b> The FRFI should establish a third-party risk management framework that sets out clear accountabilities, responsibilities, policies, and processes for identifying, managing, mitigating, monitoring, and reporting on risks relating to the use of third parties.</p> <p>Additional Expectations:</p> <ul style="list-style-type: none"> <li>• Establish an enterprise-wide third-party risk management framework (TPRMF) to govern the lifecycle of third-party arrangements.</li> <li>• Regularly review, update, and improve the TPRMF.</li> </ul>
<b>1. Third-Party Risk Management Program</b>	
<b>Risk Identification and Assessment</b>	<p><b>Outcome:</b> Risks posed by third parties are identified and assessed.</p> <p><b>Principle 3:</b> The FRFI should identify and assess the risks of a third-party arrangement before entering the arrangement and periodically thereafter, proportionate to the level of risk and criticality of the arrangement.</p> <p><b>Principle 4:</b> The FRFI should undertake due diligence prior to entering any form of arrangement with a third party, and on an ongoing basis proportionate to the level of risk and criticality of the arrangement.</p> <p><b>Principle 5:</b> The FRFI should assess, manage, and monitor the risks of subcontracting arrangements entered by third parties, including the impact of these arrangements on concentration risk.</p> <p>Additional Expectations:</p> <ul style="list-style-type: none"> <li>• Conduct risk assessment throughout the lifecycle of a third-party arrangement—including prior to entering into the arrangement, regularly throughout the lifecycle of the arrangement, and whenever there is material change in the arrangement or third party.</li> <li>• Conduct due diligence prior to entering into a third-party arrangement, periodically on an ongoing basis, and whenever there is material change in the arrangement or third party.</li> </ul>

	<ul style="list-style-type: none"> <li>Assess concentration risk both prior to entering an arrangement and on an ongoing basis.</li> <li>Assess subcontracting risks and whether the existence of material subcontracting might negatively impact operational and financial resilience of a third party.</li> <li>Determine whether the arrangement aligns with the FRFI's risk appetite for the relevant risks.</li> </ul>
<b>Risk Management and Mitigation</b>	<p><b>Outcome:</b> Risks posed by third parties are managed and mitigated within the FRFI's Risk Appetite Framework.</p> <p><b>Principle 6:</b> The FRFI should enter into written arrangements that set out the rights and responsibilities of each party.</p> <p><b>Principle 7:</b> The FRFI and third party should establish and maintain appropriate measures to protect the confidentiality, integrity and availability of records and data throughout the duration of the third-party arrangement.</p> <p><b>Principle 8:</b> The FRFI's third-party arrangements should allow the FRFI timely access to accurate and comprehensive information to assist it in overseeing third-party performance and risks. The FRFI should also have the right to conduct or commission an independent audit of a third party.</p> <p><b>Principle 9:</b> The FRFI's agreement with the third party should encompass the ability to deliver operations through a disruption, including the maintenance, testing, and activation of business continuity and disaster recovery plans. The FRFI should have contingency plans for its critical third-party arrangements.</p> <p>Additional Expectations:</p> <ul style="list-style-type: none"> <li>Define clear rights and responsibilities of between the FRFI and third party in a written agreement, and at a minimum include the provisions that are set out in <b>Annex 2</b> of the Draft Guideline, whenever it is feasible to customize the contract.</li> </ul>

	<ul style="list-style-type: none"> <li>• Through the written agreements, establish and maintain appropriate measures to protect the confidentiality, integrity, and availability of data.</li> <li>• Through the written agreements, specify the reporting obligations of the third party to the FRFI to allow for appropriate monitoring of the performance measures, and to require reporting of events that could materially impact the FRFI, while also reserving audit rights.</li> <li>• Through the written agreements, outline measures for ensuring continuity of services in the event of disruption, and require the third party to regularly test the relevant disaster recovery programs.</li> <li>• Establish exit plans, encompassing both planned and unplanned exits, proportionate to the level of risk and criticality of the third-party arrangement.</li> </ul>
<b>Monitoring and Reporting</b>	<p><b>Outcome:</b> Third-party performance is continually monitored and assessed, and risks and incidents are proactively addressed.</p> <p><b>Principle 10:</b> The FRFI should monitor its third-party arrangements to verify the third party's ability to continue to meet its obligations and effectively manage risks.</p> <p><b>Principle 11:</b> Both the FRFI and its third-party should have documented processes in place to effectively identify, investigate, escalate, track, and remediate incidents to ensure ongoing operational and financial resilience and maintain risk levels within the FRFI's risk appetite.</p> <p>Additional Expectations:</p> <ul style="list-style-type: none"> <li>• Monitor third-party agreements to ensure that the terms of the agreement are being followed, and that the third party remains financially sound.</li> <li>• Verify whether third-party arrangements, individually and in aggregate, remains within the FRFI's risk appetite.</li> </ul>

	<ul style="list-style-type: none"> <li>Ensure that third parties have documented processes for identifying, investigating, escalating, remediating, and notifying the FRFI of incidents that could impact the third party's ability to deliver the goods and/or services.</li> </ul>
<b>1. Special Arrangements</b>	
	<p><b>Outcome:</b> The FRFI's risk management program is dynamic and actively captures and appropriately manages a range of third-party arrangements and interactions.</p> <p>Additional Expectations:</p> <ul style="list-style-type: none"> <li>Where products and services are received under pre-defined terms and conditions in standard contracts—or where written arrangements do not exist—the FRFI should still have a third-party risk management program that covers the relationship, developing redundancies and other resiliency methods.</li> <li>Where the third party is an external auditor, assure that the auditor would be in compliance with the applicable auditor independence requirements.</li> </ul>
<b>1. Technology and Cyber Risk in Third-Party Arrangements</b>	
	<p>Additional Expectations:</p> <ul style="list-style-type: none"> <li>Where there are technology and cyber risks in a third-party arrangement, establish clear responsibilities between the parties in the written agreement in harmony with the risks and criticality of the arrangement.</li> <li>Ensure that third parties comply with <b><u>FRFI standards for mitigating technology and cyber risks</u></b>.</li> <li>Develop cloud-specific requirements for strategic adoption of cloud services and to enhance controls in data protection, key management, and container management.</li> <li>Consider portability when entering an arrangement with a cloud service provider as part of the exit strategy planning.</li> </ul>



### Takeaways for FRFIs and Third-Party Service Providers

With its wider scope and more extensive assessment of risks, the upcoming revision of Guideline B-10 will require FRFIs to re-evaluate their current practices and processes, conduct additional diligence on third-party service providers, and where needed enhance their third-party risk management frameworks. Aside from updates to internal policies and review mechanisms, federally regulated financial institutions will be required to review, enhance, and update their current agreements and contract templates with third parties for critical offerings. The new Draft Guideline B-10 is intended to complete OSFI's **near-term plans** to modernize its risk management guidance (which also includes the introduction of Guideline B-13: Technology and Cyber Risk Management, **the final version of which OSFI expects to release in the coming weeks**), and the FRFIs now have the opportunity to revisit their risk management practices with a more comprehensive view.

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## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 4(a)ii**

**Committee Updates: Market Conduct & Licensing: FCNB's July 4/22 Communication of June 23/22 Adoption (Final Versions) of *Rule INS-001: Insurance Intermediaries Licensing and Obligations* (Pending Ministerial Approval); and *Rule INS-002: Insurance Fees* (Pending Ministerial Approval)**

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

This is an update on the final outcomes of a recent FCNB industry consultation, and an opportunity to discuss the implications for CAFII members of those outcomes.

### **Background Information**

CAFII made a detailed submission to the FCNB on its Rule INS-001 and Rule INS-002. The recently published final Rules have largely ignored the feedback from CAFII. This will be an update on the approach the FCNB is taking and an opportunity for discussion of that approach.

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

This is an update and opportunity for discussion.

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

Three attachments.



NOTICE OF ADOPTION OF  
**RULE INS-001 *INSURANCE INTERMEDIARIES LICENSING AND OBLIGATIONS***  
**AND**  
**RULE INS-002 *FEES***

**Introduction**

On 23 June 2022, the Financial and Consumer Services Commission (“**Commission**”) approved the making of Rule INS-001 *Insurance Intermediaries Licensing and Obligations* (“**INS-001**”) and Rule INS-002 *Insurance Fees* (“**INS-002**”).

**Background**

On 9 November 2021, the Commission published notice of the proposed Rule INS-001 for a 90-day comment period. The Commission further published notice of proposed Rule INS-002 on 17 December 2021 for a 60-day comment period. The Commission received 17 comment letters in response to INS-001 and INS-002. A list of respondents is included in **Annex A**.

After consideration, the Commission determined that there were no material changes to either rule and a second comment period was not necessary. A summary of the comments received, together with our responses, are contained in **Annex B – Summary of Comments and FCNB Responses**.

**Substance and Purpose of INS-001 and INS-002**

Over the years, the insurance industry has undergone significant changes. Rule INS-001 will update the regulatory framework to reflect the changes to the *Insurance Act* (the “**Act**”) and will replace five existing regulations, some of which are very dated:

- *Adjusters Regulation (2009)*,
- *Agents and Brokers Regulation (1995)*,
- *Licence and Examination Fees for Agents and Brokers Regulation (1983)*,
- *Licence Revival Fee Regulation (1984)*,
- *Life Insurance Agent Licensing Regulation (2003)*.

Rule INS-001 establishes the classes of licences that may be issued and the licensing qualifications and educational requirements for licensees. That Rule also enhances market conduct rules for insurance intermediaries.

Rule INS-002 will establish the regulatory fees for licensing applications and other related fees and replace the *Licence and Examination Fees for Agents and Brokers Regulation* and the *Assessment Regulation*.

The effective date of the INS-001 and INS-002 are subject to Ministerial approval will coincide with the implementation of related amendments to the *Insurance Act*. The Commission will provide further updates on the transition in a bulletin in the coming months.

### **Contents of Annexes**

Annex A:	List of Respondents
Annex B:	Summary of Comments and FCNB Responses
Annex C:	Rule INS – 01 <i>Insurance Intermediaries Licensing and Obligations</i>
Annex D:	Rule INS-002 <i>Insurance Fees</i>

### **Questions**

If you have any questions, please refer them to:

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## **Annex A - List of Respondents**

### **Responses to Rule-001 Insurance Intermediaries Licensing and Obligations**

Advocis - The Financial Advisors Association of Canada  
Asurion  
Aviva Canada  
Canadian Association of Direct Response Insurers (CADRI)  
Canadian Association of Financial Institutions in Insurance (CAFII)  
Canadian Life and Health Insurance Association (CLHIA)  
The Co-operators Group  
Credit Union Managers Association (CUMA)  
Independent Financial Brokers of Canada (IFB)  
Insurance Brokers Association of New Brunswick (IBANB)  
Insurance Bureau of Canada (IBC)  
Insurance Institute of Canada  
Primerica Financial Services  
UNI

### **Responses to Rule-002 Insurance Fee Rule**

Canadian Association of Direct Response Insurers (CADRI)  
Canadian Association of Financial Institutions in Insurance (CAFII)  
Insurance Bureau of Canada (IBC)

Section	<p style="text-align: center;"><b>ANNEX B</b>  <b>FINANCIAL AND CONSUMER SERVICES COMMISSION</b>  <b>RULE INS-001</b>  <b><i>INSURANCE INTERMEDIARIES LICENSING AND OBLIGATIONS</i></b>  <b>PART 1 – DEFINITIONS AND INTERPRETATION</b></p>	
	<b>General Support</b>	
	<p>There were 8 comments supporting the modernization of insurance regulation in New Brunswick.</p> <p>Three commenters noted that the proposed rule will bring more consumer protection, while another noted the increased clarity and transparency of the proposed rule. Another commenter supported the implementation of errors and omission insurance requirements for life agents.</p> <p>Three commenters supported the transition to a single rule to replace five regulations.</p> <p>One commenter noted that the proposed rule allows for greater harmonization with other jurisdictions and will ease the licensing process for individuals who are licensed in multiple jurisdictions.</p>	<p>FCNB thank the commenters for their support in the modernization of insurance regulation in New Brunswick.</p>
	<b>Various timelines</b>	
	<p>Three commenters noted that the proposed rule includes timelines for notifying the Superintendent that range from 10, 15 or 20 days and suggested that these timelines should provide for notification in 30 days.</p>	<p>We have reviewed the various reporting and notification periods set out in the proposed rule. Where the requirement to report or notify the Superintendent addressed issues of contact information, suitability or consumer protection, we maintained a reporting or notification period of 10 days. We extended one 15-day period to 20 days and maintained the 30 day notification periods.</p>
<b>1</b>	<b>Definitions</b>	
	<p>Two commenters suggested adding clarity to the definition of “managing general agent”.</p>	<p>We have amended the definition of “managing general agent” to add clarity and to respond to specific feedback.</p> <p>We note that all insurers have an obligation to monitor any intermediary that acts on their behalf.</p>
<b>2</b>	<b>Licences</b>	
	<b>Licensing categories</b>	

	One commenter was concerned that licensing of MGAs would add regulatory burden without addressing the challenges in this space.	Licensing of MGAs was implemented with Amended Act. FCNB's intention is to ensure that MGAs are accountable to FCNB and licensing provides that mechanism. Further, the amendments to the Act place a clear obligation on insurers to oversee MGA's and other intermediaries.
<b>3-5</b>	<b>Exemptions for individuals</b>	
	Two commenters believe that this provision creates new exemptions for "employed agents" One commenter encouraged FCNB to expand the exemption for individuals in section 4 to apply to adjusters. One commenter suggested this exemption apply to a person working from home".	Section 4 is not a new provision. It is currently found in subsection 352(18) of the <i>Insurance Act</i> . The intent is to move this to the rule. There is no intent to change the meaning and thereby exempt agents who are currently required to be licensed. FCNB clarified that the provision only applied to agents and not adjusters.  The exemption can apply to employees working from home.
	One commenter was concerned that the terms "incompetency" or "untrustworthiness" were uncertain and requested guidance on these terms.	"Incompetence" and "untrustworthiness" are commonly used terms in the regulation of insurance intermediaries. It is a standard that we expect insurers to be applying in determining whether to do business with an intermediary.
<b>6</b>	<b>Application for a licence</b>	
	Three commenters supported providing the Superintendent with the ability to waive some or all licence requirements which will make it easier for out of province applicants to obtain an equivalent licence in New Brunswick.  One commenter commended FCNB for the harmonization and industry flexibility this provision will provide.  Two comments thought the proposed rule should automatically recognize an insurance licence from another jurisdiction.	The purpose of subsection 6(3) is to allow for the recognition of equivalency for education purposes. FCNB is not proposing a passport system as applicants will still be required to be screened for suitability to hold a licence.
	One commenter suggested that the minimum age requirement for an insurance licence should be reduced to 18 years of age.	We have maintained 19 as the minimum age requirement as this is the age of majority in NB.
	<b>Education requirements generally</b>	
	Two commenters supported FCNB's efforts to harmonize its education requirements with those of other jurisdictions.	The proposed educational requirements make significant advances in harmonizing the educational requirements with other jurisdictions. There remain some differences but the ability to recognize equivalent education will allow applicants from other jurisdictions to be licensed while ensuring that they meet minimum requirements.

	One commenter suggested that not allowing level 1 agents to do commercial lines, would limit the agents able to conduct business in both personal and commercial lines.	The proposed framework aligns responsibilities with education. The educational requirements for a level 1 focus primarily on personal lines. The additional courses to obtain a level 2 (CAIB 2 & 3 and C131) focus more on commercial lines. A person can complete all of the courses and start their career at a level 2.
	One commenter recommended that designation status and education credentials be uploaded to the portal, similar to the process in Ontario.	FCNB's online licensing portal allows for uploading of educational credentials. FCNB will continue to validate educational requirements to ensure that applicants are properly qualified.
	<b>Continuing Education</b>	
	Five commenters supported mandating continuing education requirements for insurance intermediaries.	FCNB supports continuing education, however, mandating continuing education is outside the scope of the licensing rule project. FCNB will consider continuing education in the future.
<b>7</b>	<b>Renewal of licence</b>	
	One commenter found that the requirement that an applicant not be "objectionable" was vague and requested further details on what would be considered objectionable.	FCNB believes that the term "objectionable" is not vague. It is a commonly used term that is found in the updated <i>Insurance Act</i> and in several other licensing frameworks in Acts overseen by FCNB and also found in licensing frameworks in Nova Scotia and Saskatchewan.
<b>10</b>	<b>Sponsorship by an Insurer</b>	
	One commenter did not support maintaining insurer sponsorship of individual brokers and the requirement to notify the Superintendent of a departure of an individual broker.	The requirement for individuals and businesses to be sponsored is in the amending Act and not the rule (ss. 352(21) and (22)). Likewise, the duty of the insurer to notify the Superintendent is in the Act (s. 352(24)). The Rule provides some clarification. The requirement for sponsorship is consistent with several other jurisdictions.
<b>11</b>	<b>Termination of Sponsorship</b>	
	One commenter thought the requirement to file the termination of sponsorship of an agent within 15 day was quite onerous.	We have reviewed the timing of notifications throughout the rule and have extended the notification to 20 days. This will streamline the different notification timeframes.
	<b>PART 2 – GENERAL INSURANCE AGENTS</b>	
<b>17-19</b>	<b>Licensing qualifications and educational requirements – general insurance agents</b>	
	Three commenters have concerns about the elimination of the distinction between agent and broker.	The distinction between agents and brokers was eliminated in the Amending Act. This proposed framework is consistent with several jurisdictions.
	One commenter had concerns that there was no distinction between agents (employees) and the brokers they sponsor in New Brunswick. The concern was regarding the direct oversight they had over agents, but not the same level of oversight with brokers.	Section 361.1 of the <i>Insurance Act</i> (which was part of the 2021 Act to Amend) requires an insurer who authorizes an intermediary to act on its behalf to establish and maintain a system to ensure that the intermediary complies with the Act, the regulation and terms or conditions on a licence. This would apply to employees and independent brokers and is consistent with requirements that have been in place in Ontario for several years.
	Three commenters were concerned with the new level 3 general insurance agent category. The level 3 agent, as the only level	Under the proposed transition, there will be level 2 agents who could qualify as a level 3 agent. Each level 2 agent will be looked at individually to determine whether they meet the qualifications



	qualified to manage an insurance agency, could limit the licenced representatives that could operate a local office. One commenter was concerned that some of their managing agents may not be transitioned into level 3 licences.	of a level 3 agent. Consideration will be given to experience, responsibilities, education, licensing status in other jurisdictions and other relevant information.
	One commenter was concerned that the new criteria for level 1 and 2 agents restricts Level 1 to carry on personal lines and Level 2 to carry on personal lines and commercial lines. They were concerned that their agents would not be able to continue to engage in their current sales activities.	Under the new framework, a level 1 can do personal lines and level 2 (or level 3) agents can do personal and commercial lines. Existing agents may seek a level 2 licence during the transition and an assessment will be made of their qualifications on a case by case basis.
<b>20-25</b>	<b>Supervision – level 1 and level 2 general insurance agents</b>	
	<p>Several commenters raised concerns regarding the supervision requirement of agents. These concerns included:</p> <ul style="list-style-type: none"> <li>• The supervision requirement was overly prescriptive and the requirement of countersignatures or notations in paper or electronic systems was particularly onerous;</li> <li>• The supervision requirement will be burdensome operationally and could pose client service challenges for local offices.</li> </ul> <p>One commenter suggested that level 1 and 2 general insurance agents should have greater autonomy.</p> <p>Other commenters asked how reviews will be conducted.</p> <p>Another commenter wondered how many staff a supervisor could oversee.</p>	<p>We have updated the requirements to require the supervisor to adopt and follow a written supervision plan that demonstrates reasonable and prudent supervision of the insurance activities of the person being supervised. The supervision plan should take into consideration the particular circumstances of that person being supervised, the work being done and the number of staff being supervised. This may include regular reviews of a person's work and countersignatures and notations.</p> <p>It is an organization's obligation to determine what is the appropriate number of staff one supervisor can supervise. The Rule sets out factors to be considered, including the training and experience of the person being supervised and of the supervisor and the complexity of the activity being conducted.</p> <p>FCNB will review the supervision plan during sight visits and may recommend changes.</p> <p>FCNB intends to publish a bulletin on the topic of supervision to provide additional guidance for implementation.</p>
	One commenter stated that FCNB should consider physical or virtual presence in relation to supervision. Another commenter was pleased that the proposed rule eliminated the requirement to conduct all duties in a physical office location.	The supervision requirements are principle based. The supervision can be a physical presence or virtual; however, it must be reasonable and prudent.
	One commenter suggested that brokerages would need to be in constant communication	The Rule requires a level 1 and level 2 agent to have a supervisor for the first 12 months. We have clarified the Rule to require a written supervision plan. This can include the delegation of

	<p>with FCNB about internal staffing because of the supervisory rule requirements.</p> <p>One commenter was concerned with the new requirement for an individual being supervised to report a change in supervisor.</p>	<p>supervision in cases of short-term absences such as a vacation. The rule requires that FCNB be notified of the name or changes of the supervisor. We believe this requirement is necessary to maintain prudent oversight and will not be overly onerous.</p> <p>The obligation to report a change in supervisor is on the individual licence holder, since that individual is prohibited from conducting licensed activities without a supervisor. FCNB believes that the reporting period is reasonable given that these would not be frequent occurrences.</p>
<b>26 67</b>	<b>Reinstatement – general insurance agents Reinstatement - adjusters</b>	
	<p>Two commenters did not support requiring individuals with a lapsed licence over five years to re-take all qualifying courses.</p>	<p>We have reviewed the reinstatement requirements across various jurisdictions and we do not believe this requirement is overly onerous. The intent is to make sure that people who are out of the industry for five years should refresh their education.</p> <p>Jurisdictions that have reinstatement requirements require requalification after two years.</p> <p>In addition, the Rule allows the Superintendent to waive some of the requirements for a licence (including Requalification) if a person has a) equivalent licensing qualifications and educational requirements based on education, training and experience; (b) issued a substantially similar licence in another jurisdiction; or (c) engaged in equivalent or comparable work in the insurance industry.</p>
	<b>PART 5 – RESTRICTED INSURANCE REPRESENTATIVES</b>	
<b>31</b>	<b>Definitions</b>	
	<p>One commenter recommended that “mortgage insurance” be called “mortgage default insurance” to distinguish it from credit protection insurance products.</p>	<p>The definition of “mortgage insurance” is a defined class of insurance. We have reviewed our definition and found that it is the same as the definition used by other jurisdictions with restricted regimes.</p>
<b>32-34</b>	<b>Restricted insurance representative</b>	
	<p>Two commenters supported the increased consumer protection provisions of the proposed rule.</p> <p>One commenter noted that while they supported the disclosure to consumers that a restricted insurance representative is not a licensed insurance agent and the consumer may want to consult a licensed agent, the commenter did not believe it</p>	<p>The framework provides for significant disclosure requirements to help consumers make an informed decision. There are also obligations on the insurer and the restricted insurance representative to ensure that employees are properly trained and knowledgeable.</p> <p>Consumers are ultimately responsible to take any necessary additional steps.</p>

	likely that consumers will take this additional step and postpone the decision.	
	Once commenter noted that credit unions work with more than one insurer and asked that the rule clarify that a single licence can be obtained for multiple types of insurance, including in situations where there is a relationship with more than one insurer.	A restricted insurance representative licence only requires a single sponsoring insurer for a licence. Also, the requirement to have a sponsoring insurer is in the <i>Insurance Act</i> .
	One commenter noted difference between FCNB's proposed definitions and key provisions related to the new restricted insurance licensing regime, and the counterpart provisions in the three existing Western Canada Restricted Insurance Agent licensing regimes. [CAFI] The commenter also felt that the terminology should be "restricted insurance agent" to harmonize with the terminology used in western provinces and that all provisions applicable to restricted insurance representatives be grouped together in one part.	<p>We have reviewed the requirements for restricted insurance representatives and found that the definitions related to the restricted licensing regime are closely aligned with other jurisdictions and most variations are minor. Where there are differences, it was done to strengthen consumer protection.</p> <p>The term "restricted insurance representatives" is used in the <i>Insurance Act</i> and in the rule for consistency.</p> <p>The restricted insurance framework provisions are in single part for ease of convenience.</p>
	One commenter suggested that the restricted insurance licensing regime should have its own industry advisory group, similar to that in Saskatchewan.	We appreciate the suggestion; however, this is outside the scope of the intermediary licensing rule.
	One commenter suggested that mortgage default insurance be excluded from the restricted insurance licensing framework.	All other jurisdictions that have a restricted framework include mortgage insurance. Including mortgage insurance within the framework provides protections for consumers and regulatory oversight.
<b>35</b>	<b>Licensing criteria – restricted insurance representative</b>	
	One commenter felt it would be an onerous regulatory burden to require information on the number of employees acting on behalf of a restricted insurance representative.	The intent is to obtain the number range of employees engaged in the business of insurance at the time of application. The Superintendent has the authority to request a list of employees for compliance reviews or investigation of a complaint.
<b>36-37</b>	<b>Obligations for restricted insurance representatives</b>	
	One commenter sought clarity on when a business would be required to register a name with the New Brunswick Corporate Registry.	Not all businesses are required to register with the New Brunswick Corporate Registry. The requirements are set out in other legislation, such as the <i>Partnerships and Business Names Registration Act</i> .
<b>38-39 and</b>	<b>Suitability</b>	

<b>73-75</b>		
	<p>One commenter found that “knowledge” was a better qualifier than “suitability” for licensing.</p> <p>Two commenters found the term “suitable” to be unclear.</p>	<p>The term “suitability” is used in the New Brunswick <i>Insurance Act</i> and similar legislation in other jurisdictions and is consistent within the regulation of financial sectors. Suitability is broader than knowledge and includes character concerns.</p>
	<p>One commenter found that it would be very onerous and not achievable to verify that an employee of a restricted insurance representative has not had an insurance licence refused, revoked or suspended.</p>	<p>Restricted insurance representatives should be screening all individuals who are engaged in the business of insurance. This can be a screening question as part of the application for employment. This requirement will protect consumers from individuals who have had their licence refused, revoked or suspended.</p>
<b>40</b>	<b>Separate application</b>	
	<p>One commenter recommended that “for the related product or service” should be replaced with the following: “for the related debt obligation, product or service.” It also suggested that the word “form” was problematic as it suggested a physical or standalone document.</p>	<p>We see a debt obligation (i.e., the loan), as a product or a service. Adding “debt obligation” is not consistent with our plain language objective.</p> <p>“Form” would include online forms and does not prevent the separate insurance application from being on the “same digital flow”.</p>
<b>41</b>	<b>Prohibition against tied selling</b>	
	<p>One commenter suggested a review of this provision in the context of mortgage default insurance.</p>	<p>We recognize that there are other regulatory requirements related to mortgages; however, the framework ensures that conduct and consumer information are appropriate from an insurance marketing standpoint. The provision is consistent with Alberta and similar to Saskatchewan. However, we have made some changes to improve the readability.</p>
<b>42-50</b>	<b>Disclosure obligations of restricted insurance representative</b>	
	<p>One commenter felt that it would be difficult to provide the required disclosure in writing at the time of application since an application may be taken over the phone. They suggested that the disclosure could be provided verbally with written disclosure to follow.</p>	<p>We have adapted section 42 to allow for disclosure at the application stage to be verbal, but there remains a requirement that the restricted insurance representative provide this information in writing within 20 days of the insurance coming into force. The customer then has 20 days from the time of receiving this written information to exercise their right to rescind the contract. This harmonizes with other jurisdictions.</p>
	<p>One commenter had concerns with the provision that imposes different and heightened disclosure requirements for a particular type/class of insurance products and suggest that it should apply equally to all types/classes of insurance, rather than just one.</p>	<p>The requirements in section 43 [now section 44] enhance consumer protection by dealing with identified issues.</p>
	<p>One commenter did not support the requirement to disclose to consumers that a restricted insurance representative is not</p>	<p>Section 45 [now 46] recognizes that the person promoting the product is not a fully licensed agent and it may benefit the client to speak to a licensed agent. The restricted insurance</p>

	a licensed insurance agent and the consumer may want to consult a licensed agent and suggested that the unintended but equally unacceptable consequence would be the tilting of what is otherwise a level playing field.	representative is not recommending or promoting a particular agent. The decision whether to speak to a fully licensed agent rests with the consumer.
	One commenter thought there was overlap between sections 46 and 52 and suggested they be combined.	Section 46 [now 47] is a disclosure obligation, whereas section 52 establishes the right to rescind. This approach is consistent with the other jurisdictions that include the right to rescind.
<b>44</b>	<b>Compensation disclosure</b>	
	We received three comments on the disclosure of compensation. One commenter suggested that dealerships fully disclose their commission. Two commenters suggested that the amount of compensation and the basis for disclosing the compensation is difficult to calculate and it would be better to disclose that the person is receiving compensation.	<p>Compensation over 30% provides a significant inducement for restricted insurance representatives to promote a product that may not be in the client's interests. Requiring disclosure of amounts that exceed 30% of the price paid by the consumer for the insurance product provides important information to allow the consumer to make a fully informed decision and furthers consumer protection.</p> <p>We appreciate that there are different models for compensating restricted insurance representatives and the amounts paid can vary. However, the basis for calculating the compensation should be easy to explain to a consumer.</p>
<b>51</b>	<b>Oversight obligations of insurer</b>	
	One commenter recommends that FCNB define 'reasonable and demonstrable procedures regarding the disclosure requirements of restricted insurance agents.	This provides a principle-based approach. What is reasonable varies with the circumstances. Insurers are well suited to determine what is reasonable.
<b>52</b>	<b>Right to rescind</b>	
	One commenter was pleased to see that mortgage default insurance was not subject to a right to rescind.	We thank the commenter for their support.
<b>53</b>	<b>PART 6 – EXEMPT INCIDENTAL SALES</b>	
<b>54-55</b>	<b>Exemption from licensing requirement for portable electronics vendors</b>	
	<p>One commenter was pleased that portable electronics insurance was part of exempt incidental sales.</p> <p>The commenter further suggested that there should be clarity that "portable electronics insurance" can continue to be sold as a service contract.</p>	The proposed framework recognizes that many of these products are insurance (and not a service contract) and therefore are subject to regulation under the <i>Insurance Act</i> and related regulations/rules.
	One commenter suggested that the sale of "portable electronics insurance" should also be considered "incidental" at two additional points of sale: when the	We have updated the Rule to refer to "exempt sales of insurance" as suggested by the commenter

	customer (i) activates wireless services; and (ii) seeks repair of a device.	
<b>57-58</b>	<b>PART 7 – ADJUSTERS</b>	
<b>59-63</b>	<b>Licensing qualifications and educational requirements – adjusters</b>	
	One commenter was concerned with the requirement for 24 months of experience before a level 1 assistant adjuster could apply for a level 2 adjuster licence. This requirement would have a significant impact on the sponsorship and supervision responsibilities of insurers. It felt that level 1 assistant adjusters should have greater autonomy.	Under the proposed changes the existing level 1 and level 2 will be merged into a new level 1. The existing level 3 is the equivalent of the new level 2. Under the existing regime an individual will need 24 months experience as a level 2 to obtain a level 3. Usually this would be in addition to the 12 months experience as a level 1, so a total of 36 months experience. Under the Rule, a person only needs 24 months as a level 1 to obtain a level 2 licence (s. 60).
	One commenter recommended that FCNB consider a principles-based approach rather than the prescriptive requirements currently set out in the proposed rule. It strongly recommended Sections 60 and 61 of the proposed rule be revised to require a <i>set number</i> of educational courses rather than mandated courses as currently drafted.	The courses are specific to the educational needs for adjusting. This includes the Insurance Institute adjusting courses. The courses are also consistent with several other jurisdictions.
	One commenter did not support the requirement to complete the educational requirement for a level 1 assistant adjuster prior to the issuance of a licence and thought the educational requirements should be completed with 12 months of the licence being issued.	The requirement for a prerequisite course is consistent with several other jurisdictions and enhances consumer protection by requiring adjusters to have a minimum education. This avoids individuals who fail to complete the course being forced out of the job they have been doing for the last 12 months or longer.
	There were two comments regarding the mandatory progression for level 1 adjusters. One commenter supported this change, while another commenter opposed the removal of mandatory progression.	FCNB has determined that mandatory progression negatively impacted individuals who preferred to remain as an assistant adjuster and who were not interested in advancing to work on more complex matters. A level 1 assistant adjuster must be under supervision.
<b>64-66</b>	<b>Supervision – adjusters</b>	
	We received several comments regarding supervision of adjusters. One commenter found the proposed restrictions to be overly prescriptive and would place a strain on experienced adjusters to review and manage file of level 1 assistant adjusters. The commenter found the requirement for countersignatures or notations to be particularly prescriptive.	We propose to maintain direct/close supervision for level 1 licensees. However, the requirement for countersignatures or notations for claim reports or settlement offers would only be in place for the first 12 months of holding a level 1 licence.

	Two commenters suggested that subsection 65(1) was overly broad and could capture administrative tasks.	We have reviewed subsection 65(1) and clarified the drafting to refer to adjusting activities rather than insurance activities generally.
	One commenter thought that section 64(2) was sufficient and recommended that section 65(1) be removed to prevent inconsistencies.	We have reviewed these provisions and made clarifications and do not see any inconsistencies with subsection 64(2) and subsection 65(1).
	<b>PART 10 – DESIGNATED REPRESENTATIVES</b>	
<b>77-79</b>	<b>Responsibilities of a designated representative</b>	
	One commenter found the responsibilities of the designated representative to be too sweeping and broad.	The designated representative is the primary person responsible for the organization. We have modified the provisions to clarify that we were not requiring direct supervision of all employees. This is consistent with some other regulators and other financial sectors. This does not mean that a designated representative cannot delegate some responsibilities to others, but he or she is ultimately responsible.
	One commenter suggested that sections 77 and 78 were duplicative. It also noted the use of the terms “firm” and suggested “entity” was a better term.	Section 77 relates to adjusting firms, agencies and managing general agents while section 78 relates to restricted insurance representative. Separate provisions are necessary given that FCNB’s authority with respect to restricted insurance representatives is limited to employees engaged in carrying on insurance.  Section 77 only applies to “licensed firms” which is defined in the rule as adjusting firms, agencies and MGAs. Section 78 applies to restricted insurance representatives and clarifies that the obligations are only with respect to insurance activities undertaken by employees.
<b>80</b>	<b>Change of designated representative</b>	
	One commenter suggested that 20 days was not sufficient to find a replacement for a designated representative.	It is important that licence holders have a designated representative in place. Therefore, when one ceases, there should be a replacement in place relatively quickly. Where a licence holder is having difficulty finding a permanent replacement, the Rule allows for a temporary replacement.  We have amended section 80(1) to cover circumstances when the designated representative is temporarily absent, ill or incapable of acting.
	<b>PART 11 – MARKET CONDUCT</b>	
<b>81</b>	<b>Use of personal information</b>	
	We received several comments regarding the use of personal information and consent to use of personal information. Some commenters suggested the need for a definition of “personal information”.	We clarified that personal information is in the context of applicable privacy legislation. By adding “applicable privacy legislation” this also responds to concerns related to the need for the customer’s consent to collect and use the information.

	Other commenters suggested that these provisions overlapped or were inconsistent with privacy legislation.	
	Another commenter noted that the reporting of privacy breaches to the Superintendent was duplicative as these are already reported to the Office of the Privacy Commissioner of Canada.	The Rule requires the reporting of privacy breaches to the Superintendent so that the Superintendent is aware of the privacy breach and can monitor the licensee's response to the privacy breach to ensure that there are no suitability issues.
	One commenter thought the requirement to report to the Superintendent any privacy breaches "without delay" was too onerous.	We made changes to the Rule to require notification that is harmonized with the wording of the federal privacy legislation.
	One commenter was unclear if a requirement set out in a rule constituted a "lawful authority under federal privacy legislation."	The proposed Rule, once in force, would have the same effect as a regulation and would fall within the category of "required by law".
	One commenter suggested that the terminology of "those acting on its behalf" should be clarified.	We clarified that "those acting on its behalf" means those acting on behalf of a licensed restricted insurance representative.
<b>82-84</b>	<b>Market conduct</b>	
	One commenter sought clarity on the use of a brand name.	Brand names would be captured by business name".
<b>85</b>	<b>Conflicts of interest</b>	
	One commenter suggested that disclosure of potential conflict of interests should be permitted to be sent to the customer after a transaction has been completed.	Conflicts need to be disclosed before or at the time of the transaction. The intent is to protect the consumer prior to them making a decision whether the product is appropriate for their needs.
<b>90-93</b>	<b>PART 12 – DUTY TO REPORT</b>	
	Two commenters recommended that the reporting period of 10 days for any change in the agent's name, employer or contact information was a challenge, and further recommended the reporting period be extended to 15 or 30 days.  One commenter suggested clarifying 'reasonable grounds' related to a designated representative's obligation to notify an insurer of unsuitable licence holders.	The obligations in sections 90 and 91 are on the individual licensee who would have this information. FCNB believes that these reporting periods are reasonable given that these would not be frequent occurrences, and some could impact a person's suitability. Likewise, we believe that the timelines in sections 92 and 93 are reasonable.  What is "reasonable grounds to believe" varies with the circumstances. This wording is consistent with the obligation on insurers in the amended Act. This provides a principle based approach while protecting consumers.
<b>94-98</b>	<b>PART 13 – ERRORS AND OMISSIONS INSURANCE</b>	



	<p>Several commenters supported the introduction of a requirement to maintain errors and omission insurance, noting that this harmonizes with requirements in place in other jurisdictions.</p> <p>One commenter suggested that the firm should be able to provide details on the persons covered under the insurance to the regulator.</p> <p>One commenter suggested that there be an exemption from this requirement for trust and loan companies who are not required to have error and omissions insurance under the federal <i>Trust and Loan Companies Act</i>.</p>	<p>How intermediaries provide proof of E&amp;O is outside the scope of the rule.</p> <p>We updated paragraph 94(3)(b) to cover trust and loan companies.</p>
<b>99-111</b>	<b>PART 14 – TRUST ACCOUNTS</b>	
	One commenter noted that some of the requirements in the Rule conflict with the requirement in s.364(2) of the Act.	Section 364 of the <i>Insurance Act</i> was amended and many of the provisions in the Act, including subsection 364(2), have been moved out of the Act and moved into the Rule and updated
	<p>One commenter sought clarity on the requirement of a trust account for adjusters.</p> <p>Two commenters suggested that this provision should not apply to restricted insurance representatives.</p>	<p>There is no obligation on an insurer to pay money owed to a claimant or other person to an adjuster. They are free to pay the money to the claimant or service provider directly. However, if they pay the money to the adjuster on the claimant or other person's behalf, that money is trust money and must be handled according to the Rule. Further, the adjuster must pay that money out to the person who is entitled to the money.</p> <p>We updated the Rule to clarify that the triggering event will be when the person becomes entitled to the money rather than receipt of the money by an adjuster. This is to ensure that the funds are paid to the proper person in a timely manner.</p> <p>The requirement to pay trust funds to an insurer is initiated by a demand from the insurer. If a contract provides for payment schedules, that would not contravene this provision.</p> <p>We have reviewed these provisions and believe that they should apply to restricted insurance representatives, if that person receives trust money. If the restricted insurance representative is not receiving trust money, the provisions would not apply.</p>
<b>113</b>	<b>PART 16 – TRANSITIONAL PROVISIONS</b>	
<b>114</b>	<b>General insurance agents</b>	
	Three commenters recommended that licensed agents and adjusters should have	We will be working with all licensees to ensure that they are transitioned to the appropriate level of licence considering their

	<p>their licences grandfathered in the current system.</p>	<p>training, experience and current responsibilities to ensure that there is no unnecessary disruption.</p> <p>All individuals will be transferred into the new licensing structures without additional educational requirements. However, some individuals may need to provide additional information to determine the appropriate level of licence.</p> <p>FCNB will be issuing a bulletin providing more details on the transition.</p>
	<p>One commenter requested that any agents who maintain a Class 2 licence automatically have a travel insurance licence.</p>	<p>Any agent who is currently authorized to carry on travel insurance activity will be eligible for a travel insurance licence.</p> <p>The intent going forward is that anyone doing travel insurance would be required to hold a separate travel insurance agent licence. The educational requirements for the travel insurance agent will be published in a bulletin.</p>
	<p><b>Other comments</b></p>	
	<p>One commenter noted that the rule is silent on public adjusters and requested clarity.</p>	<p>The definition of adjuster in the Act includes public adjusters. Therefore, all the requirements in the rule also apply to public adjusters.</p>
	<p>One commenter requested a lead time of 12 to 18 months to allow for implementation.</p>	<p>Industry has had significant notice of the proposed changes through the introduction of the Act in June 2021 and publication of the Rule for comment in November 2021.</p>

<b>FINANCIAL AND CONSUMER SERVICES COMMISSION</b> <b>RULE INS-002 <i>INSURANCE FEES</i></b>		
	<b>General Comments</b>	
	One commenter was pleased to see the fees for restricted insurance representatives mirror the fee structure in Manitoba, Saskatchewan, and Alberta.	We thank the commenter for their support.
	Two commenters requested further clarity on the circumstances where the Superintendent would find it “fair and reasonable” to provide a refund for an application.	The fees collected cover the costs of reviewing an application. Refunds are intended to be in exceptional cases at the discretion of the Superintendent based on a case-by-case review.
	Two commenters supported removing the distinction in fees between residents and non-residents.	We thank the commenters for their support.
	One commenter asked that industry be provided adequate notice of the rule coming into effect.	Industry has had significant notice of the proposed fee changes through the publication of the Fee Rule for comment in December 2021.
	One commenter questioned when recoverable expenses would apply and suggested a rate cap on recoverable expenses.	The practice of FCNB is to only seek recoverable expenses related to compliance actions in exceptional circumstances, usually where there have been repeated non-compliance issues.
	One commenter noted that transfer of a sponsor in the case of a business organizations would now pay an application fee and urged FCNB to address this concern.	We appreciate the comments and have updated the rule to provide an exemption from the application fees in certain circumstances.

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 4(a)iii**

**Committee Updates: Market Conduct & Licensing: BC Ministry of Finance Consultation on “Proposed Introduction of A Restricted Licensing Regime for The Sale of Some Insurance in BC” (Submission Deadline: October 3/22)**

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

This is an update on a consultation with BCFSa, and an opportunity to discuss the consultation.

### **Background Information**

CAFII plans to make a submission to the BCFSa on its proposed introduction of a new restricted licensing regime for the sale of some insurance in British Columbia.

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

This is an update and discussion.

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

1 attachment.

## **Implementation of the *Financial Institutions Amendment Act, 2019* (Bill 37):**

### **Consultation Regarding Restricted Insurance Licences**

#### **Purpose:**

This document is for the purpose of seeking feedback from the insurance industry and other interested parties regarding the introduction of a restricted insurance agent licence in BC.

#### **Background:**

Following public consultations beginning in 2015, Bill 37, the *Financial Institutions Amendment Act, 2019*, was passed by the BC Legislature in 2019. This bill introduced various reforms to the *Financial Institutions Act* (FIA) and the *Credit Union Incorporation Act*. Bill 37 is being brought into force in stages and consideration is now being given to bringing into force sections that will implement the framework for a restricted insurance agent licence in BC (see ss. 30, 31 and 60 of Bill 37). Restricted insurance agent licences are corporate-level licences in that they will authorize a corporate licensee (e.g., businesses that are sole proprietors, corporations, partnerships, etc.), through its employees and agents in BC, to sell insurance. They will generally authorize the sale of insurance where it is sold incidentally to the licensee's ordinary business. Restricted insurance agent licences are intended to facilitate easier public access to insurance products while ensuring appropriate oversight of their sale. Government will also need to pass regulations and the Insurance Council of BC (the Council) will need to make rules in order to fully implement a restricted insurance agent licensing regime. The Council will, at a later date, consult on and publish rules regarding but not necessarily limited to initial licensee qualifications, on-going licence requirements, licensee conduct, fees, licence cancellation, and remuneration of licensees.

#### **Scope:**

The scope of this consultation is limited to the regulations required to introduce a restricted insurance agent licence in BC. Changes to the FIA or other legislation are out of scope and will not be considered at this time. Some of the topics raised in this consultation may be included in Council rules or in both regulations and rules. The Council will seek feedback regarding proposed rules separately.

Any submissions provided in response to this consultation may be shared with the Council and the BC Financial Services Authority (BCFSA). If certain comments should not be shared with other parties, please clearly indicate that in the submission or covering letter. Please note that all submissions received are subject to the *Freedom of Information and Protection of Privacy Act* and, even where confidentiality is requested, this legislation may require the Ministry to make information available to those requesting such access.

Please note that this consultation is being performed by Ministry of Finance staff and feedback is not binding on the BC Government nor on the Council and BCFSA. Cabinet approval is required for any recommendations on regulation content made by Ministry of Finance staff.

### **Relevant Sections of Bill 37:**

The following sections of Bill 37 amend the FIA but are not yet in force. They will need to be brought into force by regulation as part of the implementation of a restricted insurance agent licensing regime in BC. The new s. 174.1 authorizes the Council to issue restricted insurance agent licences. The regulations will need to prescribe which kinds of businesses are eligible to hold a restricted agent licence and which types of insurance the licences can authorize the sale of. The repeal and replacement of s. 171(3) is a technical amendment that ensures restricted insurance agent licensees are able to transact insurance through their employees and agents. The new s. 225.1(2)(i.1) provides additional rule-making powers for the Council specific to restricted insurance licences.

### ***30 Section 171 (3) is repealed and the following substituted:***

- (3) Subsection (2) does not apply to
  - (a) the employees or agents of a person licensed under section 174.1 as a restricted insurance agent, or
  - (b) a person or class of persons exempted by the regulations.

### ***31 The following section is added:***

#### **Issue of restricted insurance agent licences**

**174.1** (1) The council may, in accordance with the rules of the council, issue a restricted insurance agent licence to a person within a prescribed class of persons or who carries on a prescribed class of insurance business.

(2) A restricted insurance agent licence authorizes the licensee, through the licensee's employees and agents in British Columbia, to act or offer to act as an insurance agent in respect of one or more prescribed classes of insurance that are specified in the licence.

[...]

### ***60 Section 225.1 (2) is amended by adding the following paragraphs:***

[...]

(i.1) respecting restricted insurance agent licences issued under section 174.1 and restricted insurance agent licensees and their employees and agents, including, without limitation, rules

(i) respecting the education, experience or other qualifications of applicants for those licences and their employees and agents, including rules conferring the discretion to determine equivalent education, experience or qualifications,

(ii) respecting or adopting a continuing professional education program that is required of those licensees, employees and agents,

(iii) restricting post-claim underwriting by those licensees, employees and agents, and

(iv) specifying disclosures that those licensees, employees and agents must make, and standardized wording they must use, in the solicitation, negotiation or procurement of insurance; .

### **Jurisdictional Survey:**

Ministry of Finance staff are aware of three other provinces (Alberta<sup>1</sup>, Saskatchewan<sup>2</sup> and Manitoba<sup>3</sup>) that offer a form of restricted insurance licence. One more province, New Brunswick<sup>4</sup>, is developing a restricted insurance representative regime.

Some or all of these other jurisdictions offer, or propose to offer, restricted licences for the following types of insurance products:

- Cargo
- Travel
- Credit Protection
- Funeral
- Guaranteed Asset Protection (GAP)
- Rented vehicle
- Portable electronics

<sup>1</sup> For more information on please see <https://www.abccouncil.ab.ca/agentsadjusters/#1450389607986-00be82f7-d056>.

<sup>2</sup> For more information, please see <https://www.skccouncil.sk.ca/RIA%20Info.htm>.

<sup>3</sup> For more information please see <https://icm.mb.ca/component/content/article/87-licensing-info/202-incidenta-sale-of-insurance-restricted-insurance-agents>.

<sup>4</sup> For more information please see [Notice and Request for Comment – Proposed Rule INS-001 Insurance Intermediaries Licensing and Obligations \(fcnb.ca\)](#).

- Equipment warranty.

Each of the jurisdictions listed above restrict, or propose to restrict, the types of insurance that a licensee can offer to those that are generally considered incidental to the primary business the licensee performs. For example, a customs broker is restricted to transacting cargo insurance.

Some or all of these other jurisdictions offer, or in New Brunswick's case propose to offer, restricted licences to the following types of businesses. The Ministry of Finance recognizes that consistency between provinces may be beneficial and is considering allowing similar businesses to obtain restricted insurance agent licences in BC:

- Deposit-taking institutions generally offering credit protection insurance, travel insurance, and life insurance
- Transportation companies generally offering travel insurance and cargo insurance
- Travel agencies generally offering travel insurance
- Automobile dealerships generally offering credit protection insurance, equipment warranty insurance, and guaranteed asset protection (GAP) insurance
- Marine/watercraft dealerships, recreational vehicle dealerships, farm implement dealerships, construction equipment dealerships generally offering credit protection insurance, equipment warranty insurance, and GAP insurance
- Sales finance companies<sup>5</sup> generally offering credit protection insurance
- Customs brokers generally offering cargo insurance
- Freight-forwarding companies generally offering cargo insurance
- Equipment dealers generally offering credit protection insurance, equipment warranty insurance, and GAP insurance
- Funeral services businesses generally offering funeral insurance
- Vehicle rental agencies generally offering rented vehicle (personal injury and personal property) insurance
- Mortgage brokers generally offering credit protection insurance
- Portable electronics vendors generally offering portable electronics insurance.

For specifics of the other provinces' restricted insurance agent licences, please consult the links in the footnotes above and the links to the legislation at the end of this document.

## **Consultation Questions:**

### Classes of Licensees

The Ministry of Finance recognizes that other provinces already offer restricted insurance agent licences to certain businesses and that prescribing the same or similar classes of eligible licensees will promote consistency and simplicity which can be beneficial to both the insurance sector and

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<sup>5</sup> Sales finance companies specialize in making loans to customers of a particular retailer or manufacturer. For example, General Motors Acceptance Company, which provides financing for the purchase of General Motors products.



consumers in BC. However, the Ministry of Finance also recognizes that there may be unique aspects to BC such that making restricted insurance agent licences available to additional classes, or not making such licences available to classes in contrast to other provinces, may be best. Further, the Ministry of Finance is willing to differ from the approach taken in other provinces based on the experiences with restricted licences in those provinces.

Consideration may also be given to prescribing the following:

- Storage companies offering personal property policies
- Event and ticket sales companies offering event cancellation policies
- Leasing companies (personal property and office furniture) offering damage protection and product warranty policies
- Leasing companies (equipment, vehicles, and heavy machinery) offering vehicle or product warranty policies
- Educational institutions offering travel medical policies to out-of-province students
- Tour Operators and public carriers (i.e., airlines, bus companies, ferry companies) offering trip interruption or cancellation policies.

The Ministry of Finance also recognizes that there are currently exemptions provided for certain businesses in the *Insurance Licensing Exemptions Regulation* (ILER). The Ministry of Finance proposes that the following exemptions be repealed, in whole or in part, in favour of offering a restricted insurance agent licence:

List of current exemptions to be transferred to the restricted licence regime:

- ILER s. 2(1)(a): product warranty insurance
- ILER s. 2(1)(b.1): credit institutions selling credit insurance
- ILER s. 2(1)(c): credit insurance
- ILER s. 2(1)(g): motor vehicle dealers selling vehicle warranty insurance
- ILER s. 2(1)(i): travel agents selling travel insurance<sup>6</sup>
- ILER s. 2(1)(q): transportation company selling travel insurance
- ILER s. 2(2)(a): mortgage (and submortgage) brokers selling credit insurance
- ILER s. 2(2)(b): funeral directors selling funeral services insurance.

The Ministry of Finance would like input from the sector around the following:

- Which businesses should be prescribed as potential licensees for the purposes of FIA s. 174.1(1)?
- Which businesses should not be prescribed?

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<sup>6</sup> The Ministry of Finance recognizes that travel agents are currently able to sell travel insurance under what is effectively a restricted insurance agent licence authorized by ILER s. 2(1)(i) and proposes that travel agents will continue to be able to sell travel insurance through the new restricted insurance agent licence regime under FIA s. 174.1.

- Should any exemptions in the ILER be fully repealed in favour of offering a restricted insurance agent licence?
- Should any exemptions in the ILER be partially repealed in favour of offering a restricted insurance agent licence? For example, the exemption in ILER s. 2(1)(a) for sale of product warranty insurance could be maintained for products below a certain value threshold; a licence would be required to sell product warranty coverage for values over that threshold.

### Classes of Insurance

As noted above regarding classes of licensees, the Ministry of Finance recognizes that there are reasons to prescribe classes of insurance that are similar to the classes of insurance available under restricted licensing regimes in other provinces, and reasons to differ from those classes.

The Ministry of Finance also recognizes that some classes of insurance available through exemptions in the *Insurance Licensing Exemptions Regulation* could be repealed in favour of offering them through a restricted licence.

Consideration may also be given to prescribing the following:

- Personal effects property (i.e., offered by storage companies)
- Purchase protection (i.e., offered by retailers and credit card companies)
- Marine craft rental (i.e., offered by marine craft rental companies)
- Damage protection (i.e., offered by personal property and office furniture leasing companies)
- Event cancellation (i.e., offered by event and ticket sales companies).

The Ministry of Finance would like input from the sector around the following:

- What classes of insurance should be prescribed for the purposes of FIA s. 174.1(2)?
- What classes of insurance should not be prescribed?

### Incidental Sale of Insurance

The Ministry of Finance proposes that the granting of restricted licences to licensees be restricted to classes of insurance that are incidental to the licensee's ordinary business. Allowing a licensee to sell a class of insurance that is not incidental to their ordinary business may be considered in some cases, but only where a benefit to consumers that outweighs any potential risks is clear.

- Do you have any comments on the proposal to restrict the classes of insurance that can be sold by a licensee to those that are incidental to their ordinary business?
- Should there be any exemptions to this incidental rule? If so, for which businesses or classes of insurance?

## General Issues

A successful restricted insurance agent licensing regime will balance the respective interests of consumers and licensees. Consumers will ideally benefit from having insurance products more easily accessible, but this access will be most meaningful if they are provided necessary information and opportunities to make sound decisions. Licensees will benefit and be able to better serve their customers if they can efficiently offer insurance products alongside their primary business operations. Further, appropriate regulatory oversight must be possible. The following questions are based on general features contained in other provinces' restricted insurance agent licence regimes or the regulation and rule making authorities in the FIA or introduced by Bill 37.

- Should there be any requirements for warranty cancellations and premium refunds?
- What disclosure and documentation requirements should be required when a restricted insurance agent licensee sells an insurance product? What must they provide to a consumer? When? In what form? Should any disclosures be made by the insurer?
- Should a restricted insurance agent licensee be restricted in selling a policy where the eligibility of the insured is not certain? For example, should the licensee be required to facilitate contact with the insurer providing the policy if the customer has a question the licensee is unable to answer?
- Should there be any restrictions on how a restricted insurance agent licensee holds themselves out, or how they represent the services they offer?
- Should any classes of insurance products sold by a restricted insurance agent licensee be subject to a cooling off period or include a right of rescission?
- Should any restricted insurance agent licensees be limited in the commissions or fees they may charge?
- Should there be any exemptions for low-value products? For example, should a licence not be required for product warranty insurance for products sold for a price below a certain threshold?
- Should value limits be imposed for any types of insurance such that a restricted insurance agent licensee would not be authorized to sell policies with a value over that limit?
- Is a deferred sales model appropriate for any restricted insurance agent licences? For example, an insurance product could not be marketed until a set number of days after the primary purchase is made or contract agreed to.
- Do you have any other comments or feedback?

Please provide written submissions to [fiareview@gov.bc.ca](mailto:fiareview@gov.bc.ca) on or before Monday, October 3, 2022. Submissions received after this date may not be considered.

**Relevant links:**British Columbia Legislation:

- [Financial Institutions Amendment Act, 2019 \(Bill 37\)](#) Error! Hyperlink reference not valid.
- [Financial Institutions Act](#)
- [Insurance Licensing Exemptions Regulation](#)

Alberta Legislation:

- [Insurance Act](#)
- [Insurance Agents and Adjusters Regulation](#)

Saskatchewan Legislation:

- [The Insurance Act](#)
- [The Insurance Regulations](#)

Manitoba Legislation:

- [Insurance Act](#)
- [Insurance Agents and Adjusters Regulation](#)

New Brunswick Legislation:

- [An Act to Amend the Insurance Act \(Bill 33\)](#)
- [Insurance Act](#)

**Ministry of Finance Contacts:**

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## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 4(b)i**

**Committee Updates: Media Advocacy: Results of CAFII Media Release on Appointment of Peter D. Thompson as Board Chair**

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

This is an update only.

### **Background Information**

This is an update on the results of the CAFII media release announcing Peter D. Thompson as the new CAFII Board Chair.

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

This is an update only.

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

One attachment.

**Agenda Item 4(b)(i)**  
**July 26/22 EOC Meeting**

**CAFII Media Coverage Report**

**Appointment of Peter D. Thompson as CAFII chair (as of July 5, 2022)**

The news releases (in English and French) were issued via the EIN Press Wire, which distributes the releases to the websites of their member news organizations which reproduce the release on their websites. They were also distributed by our media consultant by email to Insurance trade media. The 2-hour visibility report generated by EIN shows that these releases reached and were reproduced on a variety of their media member news site, which makes them searchable on the internet:

<https://www.einpresswire.com/press-releases/report/TsdW6uoo7XrWvOSu?n=2>  
[https://www.einpresswire.com/press-releases/report/0EHUDXhOv\\_W6J2QP?n=2](https://www.einpresswire.com/press-releases/report/0EHUDXhOv_W6J2QP?n=2)

These efforts resulted in a good amount of media stories, with Investment Executive, Insurance Business Canada, Wealth Professional and Eminentcanada publishing stories:

<https://www.cafii.com/industry-appointments-of-the-week/>  
<https://www.cafii.com/cafii-appoints-national-bank-insurance-ceo-as-new-chair/>  
<https://www.cafii.com/thompson-succeeds-lobbezoo-as-cafii-chair/>  
<https://www.cafii.com/cafii-names-new-board-chair/>



**Peter D. Thompson of National Bank Insurance Elected Board Chair  
of Canadian Association of Financial Institutions in Insurance**

**Toronto, June 21, 2022** – The Canadian Association of Financial Institutions in Insurance (CAFII) is pleased to announce that Peter D. Thompson has been elected Chair of its Board of Directors. Mr. Thompson succeeds Chris Lobbezoo, who has completed a two-year term as Chair.

Mr. Thompson, President and CEO of National Bank Insurance, has been a director of CAFII since 2019, and its Vice-Chair since 2020. National Bank Insurance is a trademark of National Bank of Canada, which is a leading bank in Quebec and the sixth largest commercial bank in Canada.

“On behalf of CAFII’s Board, I want to thank Chris Lobbezoo for guiding our Association through the unprecedented challenges presented by the COVID-19 pandemic over the last two years,” said Mr. Thompson. “Under Chris’ leadership, CAFII was able to successfully pivot its member meetings and services, as well as its relationship-building and communications with insurance regulators and policy-makers to online channels. In addition, the Association was able to adroitly

turn its research focus to the impact of the pandemic on how Canadians want to conduct insurance transactions in future.”

Mr. Lobbezoo, who is Vice-President of Creditor Insurance at RBC Insurance, remains on the CAFII Board as the director from his member organization.

“I want to thank my fellow directors, the member volunteers who serve on CAFII committees, and the Association’s leadership team for their support during my term as Chair,” said Mr. Lobbezoo. “Going forward, CAFII is in very experienced, capable hands with Peter D. Thompson as Chair and I wish him the best of luck in guiding the Board in setting our Association’s strategic direction and achieving much continued success.”

**About CAFII:** The [Canadian Association of Financial Institutions in Insurance](#) is a not-for-profit industry Association dedicated to the development of an open and flexible insurance marketplace. CAFII believes that consumers are best served when they have meaningful choice in the purchase of 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; ScotiaLife Financial; and TD Life Insurance Company; along with major industry players Assurant Canada; The Canada Life Assurance Company; Canadian Premier Life Insurance Company; Canadian Tire Bank; CUMIS Services Incorporated; Manulife (The Manufacturers Life Insurance Company); Sun Life; and Valeyo.

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Media contact:

David Moorcroft, Public Affairs Advisor

Email: [david@strategy2communications.com](mailto:david@strategy2communications.com); Tel: +1-416-727-1858



**Peter D. Thompson de Banque Nationale Assurances est élu président du conseil d'administration de l'Association canadienne des institutions financières en assurance**

**Toronto, le 21 juin 2022** – L'Association canadienne des institutions financières en assurance (ACIFA) est heureuse d'annoncer que Peter D. Thompson a été élu président de son conseil d'administration. M. Thompson succède à Chris Lobbezoo, qui a terminé un mandat de deux ans à la présidence.

M. Thompson, président et chef de la direction de Banque Nationale Assurances, est administrateur de l'ACIFA depuis 2019, et vice-président de l'association depuis 2020. Banque Nationale Assurances est une marque de commerce de la Banque Nationale du Canada, qui est une banque de premier plan au Québec et la sixième banque commerciale en importance au Canada.

« Au nom du conseil d'administration de l'ACIFA, je tiens à remercier Chris Lobbezoo d'avoir guidé notre association face aux défis sans précédent que la pandémie de COVID-19 a créés au cours des deux dernières années », a déclaré M. Thompson. « Sous la direction de Chris, l'ACIFA a réussi à adapter ses réunions et ses services aux membres, ainsi que ses rapports et ses communications avec les régulateurs et les décideurs du secteur de l'assurance aux plateformes de communication en ligne. De plus, l'Association a habilement réorienté ses recherches afin d'étudier les répercussions de la pandémie sur la façon dont la population canadienne souhaite effectuer des transactions d'assurance à l'avenir. »

M. Lobbezoo, qui est vice-président de l'assurance-crédit à RBC Assurances, demeure au conseil d'administration de l'ACIFA en tant qu'administrateur de son organisation membre.

« Je tiens à remercier mes collègues administrateurs, les membres bénévoles qui siègent aux comités de l'ACIFA ainsi que l'équipe de direction de l'Association pour leur soutien durant mon mandat de président », a déclaré M. Lobbezoo. « Au cours des prochaines années, l'ACIFA sera dirigée par une personne très expérimentée et compétente. Je souhaite à Peter D. Thompson la meilleure continuation possible pour guider le conseil d'administration dans le choix de l'orientation stratégique de notre association et pour cumuler les réussites. »

**À propos de l'ACIFA :** L'[Association canadienne des institutions financières en assurance](#) (ACIFA) est une association sectorielle à but non lucratif qui se consacre au développement d'un marché de l'assurance ouvert et flexible. L'ACIFA croit que les consommateurs sont mieux servis lorsqu'ils ont un choix significatif dans l'achat de produits et services d'assurance. Les 15 membres de l'ACIFA comprennent les branches d'assurance des principales institutions financières du Canada – BMO Assurance, Assurance CIBC, Desjardins Assurances, Banque Nationale Assurances, RBC Assurances, La Financière ScotiaVie et TD Assurance – ainsi que les principaux acteurs de l'industrie : Assurant, Assurance-vie Canada, Compagnie d'assurance-vie Première du Canada, Banque Canadian Tire, CUMIS Services Incorporated, Manuvie (La Compagnie d'Assurance-Vie Manufacturers), Sun Life et Valeyo.

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Personne-ressource pour les médias :

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## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 4(b)ii**

**Committee Updates: Media Advocacy: Results of CAFII Media Release on Highlights of CAFII-  
Commissioned Research with Deloitte Canada on “Best Practices in the Digitization of CPI”**

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

This is an update only.

### **Background Information**

This is an update on the results of the CAFII media release on the highlights of its commissioned research with Deloitte Canada on best practices in the digitization of CPI.

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

This is an update only.

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

One attachment.

***Agenda Item 4(b)(ii)***  
***July 26/22 EOC Meeting***

**CAFII Media Coverage Report**

**Deloitte study on digitization of CPI (as of July 5, 2022)**

The news releases (English and French) and accompanying infographics about the Deloitte digitization of CPI study were distributed over the CNW Wire into the news rooms of media outlets across Canada. They were also distributed by our media consultant by email to Insurance trade media.

The 5-day visibility report generated by CNW shows that these releases produced the strongest results that any of our news releases have produced to date:

[https://visibility.prnewswire.com/vr3/release\\_highlights.jsp?i=n&d=H0jCKY4ANTvzJJYWu-9jDg==&n=zMxWzeUvM1E7Hugic6BjYA==&e=mOQ2JxvwUtr3uszGnS15jM8vy\\_dSLTtTcTjM-Oz3facGdW0hfG8lprTsdqcl8AdJh&lang=en-ca&utm\\_source=email&utm\\_campaign=5day&utm\\_content=large\\_button](https://visibility.prnewswire.com/vr3/release_highlights.jsp?i=n&d=H0jCKY4ANTvzJJYWu-9jDg==&n=zMxWzeUvM1E7Hugic6BjYA==&e=mOQ2JxvwUtr3uszGnS15jM8vy_dSLTtTcTjM-Oz3facGdW0hfG8lprTsdqcl8AdJh&lang=en-ca&utm_source=email&utm_campaign=5day&utm_content=large_button)

Among the highlights are the number of news release views, the number of click throughs to the Deloitte presentation and Pollara presentation, and the number of clicks on the infographics. What this means is the news release and its message have reached a large number of people directly, including media and regulators.

However, the extensive distribution of the study and infographics has so far produced a modest amount of media stories, with the Insurance Portal and Retail Banker International the only two outlets to publish stories to date:

<https://www.cafii.com/report-outlines-the-challenges-of-keeping-pace-with-canadians-insurance-needs/>  
<https://www.cafii.com/what-will-it-take-to-offer-best-in-class-digital-experiences-to-consumers-of-cpi/>

Given the time needed to review and interpret the Deloitte presentation, the fact that our release date closely preceded a long holiday weekend, and the fact that the information is not breaking news, there may be additional media coverage in the weeks to come.



## **WHAT WILL IT TAKE TO OFFER 'BEST-IN-CLASS' DIGITAL EXPERIENCES TO CONSUMERS OF CREDIT PROTECTION INSURANCE?**

***New report outlines challenges and opportunities for financial institutions in keeping pace with the evolving insurance needs and preferences of Canadians***

**TORONTO, June 29, 2022** – New research has found that collaboration across distributors, underwriters and regulators of Credit Protection Insurance (CPI) is key to delivering the type of “best-in-class” digital experience that Canadian consumers have increasingly come to expect.

The Deloitte Canada report (insert link to report), commissioned by the Canadian Association of Financial Institutions in Insurance (CAFII), says digitization is at the heart of the insurance industry’s most prominent and disruptive trends, which requires the industry to respond with new and innovative business models and customer experiences. The report identifies four key trends that are driving the need to transform the insurance business in ways that are truly more digital:

- Consumers expect more seamless, convenient, and personalized digital experiences from their insurers;
- There is growing competition from new entrants with tech-enabled business models;
- There are opportunities to create greater efficiency in back-office operations; and,
- The increased availability of data and use of advanced analytics has made it possible to generate greater customer insights.

In order to offer a leading digital experience, the report says that insurers will need to exhibit six attributes and underlying capabilities:

- Have a well articulated business digital strategy with clarity on the supporting customer, product, and channel strategy;
- Be highly customer-oriented in how they do business and take a human-centered design approach to their end-to-end user journey and digital experience;
- Become hyper-focused on operational efficiency, optimizing investments and data through process automation and digitization;
- Inform business priorities, product development, and customer experiences based on data-driven insights;
- Utilize modern technology architecture to support flexibility, seamless integration, and speed to market; and

- Embed digital culture, skills, and ways of working throughout the organization which drive a holistic culture of innovation.

According to the report, there are unique challenges facing the CPI industry in Canada, accentuated by the multiple stakeholders involved including underwriters, distributors, and regulators. For example, the CPI digital experience is highly dependent upon the future lending journey (i.e., mortgages, loans) where most sales take place, and the regulatory environment can be difficult to navigate digitally, especially due to lack of harmonization across provinces.

Despite the challenges, the CPI industry is committed to keeping pace with client expectations, with 100% of CAFII members surveyed by Deloitte indicating that digitizing CPI is a top strategic priority for their company, and 43% saying up to 40% of their applications will be fully digital by 2025. Furthermore, distributors of CPI recognize the need for greater omni-channel alignment, with 86% stating that cross channel integration is a key for creating successful digital CPI experiences.

“While the digital expectations of insurance consumers have been evolving for a while, the pandemic was a turning point for accelerating digital maturity in the Credit Protection Insurance industry,” said Keith Martin, Co-Executive Director of the Canadian Association of Financial Institutions in Insurance (CAFII). “Consumers of CPI expect a ‘best-in-class’ digital experience, and our members are committed to working with all of our stakeholders to deliver that outcome.”

“Offering digital-enabled experiences for clients, sales representatives and employees is no longer a choice. To effectively meet the needs of CPI clients and attract or retain top talent, the distributors of CPI in Canada will need to think thoughtfully about how and where it prioritizes its digital investment in collaboration with its lending and underwriting partners,” said Melissa Carruthers, Partner and Leader of Deloitte Canada’s Life & Health Insurance Strategy & Transformation Practice.

The Deloitte report is the latest in a series of studies commissioned by CAFII over the past seven years that have looked at customer satisfaction with CPI and Travel Insurance, and how its members can keep pace with evolving consumer expectations.

Over the past decade consumers of financial services have been shifting more of their transactions to digital channels, and this trend accelerated during the pandemic. In fact, the vast majority of Canadian consumers with CPI who participated in a [Pollara Strategic Insights survey](#) last year said their experience during COVID-19 had made them more comfortable conducting financial transactions online, with most saying it had changed the way they want to conduct these transactions in future.

**About CAFII:** The [Canadian Association of Financial Institutions in Insurance](#) is a not-for-profit industry Association dedicated to the development of an open and flexible insurance marketplace. CAFII believes that consumers are best served when they have meaningful choice in the purchase of 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; Scotiabank Financial; and TD Life Insurance Company; along with major industry players Assurant Canada; The Canada Life Assurance Company; Canadian Premier Life Insurance Company; Canadian Tire Bank; CUMIS Services Incorporated; Manulife (The Manufacturers Life Insurance Company); Sun Life; and Valeyo.

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**Media contact for CAFII:**

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**QUE FAUDRA-T-IL POUR OFFRIR UNE EXPÉRIENCE NUMÉRIQUE EXCEPTIONNELLE AUX  
CONSOMMATEURS DE L'ASSURANCE PROTECTION DU CRÉDIT?**

***Un nouveau rapport met en évidence les difficultés et les possibilités avec lesquelles les institutions  
financières composent pour suivre l'évolution des besoins en assurance et des préférences des  
Canadiens***

**TORONTO, le 29 juin 2022** – Une nouvelle recherche démontre que la collaboration entre les distributeurs, les souscripteurs et les régulateurs d'assurance protection de crédit (APC) est essentielle pour offrir le type d'expérience numérique exceptionnelle à laquelle les consommateurs canadiens s'attendent de plus en plus.

Le rapport de Deloitte Canada (insérer le lien vers le rapport), demandé par l'Association canadienne des institutions financières en assurance (ACIFA), révèle que le passage au numérique est au cœur des tendances les plus importantes et transformatrices observées dans l'industrie de l'assurance. Cette dernière doit donc s'adapter en établissant des modèles organisationnels innovateurs et proposer de nouvelles expériences aux consommateurs. Le rapport souligne quatre grandes tendances qui expliquent la nécessité de transformer l'industrie de l'assurance d'une façon réellement plus numérique :

- Les consommateurs s'attendent à une expérience numérique plus conviviale, pratique et personnalisée de la part des assureurs.

- La concurrence croissante provoquée par les nouveaux arrivants dans l'industrie, qui ont des modèles organisationnels axés sur la technologie.
- Il y a des possibilités intéressantes pour faire des gains d'efficacité dans le cadre des activités administratives.
- La disponibilité accrue des données et l'utilisation de méthodes analytiques perfectionnées permettent de générer encore plus de renseignements sur les consommateurs.

Le rapport indique que pour offrir une expérience numérique qui se démarque, les assureurs devront avoir six caractéristiques et capacités sous-jacentes :

- Avoir une stratégie numérique détaillée, qui précise le soutien aux consommateurs, les produits et les modes de prestation
- Mettre l'accent sur les consommateurs afin de bien connaître la façon dont ils mènent leurs affaires et adopter une approche axée sur les personnes pour le processus régissant les utilisateurs de bout en bout et l'expérience numérique
- Mettre grandement l'accent sur l'efficacité opérationnelle, en optimisant les investissements et les données au moyen de l'automatisation et la numérisation des processus
- Orienter les priorités opérationnelles, le développement des produits et l'expérience des consommateurs en fonction des perspectives dérivées des données
- Utiliser l'architecture technologique moderne pour soutenir la flexibilité, l'intégration harmonieuse et l'accélération de la mise en marché
- Intégrer la culture numérique, les compétences et les méthodes de travail dans l'ensemble de l'organisation, afin d'instaurer une culture holistique en matière d'innovation

Selon le rapport, l'industrie canadienne de l'ACC est confrontée à des difficultés uniques, qui sont aggravées par la multitude d'intervenants (souscripteurs, distributeurs et organismes de réglementation). Par exemple, l'expérience numérique en matière d'APC dépend grandement de l'évolution du processus de prêt (comme les hypothèques ou les prêts personnels), où la plupart des ventes sont effectuées, et la navigation dans l'environnement de réglementation numérique peut être ardue, particulièrement en raison du manque de cohérence entre les provinces.

Malgré ces difficultés, l'industrie de l'APC est déterminée à suivre les attentes des clients. En effet, 100 % des membres de l'ACIFA interrogés par Deloitte ont indiqué que le passage à une APC numérique est une grande priorité pour leur entreprise, dont 43 % ont mentionné que jusqu'à 40 % de leurs applications seraient entièrement numériques d'ici 2025. De plus, les distributeurs d'APC reconnaissent la nécessité d'une meilleure harmonisation entre les modes de prestation : 86 % ont indiqué que l'intégration entre les modes était essentielle pour créer des expériences numériques fructueuses en matière d'APC.

« Bien que les attentes numériques des consommateurs d'assurance aient évolué au fil du temps, la pandémie a été un point décisif pour l'accélération de la maturité numérique dans l'industrie de l'APC », explique Keith Martin, codirecteur exécutif de l'ACIFA. « Les consommateurs de l'APC s'attendent à une expérience numérique exceptionnelle, et nos membres se sont engagés à collaborer avec tous nos intervenants pour y arriver. »

« Offrir une expérience numérique aux clients, aux représentants et aux employés n'est plus une option. Pour répondre efficacement aux besoins des consommateurs de l'APC, pour attirer les talents et maintenir les employés en poste, les distributeurs et souscripteurs d'APC au Canada doivent établir leur liste de priorités de façon réfléchie en ce qui concerne les investissements dans le volet numérique, en collaboration avec leurs partenaires de prêt et de souscription », précise Melissa Carruthers, partenaire et leader de l'équipe Transformation et Stratégie – Assurance vie et assurance maladie pour le Canada.

Le rapport de Deloitte est le dernier d'une série d'études demandées par l'ACIFA depuis 2015 sur la satisfaction de la clientèle dans le secteur de l'APC et de l'assurance voyage, ainsi que sur la façon dont ses membres peuvent suivre l'évolution des attentes des consommateurs.

Au cours de la dernière décennie, les consommateurs de services financiers ont plutôt opté pour les modes de prestation numériques pour effectuer leurs transactions, et cette tendance s'est accélérée avec la pandémie. En réalité, la majorité des consommateurs canadiens de l'APC et qui ont répondu au [sondage de Pollara](#) l'année dernière ont indiqué que leur expérience pendant la COVID-19 les avait rendus plus à l'aise de faire des transactions financières en ligne. La plupart ont d'ailleurs mentionné que cela avait changé la façon dont ils veulent faire ces transactions à l'avenir.

**À propos de l'ACIFA :** L'[Association canadienne des institutions financières en assurance](#) (ACIFA) est une association sectorielle à but non lucratif qui se consacre au développement d'un marché de l'assurance ouvert et flexible. L'ACIFA croit que les consommateurs sont mieux servis lorsqu'ils ont un choix significatif dans l'achat de produits et services d'assurance. Les 14 membres de l'ACIFA comprennent les branches d'assurance des principales institutions financières du Canada – BMO Assurance, Assurance CIBC, Desjardins Assurances, Banque Nationale Assurances, RBC Assurances, La Financière ScotiaVie et TD Assurance – ainsi que les principaux acteurs de l'industrie : Assurant, Assurance-vie Canada, Compagnie d'assurance-vie Première du Canada, Banque Canadian Tire, CUMIS Services Incorporated, Manuvie (La Compagnie d'Assurance-Vie Manufacturers), Sun Life et Valeyo.

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**Personne-ressource de l'ACIFA pour les médias :**

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## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 4(b)iii**

**Committee Updates: Media Advocacy: Operatic Agency Completion of CAFII Website Video on Consumer Protections Embedded In CPI In Canada**

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

This is an update only.

### **Background Information**

This is an update on the publication of the 2022 CAFII website video on the consumer protections embedded in CPI in Canada. The video has now been posted to the following four sections of the website:

#### **Products**

- what is credit protection insurance

<https://www.cafii.com/credit-protection-insurance/>

<https://www.cafii.com/fr/assurance-protection-de-credit/>

- what is credit payment protection insurance for personal loans

<https://www.cafii.com/payment-protection-insurance-for-loans/>

<https://www.cafii.com/fr/assurance-de-protection-de-paiement-pour-les-prets/>

#### **FAQs**

- what are the benefits of credit protection insurance

- can I change my mind and cancel my insurance coverage

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

<https://www.cafii.com/fr/questions-frequeemment-posees/>

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

This is an update only.

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

No attachments.



## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 4(c)i**

**Committee Updates: Research & Education: Execution of EOC-Approved CAFII 2022 Tracking Study  
Research on Consumers' Satisfaction with CPI, with Pollara Strategic Insights**

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

This is an update only.

### **Background Information**

CAFII is now implementing the EOC-approved decision to proceed with a 2022 tracking study on consumers' satisfaction with CPI, with Pollara Strategic Insights. This consumer research survey was last conducted in 2018 and published in 2019.

We have organized two meetings with Pollara VP Lesli Martin to review the original questionnaire and see what, if any, changes need to be made to it. The intention is to go to the field in the fall of 2022 and publish the results in early 2023.

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

This is an update only.

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

One attachment.

TO: Keith Martin, CAFII

FROM: Lesli Martin

DATE: July 7 2022

RE: **Creditor Insurance Research Wave 2 - Proposal**

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Dear Keith,

On behalf of Pollara Strategic Insights, thank you for the opportunity to again collaborate with CAFII on this important project to examine Creditor Insurance in Canada.

The proposal brief contains a summary of our understanding of the research objective, our recommended approach, scope and costs.

I hope this document meets your immediate needs and I look forward to discussing this with you in more detail.

Sincerely,



Lesli Martin  
Senior Vice-President  
Pollara Strategic Insights  
416-707-9770  
LesliMartin@Pollara.com

## BACKGROUND AND OBJECTIVES

In 2018, Pollara worked with CAFII to conduct research on Credit Protection Insurance (CPI). The objective of this research was to understand Canadian consumers' views of CPI. Specifically, this research uncovered the following:

- Perceptions of CPI on a number of factors including value for the money, trustworthiness and ability to cover needed expenses
- Incidence of having CPI
- Reasons for purchasing or not purchasing CPI
- How Creditor's Insurance was purchased
- Satisfaction of purchase experience
- Incidence of making a claim on CPI
- Satisfaction with claims experience.

CAFII would like to repeat this research to understand how views of credit protection insurance have changed in the past four years. While key measures included in this study will remain the same to allow for tracking of results, we recommend re-visiting the survey to determine if areas of questioning are perhaps no longer relevant, or if other issues should be added. Particularly, we will consider the addition of some question areas from research conducted by Pollara and CAFII in 2021 on digital processes and methods.

## METHODOLOGY

In order to understand views of CPI as well as the purchase experience of this product, and to track this information to the study conducted in 2018, Pollara Strategic Insights recommends using the same methodology that was used for the first wave of study. That is, the research will be conducted using an online survey with Canadians who currently have a mortgage or a Home Equity Line of Credit (HELOC), whether or not they have creditor insurance.

As with the first study, we recommend conducting 1000 surveys with mortgage/HELOC holders who have credit protection insurance and 400 surveys with mortgage/HELOC holders who do not have credit protection insurance. With this same methodology, we will conduct up to 200 surveys with those who have made a claim on creditor insurance. By surveying all three groups, we will obtain a fulsome picture of the CPI consumer landscape – both among those who purchase it and those who choose not to.

### **Incidence of Life Insurance Claims**

Due to the low incidence of making a Life Insurance Claim through creditors insurance, it will be difficult to reach this sample using typical online panel research. In order to obtain information regarding incidence of claims, we recommend obtaining this information from CAFII members. Pollara Strategic Insights would obtain this information from the members on a confidential basis and would provide back a report with data presented on an aggregate basis only.

### **Survey Design**

While it is important that key questions in the survey remain the same in order to allow for tracking, it is also important to ensure the survey in Wave 2 is effective in dealing with changes that have occurred over the past 4 years and addresses all new information requirements that CAFII may have. As such, Pollara will work closely with the CAFII team to make any necessary changes to the survey, while ensuring that it remains trackable to the earlier research.

## **NON-DISCLOSURE AGREEMENT**

As with the 2018 survey, some members of CAFII (Canada Life Assurance, RBC Insurance, TD Insurance, CIBC Insurance, ScotiaLife Financial, BMO Insurance, Desjardins Financial, and CUMIS, collectively the “CAFII Members”) will confidentially supply data regarding their CPI life insurance policies solely to Pollara Strategic Insights. Pollara Strategic Insights will then aggregate this data and report it in an aggregate form only (the supply of data and the aggregate reporting is referred to as the “Initiative”). To ensure that this data is dealt with in a confidential and secure manner, and is consistent with the applicable Competition Act requirements, Pollara Strategic Insights will sign and abide with a Non-Disclosure Agreement as set out in Appendix A to this contract, for the benefit of CAFII and CAFII Members.

## COST

The cost of conducting each phase of research is as follows:

- Online survey with 1,600 Canadians – 1000 creditor insurance holders, 400 mortgage/HELOC holders without creditor insurance, 200 claimants: \$50,400 + \$6,552 HST = \$56,952
- Data analysis of Life Claimants from member information: \$1,000 + \$130 HST = \$1,130.
- **TOTAL COST (including HST): \$58,082**

These costs include all aspects of this research study, including project management and client meetings, survey design, programming, testing, fielding of survey, data analysis, final report and up to four presentations.

## APPENDIX A

### NON-DISCLOSURE AGREEMENT FROM POLLARA STRATEGIC INSIGHTS

**Competition Laws.** Pollara Strategic Insights represents and warrants that it is familiar with, has complied with, and will comply, in all respects, with applicable competition laws including the provisions of the Competition Act and will implement appropriate policies, conduct appropriate training of its employees and directors, and adopt appropriate processes for meetings and documentation to ensure that it and they will remain compliant.

**General Provisions.** Pollara Strategic Insights agrees and undertakes to maintain in strict confidence any data or information provided by CAFII and CAFII Members ("Confidential Information") by virtue of the Initiative, to restrict access to the Confidential Information only to those employees engaged in the Initiative and who have a need to know for the purposes described herein to the exclusion of any other employees who do not provide services in connection with the Initiative, and use the Confidential Information for no other purposes than those set out herein (except if required otherwise by applicable laws, court or governmental agency). Moreover, Pollara Strategic Insights agrees to not use or attempt to use the Confidential Information in any way that would be in violation of any applicable law or in any manner that could be deemed anticompetitive. Pollara Strategic Insights will be liable for any failure by its employees to comply with the terms of this agreement.

All Confidential Information will remain the exclusive property of the applicable disclosing party, and Pollara Strategic Insights will have no rights, by license or otherwise, to use the Confidential Information except as expressly provided in this agreement.

Pollara Strategic Insights will not use Confidential Information for any purpose other than evaluation and implementation of the Initiative. Pollara Strategic Insights will not disclose, make available to, or provide or permit access to or use of any Confidential Information, by a third party except as permitted by this agreement. Pollara Strategic Insights agrees that it will establish safeguards to ensure that all data is uniquely identified as to the Initiative participant to whom it belongs and all Confidential Information will be secure from unauthorized access and/or use.

In the event of any actual or suspected security breach involving Confidential Information Pollara Strategic Insights will immediately notify CAFII and CAFII Members, immediately allocate required resources to address and cure the breach and implement all reasonable mechanisms to mitigate the risk and prevent future occurrences, including cooperating in all reasonable respects with CAFII and CAFII Members to minimize the impact of the security breach or loss and any damage resulting therefrom.

Upon written request from CAFII or a CAFII Member, Pollara Strategic Insights will promptly return or destroy, and verify in writing its destruction of all material, in any form, embodying a disclosing party's Confidential Information.

This agreement will be governed by and construed in accordance with the laws in force in the Province of Ontario, and the parties attorn to the nonexclusive jurisdiction of the courts of Ontario.

**Confidentiality and Data Privacy.** Each party shall protect all confidential information which the other party provides to it (whether orally, in writing or in any other form) against unauthorized access, use, disclosure, destruction, loss or alteration using at least the same degree of care that a party uses to protect its own confidential and/or proprietary information, but in no event less than a reasonable degree of care.

Each party's obligations will not apply to information: (i) already known to it at the time of disclosure; (ii) in the public domain or publicly available; (iii) available from a third party who is under no such obligation of confidentiality; or (iv) independently developed by it. Each party may disclose confidential information to its legal advisors to protect its own legitimate interests and to comply with any legal or regulatory requirements. If any court, regulatory authority, professional body or legal process requires the recipient to disclose information covered by this confidentiality obligation, then the recipient may make any such disclosure; provided that the recipient will, if permitted by law, advise the other party promptly of any such requirement and cooperate, at such other party's expense, in responding to it.

Irrespective of where Pollara Strategic Insights receives or holds individually identifiable personal information ("Personal Data") on behalf of any of the other parties, Pollara Strategic Insights confirms that, acting as data processor it will take appropriate technical, physical and organizational/administrative measures to protect that Personal Data against accidental or unlawful destruction or accidental loss or unauthorized alteration, disclosure or access. Pollara Strategic Insights will only use that Personal Data for the purposes of providing services to the other parties or for other reasonable purposes which are related to the services Pollara Strategic Insights provides, unless the parties instruct otherwise. The other parties and Pollara Strategic Insights shall each comply with the provisions and obligations imposed on each of them by applicable data privacy legislation and regulations.

**Limitation of Liability.** If Pollara Strategic Insights services do not conform to the requirements agreed between all parties, Pollara Strategic Insights will be notified promptly and it shall re-perform any non-conforming services at no additional charge or, at Pollara Strategic Insights option, refund the portion of the fees paid with respect to such services.

If re-performance of the services or refund of the applicable fees would not provide an adequate remedy for damages, the aggregate liability of Pollara Strategic Insights and its employees, directors, officers, agents and subcontractors (the "related persons") to the parties whether in contract, tort (including negligence), breach of statutory duty or

otherwise for any losses arising from or in any way connected with our services shall not exceed in aggregate the greater of (a) \$250,000 or (b) the total amount of the fees paid to Pollara Strategic Insights for the services provided pursuant to this agreement, unless otherwise agreed in writing. Nothing in these terms shall exclude or limit the liability of Pollara Strategic Insights or its related persons in the case of: (a) death or personal injury resulting from our or our related person's negligence; (b) willful misconduct; (c) fraud; or (d) other liability to the extent that the same may not be excluded or limited as a matter of law. In no event shall Pollara Strategic Insights or any of its related persons or affiliates be liable for any incidental, special, punitive, or consequential damages of any kind (including, without limitation, loss of income, loss of profits, or other pecuniary loss).

Where Pollara Strategic Insights are jointly liable with another party, Pollara Strategic Insights shall to the extent permitted by law only be liable for those losses that correspond directly with its share of responsibility for the losses in question.



Lesli Martin  
Pollara Strategic Insights



## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 4(d)i**

**Committee Updates: Research & Education: Networking & Events: Plans for September 13/22 In-Person CAFII Annual Members and Associates Luncheon with Mark White, CEO, FSRA, as Guest Speaker**

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

This is an update only.

### **Background Information**

CAFII has now received confirmation from FSRA CEO Mark White that he is able to accept the Association's invitation to be the keynote speaker at our September 13, 2022 Annual Members and Associates Luncheon, to be held in-person at St. James Cathedral Centre Event Venue in Toronto.

CAFII has extended an offer to Mr. White to bring some FSRA staff executives with him to the luncheon, and we have received word that the following individuals will attend the luncheon:

*Dan Miles: Director of Corporate Communications;*

*Jordan Solway: Executive Vice President, Legal and Enforcement;*

*Stephen Power: Executive Vice President, Corporate Services;*

*Erica Hiemstra: Head, Market Conduct—Insurance Conduct;*

*Swati Agrawal: Senior Manager, Market Conduct—Licensing and Market Conduct Division;*

*Mehrdad Rastan: Executive Vice President, Credit Union and Insurance Prudential.*

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

This is an update only.

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

One attachment.

**Agenda Item 4(d)(i)**  
**July 26/22 EOC Meeting**

**From:** Brendan Wycks <[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)>  
**Sent:** Wednesday, June 22, 2022 4:45 PM  
**To:** Mark White <[Mark.White@fsrao.ca](mailto:Mark.White@fsrao.ca)>  
**Cc:** Keith Martin <[Keith.Martin@cafii.com](mailto:Keith.Martin@cafii.com)>; Huston Loke <[Huston.Loke@fsrao.ca](mailto:Huston.Loke@fsrao.ca)>; Alicia Leshkiw <[Alicia.Leshkiw@fsrao.ca](mailto:Alicia.Leshkiw@fsrao.ca)>; Diba Kohandani <[Diba.Kohandani@fsrao.ca](mailto:Diba.Kohandani@fsrao.ca)>; Rachel Olaso-Pezeshkian <[Rachel.Olaso-Pezeshkian@fsrao.ca](mailto:Rachel.Olaso-Pezeshkian@fsrao.ca)>; Jake Becker <[jake.becker@cafii.com](mailto:jake.becker@cafii.com)>; Meighan Pears <[events@cafii.com](mailto:events@cafii.com)>; Danielle McLean <[Danielle.McLean@cafii.com](mailto:Danielle.McLean@cafii.com)>  
**Subject:** CAFII 2022 Annual Members and Associates Luncheon Guest Speaker Invitation Letter To Mark White, CEO, Financial Services Regulatory Authority of Ontario  
June 22, 2022

Mr. Mark White, CEO  
Financial Services Regulatory Authority of Ontario  
25 Sheppard Avenue West, Suite 100  
Toronto, Ontario  
M2N 6S6  
[mark.white@fsrao.ca](mailto:mark.white@fsrao.ca)

Dear Mark:

**Re: Invitation To Be Guest Speaker At CAFII's 2022 Annual Members and Associates Luncheon**

Thank you for inviting us to attend the June 9/22 FSRA Reception in honour of founding FSRA Board Chair Bryan Davies; other founding FSRA Board members; and the third anniversary of FSRA's June 2019 launch as Ontario's new financial services regulator. We very much enjoyed the welcome to FSRA's new office facilities and the event itself; and we appreciated the opportunity to echo the tributes to Bryan Davies, Kathryn Bouey, Judith Robertson, and Richard Nesbitt, by chatting with them and with many of the current FSRA Board members and staff who were present.

And in follow-up to a matter which Brendan Wycks discussed with you at the June 9 Reception, another important purpose of this letter is to extend an official, written invitation to you to be the guest speaker at our 2022 CAFII Annual Members and Associates Luncheon. Here are the key particulars about that event:

**Date:** Tuesday, September 13, 2022.

**Time:** 11:30 a.m. to 2:15 p.m.

**Location:** St. James Cathedral Centre Event Venue, 65 Church St., Toronto, Ontario M5C 2E9

**Audience:** Between 100 and 150 CAFII Member and Associate representatives. (See **Appendix A** for more Audience Profile details.)

**Format:** CAFII would be comfortable with either of the following approaches, whichever you prefer:

- (a) a regular speech/TED Talk-style presentation of 35 to 40 minutes duration, followed by a Q&A session of interactive dialogue with the audience for 10 to 15 minutes; or
- (b) a “fireside chat” approach in which a CAFII moderator (likely Co-Executive Director Keith Martin) would dialogue with you and guide/facilitate discussion of a number of pre-approved questions on the chosen topic over the course of 35 to 40 minutes, followed by an open Q&A session of interactive dialogue with the audience for 10 to 15 minutes.

*(See **Appendix A** for the Tentative Order of Proceedings for CAFII’s 2022 Annual Members and Associates Luncheon.)*

**Title/Topic of Presentation:** Any topic of your choosing which will give rise to an information-sharing and update presentation on FSRA’s current and future priorities and your vision for the Authority would be very audience-relevant and meet CAFII’s expectations. (However, we do wish to receive from you a catchy/grabber title for the presentation, which will aid in our promotional efforts around the event.)

In particular, the following themes/sub-topics would be germane and appealing to the CAFII Members and Associates audience; and could potentially be knitted together into a FSRA overview presentation:

- how FSRA is making principles-based regulation (PBR) work and how it fits with rule-making authority and enforcement powers;
- how FSRA is making consumer views/input a “by-design” element of its priorities;
- how FSRA strives to find the right balance between Fair Treatment of Customers and fostering industry innovation (Innovation Office and other mechanisms);
- the role FSRA sees for itself in harmonization initiatives, at the CCIR and CISRO national co-ordinating body tables;
- how FSRA plans to play a role on the international stage – through its membership involvement in the International Association of Insurance Supervisors (IAIS) – and how IAIS insights will be brought home to inform regulatory initiatives in Ontario and Canada (through CCIR and CISRO);
- how FSRA is deploying technology (reg-tech) to enhance its consumer protection initiatives;
- how FSRA has designed its return-to-office around a hybrid work model; and how it has configured its new office space to be collaborative and team-building; and
- how FSRA plans to maintain and continue to “walk the talk” on its commitment to fulsome, meaningful consultation with industry stakeholders.

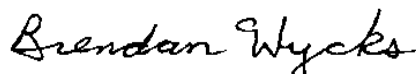
Finally, we would ask that you try to focus your remarks primarily upon the life and health insurance sector; and, to the degree possible, deliver some insights or messages that are tailored for the credit protection insurance and/or travel insurance subsector(s).

Everyone associated with CAFII is excited by the prospect of having you be our 2022 speaker, Mark, and is hoping that you will be able to accept to this invitation. We ask that you respond at your earliest convenience.

Sincerely,



Keith Martin, Co-Executive Director, CAFII  
647.460.7725



Brendan Wycks, Co-Executive Director, CAFII  
647.218.8243

C.C.

Alicia Leshkiw, Executive Assistant to the CEO, FSRA  
Huston Loke, Executive Vice-President, Market Conduct, FSRA  
Diba Kohandani, Engagement and Events Co-ordinator, FSRA

**From:** Diba Kohandani <[Diba.Kohandani@fsrao.ca](mailto:Diba.Kohandani@fsrao.ca)>

**Sent:** June-28-22 3:51 PM

**To:** Brendan Wycks <[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)>

**Cc:** Keith Martin <[Keith.Martin@cafii.com](mailto:Keith.Martin@cafii.com)>; Alicia Leshkiw <[Alicia.Leshkiw@fsrao.ca](mailto:Alicia.Leshkiw@fsrao.ca)>; Jake Becker <[jake.becker@cafii.com](mailto:jake.becker@cafii.com)>; Meighan Pears <[events@cafii.com](mailto:events@cafii.com)>; Danielle McLean <[Danielle.McLean@cafii.com](mailto:Danielle.McLean@cafii.com)>; Dan Miles <[Dan.Miles@fsrao.ca](mailto:Dan.Miles@fsrao.ca)>

**Subject:** RE: CAFII 2022 Annual Members and Associates Luncheon Guest Speaker Invitation Letter To Mark White, CEO, Financial Services Regulatory Authority of Ontario

Hello Brendan,

I hope this email finds you well.

I wanted to send a quick note of thanks for the invitation below that was shared with Mark.

I am happy to confirm Mark for September 13<sup>th</sup> at 11:30 a.m.

I look forward to hearing from Meighan on next steps.

Thank you,

**Diba Kohandani**

Engagement & Events Coordinator

Public Affairs

Financial Services Regulatory Authority (FSRA)

C: 416.904.4667

E: [diba.kohandani@fsrao.ca](mailto:diba.kohandani@fsrao.ca)

[www.fsrao.ca](http://www.fsrao.ca)

**From:** Brendan Wycks <[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)>  
**Sent:** Tuesday, June 28, 2022 3:55 PM  
**To:** Diba Kohandani <[Diba.Kohandani@fsrao.ca](mailto:Diba.Kohandani@fsrao.ca)>  
**Cc:** Keith Martin <[Keith.Martin@cafii.com](mailto:Keith.Martin@cafii.com)>; Alicia Leshkiw <[Alicia.Leshkiw@fsrao.ca](mailto:Alicia.Leshkiw@fsrao.ca)>; Jake Becker <[jake.becker@cafii.com](mailto:jake.becker@cafii.com)>; Meighan Pears <[events@cafii.com](mailto:events@cafii.com)>; Danielle McLean <[Danielle.McLean@cafii.com](mailto:Danielle.McLean@cafii.com)>; Dan Miles <[Dan.Miles@fsrao.ca](mailto:Dan.Miles@fsrao.ca)>  
**Subject:** RE: CAFII 2022 Annual Members and Associates Luncheon Guest Speaker Invitation Letter To Mark White, CEO, Financial Services Regulatory Authority of Ontario

Thanks very much, Diba, for that excellent news which CAFII is delighted to receive.

Danielle McLean or Meighan Pears from our CAFII events team will be back in touch with you in the very near future re next steps.

**Brendan Wycks, BA, MBA, CAE**

Co-Executive Director  
Canadian Association of Financial Institutions in Insurance  
[Brendan.wycks@cafii.com](mailto:Brendan.wycks@cafii.com)

T: 647.218.8243

Alternate T: 647.361.9465

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

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

**From:** Meighan Pears <[events@cafii.com](mailto:events@cafii.com)>  
**Sent:** Thursday, June 30, 2022 9:27 AM  
**To:** Diba Kohandani <[Diba.Kohandani@fsrao.ca](mailto:Diba.Kohandani@fsrao.ca)>  
**Cc:** Keith Martin <[Keith.Martin@cafii.com](mailto:Keith.Martin@cafii.com)>; Alicia Leshkiw <[Alicia.Leshkiw@fsrao.ca](mailto:Alicia.Leshkiw@fsrao.ca)>; Jake Becker <[jake.becker@cafii.com](mailto:jake.becker@cafii.com)>; Danielle McLean <[Danielle.McLean@cafii.com](mailto:Danielle.McLean@cafii.com)>; Dan Miles <[Dan.Miles@fsrao.ca](mailto:Dan.Miles@fsrao.ca)>; Brendan Wycks <[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)>  
**Subject:** RE: CAFII 2022 Annual Members and Associates Luncheon Guest Speaker Invitation Letter To Mark White, CEO, Financial Services Regulatory Authority of Ontario

Good morning Diba,

CAFII is thrilled to have Mark speak at our Annual Members and Associates Luncheon!

With that being said, we would like to invite Mark to invite up to 8 FSRA executives to join the luncheon as our special guests. We have engaged with many FSRA executives in the past—like Huston Loke, Glen Padassery, Erica Hiemstra, Swati Agrawal, and Marlena Labieniec, among others—and we would be delighted to have such individuals join Mark at the luncheon.

Please let me know the names and emails of any executives Mark would like to attend and I will make sure they receive the invitation.

Thank you and have a great long weekend!

Sincerely,

**Meighan Pears**

Event Planner

Canadian Association of Financial Institutions in Insurance

**From:** Diba Kohandani <Diba.Kohandani@fsrao.ca>

**Sent:** July-13-22 10:53 AM

**To:** Meighan Pears <events@cafii.com>

**Cc:** Keith Martin <Keith.Martin@cafii.com>; Brendan Wycks <brendan.wycks@cafii.com>

**Subject:** RE: CAFII 2022 Annual Members and Associates Luncheon Guest Speaker Invitation Letter To Mark White, CEO, Financial Services Regulatory Authority of Ontario

Hi Meighan, Brendan and Keith,

Hope all is well.

I wanted to let you know that I have received the following names as executives who will attend with Mark.

1. Dan Miles – [dan.miles@fsrao.ca](mailto:dan.miles@fsrao.ca)
2. Jordan Solway – [Jordan.solway@fsrao.ca](mailto:Jordan.solway@fsrao.ca)
3. Stephen Power – [Stephen.power@fsrao.ca](mailto:Stephen.power@fsrao.ca)
4. Erica Hiemstra – [Erica.hiemstra@fsrao.ca](mailto:Erica.hiemstra@fsrao.ca)
5. Swati Agrawal – [swati.agrawal@fsrao.ca](mailto:swati.agrawal@fsrao.ca)
6. Mehrdad Rastan – [Mehrdad.rastan@fsrao.ca](mailto:Mehrdad.rastan@fsrao.ca)

I also wanted to share the news that I have resigned from my role at FSRA and my last day is today. You can continue to send emails to this account as they will be forwarded to a colleague in the interim.

It has been a pleasure working with you all over the years and I wish you the best.

Thank you,

**Diba Kohandani**

Engagement & Events Coordinator

Public Affairs

Financial Services Regulatory Authority (FSRA)

C: 416.904.4667

E: [diba.kohandani@fsrao.ca](mailto:diba.kohandani@fsrao.ca)

[www.fsrao.ca](http://www.fsrao.ca)

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 4(e)i**

**Committee Updates: Travel Insurance Experts: Issues Discussed in and Insights Gained from Recent Meetings of Travel Insurance Experts Committee**

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

This is an update only.

### **Background Information**

This is an update on the recent deliberations of CAFII's Travel Insurance Experts Committee.

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

This is an update only.

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

No attachments.

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 4(e)ii**

**Committee Updates: Travel Insurance Experts: Insights Gained From CAFII/CLHIA/THIA Bi-Weekly Meetings Re Impact Of COVID-19 On Travel and the Travel Insurance Industry; and Related Regulatory Issues**

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

This is an update only.

### **Background Information**

This is an update on the insights gained from the biweekly meetings of THIA, CLHIA, and CAFII on travel insurance issues related to COVID-19.

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

This is an update only.

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

1 attachment.



***Agenda Item 4(e)(ii)  
July 26/22 EOC Meeting***

**From:** Travel Health Insurance Association <info@thiaonline.com>  
**Sent:** July-04-22 5:10 AM  
**Subject:** THIA to Launch Task Force on Changes to Super Visa Program

On May 18, the House of Commons' Standing Committee on Citizenship and Immigration invited the Travel Health Insurance Association of Canada to appear before the Committee, as part of a panel in view of its study of *Bill C-242 - An Act to amend the Immigration and Refugee Protection Act*. However, due to short notice, THIA was unable to appear before the Committee.

Nevertheless, your Board of Directors has decided to create a Task Force that will solicit input from our members (Insurers, Distributors and other interested stakeholders) to prepare a submission expressing our concerns and point of view.

As many of you know, on June 7, Immigration, Refugees and Citizenship Canada (IRCC) announced enhancements to the Super Visa Parent and Grandparent Program. The enhancements can be summarized as follows:

- maximum possible length of stay increased to 5 years, plus people with a Super Visa already in Canada can request to extend their stay by up to 2 more years. This means a possible stay of up to 7 consecutive years.
- at some future date, IRCC will be posting an approved list of designated medical insurance companies located outside of Canada whose insurance they will accept with a Super Visa application. We assume foreign insurers will need to be vetted by IRCC for quality of coverage and suitable coverage limits before they will make the approved list.

Those of you who attended our AGM on June 15th, 2022 will know that this issue was raised by one of our long-time members during the Q&A session. These changes are significant to THIA members who are active in the Visitor to Canada space.

The first point above presents a growth opportunity, but the plan to accept foreign insurers threatens what has developed into a significant market in Canada since the launch of the Super Visa in late 2011.

Accordingly, a new THIA Task Force has been established to pre-emptively review some of the foreign products available in the countries from which the majority of Super Visa visitors originate. The objective will be to critique these products relative to what is available in Canada and to highlight what Canadian Emergency Medical insurance providers can offer to a visitor to Canada that a non-domestic insurer might not be able to provide in the shorter term (if ever). A submission will be made to IRCC, hopefully before they complete their vetting process and issue their approved list of foreign insurers.

Jeff Pudwell, the previous chair of the Visitor to Canada Committee, has agreed to head this task force.

**\*\*CALL FOR TASK FORCE MEMBERS \*\***

THIA Members who wish to participate in the task force are asked to email [Jeff@21stcenturytravelins.com](mailto:Jeff@21stcenturytravelins.com), [president@thiaonline.com](mailto:president@thiaonline.com) and [vicepresident@thialone.com](mailto:vicepresident@thialone.com) by no later than July 18, 2022. Work will commence on July 25th and members will be expected to bring sample non-domestic policies to the table for review. In addition to underwriting companies and selling agents/distributors with an interest in this Task Force, members from assistance companies are needed to assist with the description of networking advantages and strengths THIA members in Canada can offer to visitors to Canada.

We will target September 1st, 2022 for our submission to IRCC on behalf of THIA.

On behalf of THIA, I want to thank you for your support on this very important issue.

Michael Camacho  
THIA President

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**From:** Travel Health Insurance Association <info@thiaonline.com>  
**Sent:** July-19-22 12:10 PM  
**To:** Brendan Wycks <brendan.wycks@cafii.com>  
**Subject:** Bill C-242 Task Force Launches Today

On July 4th, 2022, THIA announced the creation of a Task Force to review Bill C-242 - An Act to Amend the Immigration and Refugee Protection Act in order to submit a brief to the House of Commons' Standing Committee on Citizenship and Immigration. Jeff Pudwell, the previous chair of THIA's Visitors to Canada Committee, agreed to head this Task Force.

The first meeting takes place today, July 19, 2022, and it is hoped that the brief will be completed before Labour Day.

I would like to acknowledge and thank the following THIA members who have agreed to participate on the Task Force. As you see, it represents a good cross-section of our Association.

Member Name	Member Organization
Jeff Pudwell, Task Force Chair	21st Century Travel Insurance Ltd.
Annelaure Masson	TuGo
Ryan Beaulieu	Travel Guardian / AwayCare
Markus Mueller	The Destination: Travel Group Inc.
Nancy Mitchell	Starr Insurance Companies
Iqbal Siddiqi	Reliance Innovative Marketing Inc.

Isaac Sananes  
Cassandra Timms  
Jeff Jachymek  
Elliott Draga, Vice President, THIA  
Jennifer Waver  
Marie Blair  
Johnson Fu  
Jennifer Savage  
Umesh Manani  
Léa Dufresne  
Martin Plante  
Pierre-Olivier Cyr  
Michael Camacho, President, THIA  
Teresa Quattromini

Reliance Innovative Marketing Inc.  
Old Republic Canada  
Old Republic Canada  
NIS  
Manulife Financial  
Manulife Financial  
JF Insurance Agency Group Inc.  
Group Medical Services  
Global Excel Management / Active Care Management  
Desjardins Assurances  
Desjardins Assurances  
Desjardins Assurances  
CSI Brokers Inc.  
Allianz Global Assistance

Sincerely,

Michael Camacho, THIA President

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 5(a)**

**Recent and Upcoming Strategic and Regulatory Initiatives: CLHIA/ACCAP Confirmation of Plans to Continue to Refrain from Involvement in Issue Around AMF's Expectations Re RADM's Applicability To Credit Card-Embedded Insurance Benefits**

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

This is an update only.

### **Background Information**

CAFII recently reached out to CLHIA regarding some developments it had heard about concerning the Quebec Committee of CLHIA (ACCAP)'s views of and position on the credit card-embedded insurance benefits issue. The CLHIA's Michèle Helie has confirmed that CLHIA has decided not to engage directly with the AMF on this issue and will defer to CAFII (ACIFA) on this matter.

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

This is an update only.

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

1 attachment.

***Read Only Agenda Item 5(a)  
July 26/22 EOC Meeting***

**From:** Keith Martin <[Keith.Martin@cafii.com](mailto:Keith.Martin@cafii.com)>  
**Sent:** Thursday, June 30, 2022 1:52 PM  
**To:** Michele Helie <[MHelie@clhia.ca](mailto:MHelie@clhia.ca)>  
**Cc:** Brendan Wycks <[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)>  
**Subject:** Note from CAFII / ACIFA

Bonjour Michèle,

We've heard from some of our shared members – insurers who provide direction to both CAFII and ACCAP on AMF issues – that ACCAP has had some recent internal conversations on the current credit card-embedded insurance benefits matter as a strategic AMF issue; and also some manner of a recent touchpoint with the AMF on this issue.

We therefore believe it would be mutually beneficial for Brendan and me to have a half-hour virtual meeting with you next week, or at your earliest convenience, about this issue, which will provide an opportunity for mutual updating.

Regards,

--Keith

**Keith Martin**

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

**From:** Michele Helie <[MHelie@clhia.ca](mailto:MHelie@clhia.ca)>  
**Sent:** June-30-22 2:18 PM  
**To:** Keith Martin <[Keith.Martin@cafii.com](mailto:Keith.Martin@cafii.com)>  
**Cc:** Brendan Wycks <[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)>  
**Subject:** RE: Note from CAFII / ACIFA

Hi Keith,

Not exactly, I was speaking with Mario Beaudoin on alternate distribution in general and went phishing to see if they were to answer to you to bring back any information I could find to you and members. When we discussed our strategy and the possibility of preparing in advance of any regulatory change internally to be ready when the proper time comes (fact sheet and notice of resolution) we agreed that CLHIA should take no action and make no representation to the AMF on this to give all the room to CAFII. The adopted strategy is that we will continue to take a back seat not to interfere with your efforts.

Here's what the strategy says on this issue:

## ISSUE 3 – Supervision

### Insurance offer combined with other products (credit cards, travel, etc.)

#### Situation

Some RADM requirements are ill-suited to offering insurance combined with another product (credit cards, travel, etc.). Although insurers want to comply with the RADM, it contains provisions that are not compatible with all types of combined offers (credit cards, travel insurance combined with travel or air flights) due to the particularities of these products (multiple insurer protections, no premiums for consumers, impossibility of separating ancillary insurance from the property, business credit cards, etc.).

CAFII attempted to challenge the AMF's position on the application of the RADM to insurance included with credit cards. Despite these efforts, the AMF maintains its position and has required insurers to comply with the RADM. CAFII has decided not to pursue protest efforts in this matter. It seems from the discussions between CAFII and the AMF that the latter is willing to hear the industry's proposals to resolve the incompatibility between RADM and this type of product. The AMF has given insurers until December 2022 to comply with the requirements relating to the annexes to the RADM. CAFII proposed solutions to the AMF and CAFII is still awaiting a response from the AMF. The possibility of an upcoming revision of the RADM will offer an opportunity to adapt it to the different products.

#### Risks and negative consequences

- Incorrect information to consumers in several points. This confusion creates unnecessary questions that insurers must answer through their customer service. Miscommunication of important information to the consumer or communicated in a manner and at a time not optimal for their understanding. Risk of a less competitive offer in Quebec if business partners cannot implement the AMF's requirements.
- Disproportionate compliance burden vis-à-vis the benefits for consumers.

#### Objectives

Obtain regulatory changes so that the RADM is better adapted to matched offers. Alternatively, the AMF should be able to take administrative decisions to give exceptions. It does not have that power now.

#### Proposed action

- Leverage on CAFII's efforts with the AMF regarding the prescribed documents adapted to credit cards and other goods. CLHIA will follow up periodically with CAFII.
- Respond to an upcoming consultation on this topic, if applicable.

We can still discuss next week if you want, no problem.

## **Briefing Note**

### **CAFII EOC Meeting 26 July, 2022—Agenda Item 5(b)**

#### **Recent and Upcoming Strategic and Regulatory Initiatives: Proposal Re CAFII's Return to Insurance Regulator and Policy-Maker Visit Tours in 2023**

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

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This is an update only.

#### **Background Information**

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As part of its implementation of the CAFII strategic plan, CAFII has organized regular regulator and policy-maker visit tours in Atlantic Canada and Western Canada, on an alternating basis, to visit regulators and policy-makers “on their own turf.”

Due to COVID-19, the tour intended for spring of 2020 in Atlantic Canada was postponed. While, in principle, a visit to Atlantic Canada would be the next tour when these initiatives start up again, in practice it would make more sense to go back to Western Canada for the next tour, likely in the spring of 2023.

The last visit to Western Canada was in the fall of 2019, and the western provincial regulators represent a much more substantive population of Canadians and therefore constitute a greater regulatory presence for CAFII than do their Atlantic Canada counterparts. CAFII would then organize the Atlantic Canada tour for the fall of 2023.

This is a request for the EOC to consider this recommendation from CAFII management over the remainder of the summer, following which it would then be brought back for endorsement at the next EOC meeting on September 20/22.

If endorsed by the EOC, this proposal would then be presented to the CAFII Board for approval at its October 11/22 meeting.

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

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This is an update only on a proposal that will be presented to the EOC for endorsement at its subsequent meeting on September 20/22.

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

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One attachment.

***Read Only Agenda Item 5(b)  
July 26/22 EOC Meeting***

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

**Sent:** July-05-22 11:14 AM

**To:** Brendan Wycks <brendan.wycks@cafii.com>; Jake Becker <jake.becker@cafii.com>

**Subject:** Proposal Re CAFII's Return To Insurance Regulator and Policy-Maker Visits Tours In 2023

Hi, Brendan.

We can discuss this before the July 26 EOC meeting, but if you are comfortable and concur with this, I would like to recommend to the EOC that while the next planned Regulatory visits tour in the usual cycle would see us traveling to the four Atlantic Canada provinces, given the time that has passed since our last visit anywhere (Western Canada tour in October 2019), it is actually to the four Western Canada provinces that we should go again first, given how much more important they are in terms of size and activity.

Therefore, I would recommend that we go to the West in the spring of 2023, and to Atlantic Canada in the fall of 2023.



## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 6(a)**

**Governance Matters: Update Re EOC Member Survey on CAFII Alerts Weekly Digest and Use/Implementation of Results**

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

This is an update only.

### **Background Information**

CAFII EOC members were asked recently for feedback on the CAFII Alerts Weekly Digest, and this will be brief update on the next steps in the process.

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

This is an update only.

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

No attachments.

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 6(b)  
Governance Matters: Plans for Tuesday, September 20/22 In-Person/Hybrid EOC Meeting; and  
Immediately Ensuing EOC Annual Appreciation Dinner**

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

This is an update only.

### **Background Information**

CAFII is firming up plans for an in-person/hybrid EOC meeting on 20 September, 2022 at the 330 University Avenue, Toronto offices of Canada Life, followed by an in-person EOC Annual Appreciation Dinner at Hot House Café located at Church St and the L'Esplanade in Toronto.

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

This is an update only.

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

No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 26 July, 2022—Agenda Item 6(c)**

### **Governance Matters: Plans for Tuesday, October 11/22 CAFII Board Meeting in Montreal; and Related Liaison Lunch and Industry Issues Dialogue with AMF Staff Executives**

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

This is an update only.

#### **Background Information**

CAFII is firming up plans for an in-person meeting of the CAFII Board of Directors in Montreal on 11 October, 2022, which will be immediately preceded by a liaison lunch and industry issues dialogue with AMF staff executives.

CAFII's Co-Executive Directors had a virtual meeting on 13 July, 2022 to discuss these matters with Eric Jacob, the AMF's Superintendent, Client Services and Distribution Oversight, and his colleague Louise Gauthier, and they were both very supportive of this initiative and said that the approach recommended suited them.

CAFII and the AMF will each make two short presentations, which will give rise to dialogue opportunities, during the industry issues dialogue session.

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

This is an update only.

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

No attachments.

## **Briefing Note**

### **CAFII EOC Meeting 26 July, 2022—Agenda Item 6(d)**

#### **Governance Matters: Plans for Tuesday, October 11/22 CAFII Board Meeting in Montreal; and Related Liaison Lunch and Industry Issues Dialogue with AMF Staff Executives**

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

This is an update only.

### **Background Information**

CAFII is currently firming up plans for an in-person celebration of the Association's 25<sup>th</sup> Anniversary, with 19 October, 2022 looking like a probable date. CAFII has visited BMO's corporate event space on the 68<sup>th</sup> floor of First Canadian Place, for a site inspection and to discuss some of the logistical details.

The location was ideal for CAFII's 25<sup>th</sup> Anniversary event, and will create an opportunity for a tour of BMO's impressive art collection.

Overall, CAFII's Fall 2022 in-person meeting schedule is looking quite busy. The following table summarizes the in-person events that are planned:

### **Up-Coming Fall 2022 CAFII In-Person Meetings**

CAFII Annual Members and Associates Luncheon, at St. James Cathedral Event Venue, Toronto	13 September 2022
THIA Innovation Summit, at Manulife, 250 Bloor St. East, Toronto	14 September 2022
CAFII In-Person/Hybrid EOC Meeting (at Canada Life, 330 University Ave., Toronto; TBC) followed by EOC Annual Appreciation Dinner, Hot House Café, Church St. at L'Esplanade, Toronto	20 September 2022
AMF Liaison Lunch and Industry Issues Dialogue, followed By Abbreviated CAFII In-Person/Hybrid Board Meeting, Hosted By Desjardins Insurance in Montreal	11 October 2022
CAFII 25 <sup>th</sup> Anniversary Celebration, 68 <sup>th</sup> Floor First Canadian Place, Toronto	19 October 2022 (TBC)
AMF Rendez-Vous Mini-Conference, Palais des Congres, Montreal	22 November 2022
CAFII In-Person/Hybrid EOC Meeting (at Manulife, 250 Bloor St. East, Toronto; TBC)	24 November 2022 (Thursday)
CAFII In-Person/Hybrid Board Meeting, followed By CAFII Year-End/Holiday Season Reception (Both To Be Hosted By CIBC Insurance At New Corporate Head Office in Downtown Toronto)	6 December 2022

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

This is an update only.

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**Attachments Included with this Agenda Item**

1 attachment.

***Read Only Agenda Item 6(d)  
July 26/22 EOC Meeting***

**From:** Brendan Wycks

**Sent:** July-11-22 12:37 PM

**To:** Peter Burston <Peter.Burston@fsrao.ca>

**Cc:** Samantha Saunders <Samantha.Saunders@fsrao.ca>; Donna Soloway <Donna.Soloway@fsrao.ca>; Raseema Alam <Raseema.Alam@fsrao.ca>; Keith Martin <Keith.Martin@cafii.com>; Jake Becker <jake.becker@cafii.com>; Danielle McLean <Danielle.McLean@cafii.com>; Meighan Pears <events@cafii.com>; Adrienne Warner <Adrienne.Warner@fsrao.ca>; Margaret Orlander <Margaret.Orlander@fsrao.ca>; 'Tony Toy' <Tony.Toy@fsrao.ca>

**Subject:** RE: CAFII 25th Anniversary Celebration

Thanks very much, Peter, for this very helpful update.

As you may be aware, based on a previous tentative/non-committal update from Tony, CAFII has been tentatively targeting the early evening (5:30 to 7:30; or to 8:00 p.m.) of Thursday, October 20/22 for our 25<sup>th</sup> Anniversary Celebration -- which will be held in BMO's corporate event space on the 68<sup>th</sup> floor of First Canadian Place -- as that date would seemingly allow a decent number of insurance regulators/policy-makers from across Canada to accept an invitation to attend our Anniversary event, given that they would be in Toronto already on that evening, attending the October 20 and 21 CCIR meeting.

But given your update as to how the sequencing of the CISRO and CCIR meetings in October is shaping up, I'm now wondering if the early evening of Wednesday, October 19 would actually be the more optimal date, which would allow a greater number of both CISRO and CCIR members to attend our CAFII 25<sup>th</sup> Anniversary event?

We look to receiving your further update/firmed-up decision at your earliest convenience, Peter.

Much appreciated,

**Brendan Wycks, BA, MBA, CAE**

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

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**From:** Peter Burston <[Peter.Burston@fsrao.ca](mailto:Peter.Burston@fsrao.ca)>

**Sent:** July-11-22 11:30 AM

**To:** Brendan Wycks <[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)>

**Cc:** Samantha Saunders <[Samantha.Saunders@fsrao.ca](mailto:Samantha.Saunders@fsrao.ca)>; Donna Soloway <[Donna.Soloway@fsrao.ca](mailto:Donna.Soloway@fsrao.ca)>;  
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<[Margaret.Orlander@fsrao.ca](mailto:Margaret.Orlander@fsrao.ca)>

**Subject:** CAFII 25th Anniversary Celebration

Hi Brendan,

CCIR is tentatively booked on October 20<sup>th</sup> and 21<sup>st</sup>. CISRO is tentatively booked on October 18<sup>th</sup> and 19<sup>th</sup>. We are working on the selection of a venue in Toronto and need to assess attendance levels before finalizing. We currently anticipate having a decision firmed up in the next week or two. We would be pleased to provide another update at that time. My office is coordinating this activity, so please feel free to follow up with me (cc: to Donna Soloway and Samantha Saunders).

Thanks,

Peter

**Peter Burston**

Director, National Regulatory Coordination  
Financial Services Regulatory Authority (FSRA)

T: 416.590.7232

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## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 6(e)**  
**Governance Matters: Draft Minutes of June 28/22 EOC Meeting**

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

This is an approval item.

### **Background Information**

EOC members will be asked to approve the 28 June, 2022 EOC minutes.

### **Recommendation / Direction Sought – Approval**

Approval is requested.

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

One attachment.



**EXECUTIVE OPERATIONS COMMITTEE VIRTUAL MEETING  
CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE**

**Tuesday, June 28, 2022, 2:00-3:30pm**

**MINUTES**

**EOC Present:**

Rob Dobbins	Assurant (Chair)
Karyn Kasperski	RBC Insurance (Vice Chair)
Donald Hinnecke	RBC Insurance (Treasurer)
Martin Boyle	BMO Insurance
Asma Desai	Canadian Premier Life Insurance Company
John Burns	Canadian Premier Life Insurance Company
Anuraj Bains	CIBC Insurance
David Self	CIBC Insurance
Casandra Litniansky	CUMIS/The Co-operators
Michelle Costello	CUMIS/The Co-operators
Carmelina Manno	Manulife Financial
Janet Pacini-Thibodeau	Manulife Financial
Katia Umutoniwase	Manulife Financial
Charles MacLean	RBC Insurance
Fernando Heleno	RBC Insurance
Brad Kuiper	ScotiaLife Financial
Fay Coleman	TD Insurance
Andrea Stuska	TD Insurance
Jacqlyn Marcus	Valeyo
Marco DeiCont	Valeyo

**Regrets:**

Corrine Gagné	Canadian Tire Bank
Farhad Eslah	Canadian Tire Bank
Jonine McGregor	Canadian Tire Bank
Ben Gray	CIBC Insurance
Esther Lee	CIBC Insurance
Almas Satwat	CUMIS/The Co-operators
Diane Quigley	CUMIS/The Co-operators
Robert Huang	CUMIS/The Co-operators
Isabelle Choquette	Desjardins Insurance
Nathalie Baron	Desjardins Insurance
Afsheen Aslam	Manulife Financial
Caroline Cardinal	National Bank Insurance
Ivan Murray	National Bank Insurance
Marie Nadeau	National Bank Insurance
Stacey Hughes-Brooks	RBC Insurance
Aneta Murphy	ScotiaLife Financial
Emily Brown	Sun Life
Aanchal Gulia	Sun Life
Anaar Jessa	Sun Life
Edward Kuo	Sun Life

Susanne Oleksandriw	Sun Life
Fergal Murphy	TD Insurance
Moirra Gill	TD Insurance
Peter Thorn	TD Insurance
Dallas Ewen	The Canada Life Assurance Company
Iman Muntazir	The Canada Life Assurance Company

**Also Present:** Brendan Wycks, *Co-Executive Director*  
 Keith Martin, *Co-Executive Director*  
 Jake Becker, *Association Coordinator*

## **Item 1: Welcome, Call to Order, and Priority Matters**

### **Item 1 (a): Call to Order**

EOC Chair Rob Dobbins called the meeting to order.

### **Item 1 (b): Welcome to New CAFII Treasurer: Donald Hinnecke, RBC Insurance**

EOC Chair Rob Dobbins welcomed new EOC member and CAFII Treasurer Donald Hinnecke from RBC Insurance. Mr. Hinnecke introduced himself to EOC members and said that he looked forward to actively participating in the EOC and serving as CAFII's Treasurer.

### **Item 1 (c): Welcome to Other New EOC Member: Janet Pacini-Thibodeau, Manulife**

New EOC member Janet Pacini-Thibodeau from Manulife introduced herself to EOC members and said that she was looking forward to participating in the EOC.

### **Item 1 (d): Reminder Re *In Camera* Session At Conclusion Of Each EOC Meeting**

EOC Chair Rob Dobbins reminded EOC members that at the conclusion of the formal part of the EOC meeting, CAFII staff leave the meeting and a non-minuted, *in camera* discussion among EOC members alone then occurs. An important matter would be raised by CIBC Insurance at today's *in camera* section of the meeting and EOC members were encouraged to be sure to attend that part of the meeting.

## **Item 2: Consent Items**

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

- Consultations/Submissions Timetable
- Regulatory Update
- Regulator and Policy-Maker Visit Plan Recap
- May 31/22 CAFII Submission to FSRA on "Guidance on Use of Retained Revenues under Regulation 'Money Retained Outside the Consolidated Revenue Fund'" Consultation
- Summary of Board and EOC Action Items
- Board-Approved Schedule of CAFII 2022 Meetings and Events

### **Item 3: Financial Management Matters**

#### **Item 3 (a): CAFII Financial Statements as at May 31/22**

CAFII Treasurer Donald Hinnecke reported that both the monthly actual amounts for May and the year-to-date actual amounts as at May 31/22 were currently well-aligned with the Board-approved CAFII 2022 Operating Budget, with only small deviations from the budget due to the timing of certain expenses.

#### **Item 3 (b): Forecast For CAFII 2022 Fiscal Year as at May 31/22**

CAFII Treasurer Donald Hinnecke reported that CAFII was in a strong financial position, with financial reserves currently at 63% of annual operating expenses. The forecast for the 2022 fiscal year as at May 31/22 was aligned with budgeted revenues, although there was a risk that one or two Associates will not renew for 2022. Expenses may be lower than anticipated due to less travel than originally expected in 2022, and due to the possibility that budgeted legal expenses for the year may not be required. Mr. Hinnecke noted that the monies in the CAFII Contingency Fund, which were allocated for a special project which is now long-complete, will be reallocated into the general operating fund by the conclusion of the 2022 fiscal year.

#### **Item 3 (c): CAFII Member 2022 First Instalment Dues Payments; and CAFII Associate 2022 Dues Payments as at June 24/22**

Brendan Wycks reported that the Association was still in the process of collecting the first installment dues payments from some Members. Several Associates have also not yet paid up and there was a risk of one or two Associates not renewing.

### **Item 4: Committee Updates**

#### **Item 4 (a): Marketing Conduct & Licensing**

##### **i. Yukon Licensing and Regulatory Affairs Department Informal Consultation with CAFII Licensing Experts Focus Group To Inform Development/Launch of Its Online Licensing Portal**

Brendan Wycks reported that CAFII had arranged for member subject matter experts on licensing to participate in a virtual focus group session on June 29/22 with the Yukon Licensing and Regulatory Affairs Department officials to provide input on its initiative to launch an online licensing portal. The Yukon Government has expressed its appreciation for CAFII's willingness to arrange this virtual meeting.

##### **ii. CISRO Consultation on Improvements to Life Insurance Replacement Declaration (LIRD) Form (Submission Deadline: July 8/22)**

Brendan Wycks reported that after gathering input from member companies, it had been determined that the CISRO consultation on improvements to the Life Insurance Replacement Declaration (LIRD) form was out of scope for CAFII, and our decision to therefore pass on this consultation submission opportunity would be communicated to CISRO.

**iii. OSFI Consultation On Updated Guideline B-10: Third Party Risk Management (Submission Deadline: July 27/22)**

Keith Martin reported that CAFII was in the process of collecting input from members on how best to respond to OSFI's consultation on its updated Guideline B-10: Third-Party Risk Management, and would also be reaching out to the CLHIA to compare notes on the main arguments to be made to OSFI on this Guideline.

**Item 4 (b): Media Advocacy**

**i. Proposed Guideline on Members' Utilization of CAFII Videos On Their Own Corporate Websites**

Media Advocacy Chair Jacqlyn Marcus presented and highlighted from a revised/updated Guideline on CAFII members' usage of CAFII videos on their own websites, which reflected feedback from the previous EOC meeting.

The EOC approved updated *Guideline on Members' Utilization of CAFII Videos On Their Own Corporate Websites*.

**ii. Recently Completed and Imminent Operatic Agency Deliverables**

Keith Martin reported that the CAFII video on job loss credit protection insurance (CPI) was now posted on the CAFII website, and the video on consumer protections embedded in CPI in Canada was nearing completion and would soon also be posted. CAFII was also working with Operatic Agency on the production of a video for 2022 on the Deloitte research project on best practices in digitization, he advised.

**Item 4 (c): Research & Education**

**i. Implementation of Board-Approved Next Steps Re Public Release of Results of Deloitte Canada Thought Leadership Paper on Digitization of CPI: (a) Webinars for Insurance Regulators and Policy-Makers; and Allied Industry Association and CAFII Associate Representatives; (b) Posting of Executive Summary of Research Results on CAFII Website; and (c) Media Release Based on Executive Summary of Research Results**

Keith Martin reported that the public release of results highlights from the Deloitte Canada thought leadership paper on digitization of CPI was nearly complete, with successful webinars held with insurance regulators and policy-makers on the research findings, and with allied industry Association representatives. The results were now in the process of being posted in summary documents on the website, with a media release to follow.

**ii. Recommended CAFII 2022 Research Project**

Andrea Stuska reported that the Research & Education Committee met on 18 June, 2022, with Media Advocacy Chair Jacqlyn Marcus also in attendance, and had reached consensus on a recommendation to the EOC that CAFII's 2022 research project to be a repeat of the 2018 Pollara consumer research study on consumer attitudes towards CPI. The EOC approved the recommendation.

#### **Item 4 (d): Networking & Events**

##### **i. Plans for September 13/22 In-Person CAFII Annual Members and Associates Luncheon with Mark White, CEO, FSRA, as Guest Speaker**

Brendan Wycks reported that FSRA CEO Mark White appeared ready to accept CAFII's invitation to him to be the guest speaker at our upcoming 13 September, 2022 in-person CAFII Annual Members and Associates Luncheon.

#### **Item 4 (e): Travel Insurance Experts**

##### **i. Insights Gained From June 15/22 In-Person THIA Annual General Meeting**

Brendan Wycks and Keith Martin reported that they had attended THIA's 2022 AGM which was held in-person on 15 June, 2022. Keith Martin indicated that THIA has faced some revenue and membership challenges over the past few years, which its new President Michael Comacho intended to address as a priority issue this coming year. He also noted that the Chair of the THIA Education Committee, Janet Pacini-Thibodeau (who had just joined the CAFII EOC as a new member) reported at the THIA AGM on recent enhancements to THIA's education and accreditation "TRIP" program, including the launch of a French version of the program.

#### **Item 5: Recent and Upcoming Strategic and Regulatory Initiatives**

##### **Item 5 (a): Insights Gained from June 6/22 Virtual Meeting of FSRA's Stakeholder Advisory Committee (SAC) for the Life and Health Insurance Sector with the FSRA Board**

Keith Martin reported that at the 6 June, 2022 FSRA SAC meeting for Life and Health Insurance, which Mr. Martin represents CAFII on, FSRA let the SAC know that it was completing a review of MGAs -- which had found that three MGAs had been recruiting non-licensed individuals and engaging them in the sales process. FSRA reported that there were serious concerns with the approach taken by these particular MGAs, with the top earners in these firms sometimes selling little or no life insurance, and instead getting funds from those beneath them in the organization who were generating sales. FSRA reported that real consumer harms could be occurring due to these practices, and that while it was exploring enforcement actions as the regulator, it was still imperative that insurance companies whose products are being sold by these MGAs remember that they are ultimately responsible for the behaviours of all the distribution channels that they sell their products through.

##### **Item 5 (b): Insights Gained from June 7/22 Get Acquainted and Dialogue Lunch with Anthony Ostler, New CEO, Canadian Bankers Association**

Brendan Wycks and Keith Martin reported that they had a collegial Get Acquainted and Dialogue Lunch on 7 June, 2022 with Anthony Osler, new CEO of the Canadian Bankers Association. The lunch was arranged by CAFII media consultant David Moorcroft, who knows Mr. Osler well; CBA Communications VP Aaron Boles also attended. Mr. Osler noted that the CBA was strapped for resources and would be seeking an increase in membership dues. He was also very interested in the CBA enhancing its knowledge of the provincial regulatory environment. A detailed summary of the insights gained at the lunch can be found in the June 2022 CAFII Regulatory Update.

##### **Item 5 (c): Insights Gained From June 8/22 Meeting of CAFII Working Group on Compliance With AMF's Expectations Re RADM's Applicability To Credit Card-Embedded Insurance Benefits**

Keith Martin reported that at the 8 June, 2022 meeting of the CAFII *Working Group on Compliance With AMF's Expectations Re RADM's Applicability To Credit Card-Embedded Insurance Benefits*, the decision

by a member of CAFII to distribute the Fact Sheet and Notice of Rescission to customers with credit card-embedded insurance benefits was discussed. There was also a discussion of some of the operational challenges that members were facing in implementing these AMF expectations, and it was agreed that the Working Group would meet again in September 2022.

**Item 5 (d): Insights Gained from CAFII Attendance at June 9/22 Reception In Honour Of Bryan Davies, FSRA's Founding Board Chair**

Brendan Wycks and Keith Martin noted that they both attended the 9 June, 2022 in-person reception held at FSRA's new offices on Sheppard Avenue in North York, which was intended to honour Bryan Davies, FSRA's founding board chair. Numerous interesting insights were gained at the reception, and these are summarized in the June 2022 CAFII *Regulatory Update*.

**Item 6: Governance Matters**

**Item 6 (a): Proposed Cancellation Of Tentatively Scheduled August 16/22 EOC Meeting**

It was recommended that the tentatively scheduled August 16, 2022 EOC meeting be cancelled; and the EOC approved that recommendation.

**Item 6 (b): Results of EOC Member Survey on Comfort With Return To In-Person/Hybrid EOC Meetings In Fall 2022**

Brendan Wycks summarized the results of a survey on EOC members' comfort with returning to in-person meetings. Two thirds of respondents were comfortable returning to in-person meetings, and 76% said that they would attend the in-person EOC Appreciation Dinner planned for September 2022. On that basis, it was agreed that the 20 September, 2022 EOC meeting would be held in-person, with a virtual attendance option also being available.

**Item 6 (c): Draft Minutes of May 17/22 EOC Meeting**

The draft minutes of the May 17, 2022 EOC meeting were approved.

**Item 6 (d): Draft Minutes of June 7/22 Board Meeting**

The draft minutes of the 7 June, 2022 Board meeting were endorsed by the EOC, for presentation to the Board for approval at its next meeting.

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 7(a)**

**Read Only Items: Confirmation of Date Change of November 2022 EOC Meeting to Thursday, November 24/22 to Avoid Conflict with AMF 2022 Rendez-Vous Mini-Conference on Tuesday, November 22/22**

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

This is a read only item.

### **Background Information**

CAFII has been invited to attend the AMF Rendez-Vous, which will this year be held in-person in Montreal's Palais des congrès on 22 November, 2022. Because that is the same date as the originally scheduled November 2022 CAFII EOC meeting, the date for that EOC meeting will be pushed back a bit, to Thursday, 24 November, 2022.

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

This is a read only item.

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

No attachments.

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 7(b)**

**Read Only Items: AMF 2022 Rendez-Vous Mini-Conference in Montreal on Tuesday, November 22/22**

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

This is a read only item.

### **Background Information**

The AMF will hold its annual Rendez-Vous event in-person in Montreal's Palais des congrès on 22 November, 2022. At this event, AMF senior executives speak, along with industry representatives and government officials; typically the luncheon keynote speech is delivered by Quebec's Minister of Finance.

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

This is a read only item.

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

One attachment.



*Read Only Agenda Item 7(b)  
July 26/22 EOC Meeting*



La prochaine édition du Rendez-vous avec l'Autorité, la rencontre annuelle des professionnels de l'industrie des produits et services financiers, aura lieu le mardi 22 novembre 2022.

Réservez dès maintenant cette date à votre agenda!

Des détails suivront à propos de la programmation et de l'inscription.

**Nous vous souhaitons un bel été!**

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[View in your browser](#)



The next edition of the Rendez-vous avec l'AMF, the annual meeting of professionals in the financial products and services industry, will take place on Tuesday, November 22, 2022.

Save this date now in your diary!

Details will follow about programming and registration.

**We wish you a great summer!**



## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 7(c)**

**Read Only Items: CAFII Decline of Opportunity to Participate in CISRO Consultation on Improvements to Life Insurance Replacement Declaration (LIRD) Form Due to Out-of-Scope Assessment**

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

This is a read only item.

### **Background Information**

CAFII had been invited to provide a submission to the consultation being conducted by CISRO around Improvements to *Life Insurance Replacement Declaration (LIRD) Form*, but chose not to do so as it was out-of-scope for our Association. CISRO has been politely so informed and has indicated that they completely understand.

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

This is a read only item.

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

One attachment.

**Read Only Agenda Item 7(c)  
July 26/22 EOC Meeting**

**From:** Adrienne Warner <Adrienne.Warner@fsrao.ca>  
**Sent:** June-28-22 3:03 PM  
**To:** Brendan Wycks <brendan.wycks@cafii.com>  
**Cc:** Keith Martin <Keith.Martin@cafii.com>; Jacob Eric <Eric.Jacob@lautorite.qc.ca>; Fullan, Ron (ICS) <Ron.Fullan@skcouncil.sk.ca>; Stadnek, April (ICS) <April.Stadnek@skcouncil.sk.ca>; CISRO-OCRA <CISRO-OCRA@fsrao.ca>  
**Subject:** CISRO Industry Survey on Life Insurance Replacement Declaration (LIRD)

Hi Brendan,

Thank you for your email communicating CAFII's polite decline of CISRO's invitation to participate in the pre consultation on the LIRD review. The LIRD Working Group fully understands CAFII's position.

We look forward to future opportunities to collaborate with CAFII on CISRO initiatives.

Regards,  
Adrienne

**Adrienne Warner**  
Policy Manager  
Canadian Insurance Services Regulatory Organizations (CISRO) Secretariat  
National Regulatory Coordination Branch  
Financial Services Regulatory Authority of Ontario (FSRA)  
T: 416-590-7243  
C: 416-450-4547  
E: [adrienne.warner@fsrao.ca](mailto:adrienne.warner@fsrao.ca)

**From:** Brendan Wycks <[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)>  
**Sent:** Tuesday, June 28, 2022 12:34 PM  
**To:** CISRO-OCRA <[CISRO-OCRA@fsrao.ca](mailto:CISRO-OCRA@fsrao.ca)>; Adrienne Warner <[Adrienne.Warner@fsrao.ca](mailto:Adrienne.Warner@fsrao.ca)>  
**Cc:** Keith Martin <[Keith.Martin@cafii.com](mailto:Keith.Martin@cafii.com)>; Jacob Eric <[Eric.Jacob@lautorite.qc.ca](mailto:Eric.Jacob@lautorite.qc.ca)>; Fullan, Ron (ICS) <[Ron.Fullan@skcouncil.sk.ca](mailto:Ron.Fullan@skcouncil.sk.ca)>; Stadnek, April (ICS) <[April.Stadnek@skcouncil.sk.ca](mailto:April.Stadnek@skcouncil.sk.ca)>  
**Subject:** CISRO Industry Survey on Life Insurance Replacement Declaration (LIRD)

Hi, Adrienne.

Thank you for CISRO's May 24 invitation to CAFII, and your reminder note of June 23, to participate in a pre-consultation survey related to modernizing/enhancing/aligning (with the 2018 CCIR/CISRO "Guidance: Conduct of Insurance Business and Fair Treatment of Customers") the current Life Insurance Replacement Declaration (LIRD) form.

CAFII has carefully and thoroughly considered this consultation opportunity and determined that the LIRD is out-of-scope for our Association because it comes into play only for the individually underwritten forms of life and health insurance which are sold by individually licensed advisors.

Our view that the LIRD is not germane to credit protection insurance/creditor's group insurance, travel insurance, and alternate distribution – and is therefore out-of-scope for CAFII – is supported by many Insurance Act and related legislative/regulatory provisions in provinces and territories across the country, all of which are nicely summed by the following excerpt from Sun Life's Advisor website:

**What is not considered a replacement?**

- A replacement of an annuity, including an endowment contract.
- An amendment made to an existing contract.
- A replacement of group insurance, including creditor and bank mortgage insurance.
- A replacement of a maturing life insurance or endowment policy, or an expiring life insurance policy.

Therefore, the purpose of this message is to communicate CAFII's polite decline of CISRO's invitation to participate in this particular pre-consultation survey and the related full public consultation on the LIRD to follow later this year; and to outline our Association's rationale for that decision.

Best regards,

**Brendan Wycks, BA, MBA, CAE**

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

[Brendan.wycks@cafii.com](mailto:Brendan.wycks@cafii.com)

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

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**From:** CISRO-OCRA <[CISRO-OCRA@fsrao.ca](mailto:CISRO-OCRA@fsrao.ca)>  
**Sent:** Tuesday, May 24, 2022 1:05 PM  
**To:** 'brendan.wycks@cafii.com' <[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)>  
**Cc:** CISRO-OCRA <[CISRO-OCRA@fsrao.ca](mailto:CISRO-OCRA@fsrao.ca)>; 'keith.martin@cafii.com' <[keith.martin@cafii.com](mailto:keith.martin@cafii.com)>  
**Subject:** CISRO Industry Survey on Life Insurance Replacement Declaration (LIRD)

Dear Brendan,

The Canadian Insurance Services Regulatory Organizations (CISRO) and the Canadian Council of Insurance Regulators (CCIR) developed the harmonized Life Insurance Replacement Declaration (LIRD) form in 2008. CISRO is reviewing the LIRD to determine if improvements are needed to enhance consumer protection and to meet the requirements of the CISRO/CCIR Guidance on Conduct of Insurance Business and Fair Treatment of Customers (FTC) and the CISRO Principles of Conduct for Insurance Intermediaries.

CISRO's LIRD Working Group has identified potential fields/items that could be part of a new LIRD. The working group is conducting a survey of key stakeholders to obtain feedback on the fields/items for the new form. The results of the survey will help the working group to develop a prototype of the new form, for public consultation later this year.

Please see the attached document outlining the objectives of the LIRD review. Some questions are included at the end for CAFII's feedback.

Kindly provide your written feedback **by July 8, 2022**. Please send comments to the CISRO Secretariat at [cisro-ocra@fsrao.ca](mailto:cisro-ocra@fsrao.ca).

**NOTE:** If you require a French version of the survey, please contact the Secretariat at [cisro-ocra@fsrao.ca](mailto:cisro-ocra@fsrao.ca).

Thank you for your continued collaboration and support.

Regards,

**Adrienne Warner**

Policy Manager

Canadian Insurance Services Regulatory Organizations (CISRO) Secretariat

25 Sheppard Avenue West Suite 100

Toronto ON M2N 6S6

Email: [CISRO-OCRA@fsrao.ca](mailto:CISRO-OCRA@fsrao.ca)

Website: <https://www.cisro-ocra.com>

## **Briefing Note**

### **CAFII EOC Meeting 26 July, 2022—Agenda Item 7(d)**

#### **Read Only Items: Insights Shared in CAFII Licensing Experts' Virtual Focus Group with Yukon Licensing and Regulatory Affairs Department to Inform Development/Launch of Its Online Licensing Portal**

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

This is a read only item.

#### **Background Information**

CAFII organized a 29 June, 2022 virtual focus group session involving subject matter experts in licensing from the CAFII membership and representatives of the Yukon Government who were looking for advice and feedback on their efforts to launch an online licensing portal. The meeting was productive and provided the Yukon Government with actionable insights. Invited attendees were:

#### **Yukon Government Participants:**

Spring Huston  
Licensing Online Project Lead (TA)  
Community Services/Professional Licensing and Regulatory Affairs  
Yukon Government  
Whitehorse, YK

Bradley Rowett  
Manager, Strategic Policy and Programs  
Community Services  
Yukon Government  
Whitehorse, YK

#### **CAFII Participants:**

Sandy Prokop  
Director, Licensing, Contracting, Compensation & Procedure Services  
RBC Insurance  
Mississauga, Ontario

Laura Rose  
Group Manager, Business Hiring & Licensing  
TD Insurance  
Dieppe, New Brunswick

Wenda Robinson  
Market Conduct Specialist, Agency & Sales Support  
CUMIS/Co-operators  
Guelph, Ontario

Jason Powell  
Legal Counsel  
Valeyo  
Winnipeg, Manitoba

Alba D'Erasmus  
Executive Assistant  
BMO Life Assurance Company  
Toronto, Ontario

Sarorth Min  
Sales Support and Compliance Specialist  
Manulife  
Waterloo, Ontario

Katia Umutoniwase  
Head of Sales Operations and Digital Enablement, Travel Insurance  
Manulife  
Toronto, Ontario

Keith Martin  
Co-Executive Director, CAFII  
Toronto, Ontario

Brendan Wycks  
Co-Executive Director, CAFII  
New Hamburg, Ontario

---

**Recommendation / Direction Sought – Read Only**

This is a read only item.

---

**Attachments Included with this Agenda Item**

One attachment.



**Read Only Agenda Item 7(d)  
July 26/22 EOC Meeting**

**From:** Spring.Huston@yukon.ca <Spring.Huston@yukon.ca>

**Sent:** July-04-22 2:38 PM

**To:** Brendan Wycks <brendan.wycks@cafii.com>; Bradley.Rowett@yukon.ca; sandy.prokop@rbc.com; Laura.Rose@tdinsurance.com; wenda\_robinson@cooperators.ca; Jason.Powell@valeyo.com; ALBA.DERASMO@bmo.com; Sarorth\_Min@manulife.ca; Katia\_Umutoniwase@manulife.ca

**Cc:** Keith Martin <Keith.Martin@cafii.com>

**Subject:** RE: Summary Notes From Wednesday, June 29/22 CAFII Online Focus Group With Yukon Government On Insurance Professionals Licensing Phase of Its Online Licensing Portal Project

Hi Brendan,

Thank you for forwarding this on. And thank you very much to Sandy for the notes, this is greatly appreciated.

I hope everyone had a wonderful long weekend!

Speak soon,  
Spring



**Spring Huston (she/her)**  
Licensing Online Project Lead (TA)  
Community Services | Professional Licensing and Regulatory Affairs  
T 867-667-5111 | F 867-667-3609 | Yukon.ca

**From:** Brendan Wycks <brendan.wycks@cafii.com>

**To:** Spring.Huston <Spring.Huston@yukon.ca>; Bradley.Rowett <Bradley.Rowett@yukon.ca>; 'Prokop, Sandy' <sandy.prokop@rbc.com> <sandy.prokop@rbc.com>; 'Rose, Laura' <Laura.Rose@tdinsurance.com>; 'Wenda Robinson' <wenda\_robinson@cooperators.ca>; 'Jason Powell' <Jason.Powell@valeyo.com>; 'D'Erasmus, Alba' <ALBA.DERASMO@bmo.com>; 'Sarorth Min' <Sarorth\_Min@manulife.ca>; 'Katia Umutoniwase' <Katia\_Umutoniwase@manulife.ca>

**Subject:** Summary Notes From Wednesday, June 29/22 CAFII Online Focus Group With Yukon Government On Insurance Professionals Licensing Phase of Its Online Licensing Portal Project

Hello, Spring and Brad; and CAFII Member Representative Participants in the Wednesday, June 29/22 Online Focus Group With Yukon Government On Insurance Professionals Licensing Phase of Its Online Licensing Portal Project:

Sandy Prokop of RBC Insurance has graciously agreed to CAFII's request that her excellent notes from last week's meeting be shared with you, as a helpful summary and benefit to all who participated. Please see below, beneath my signature block.

On behalf of us all, thank you, Sandy.

**Brendan Wycks, BA, MBA, CAE**

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

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**Summary Notes from Meeting of CAFII Member Reps. & Yukon Gov't.: June 29, 2022 regarding new online system**

Yukon developing a new online system to launch in Fall 2023(expect launch June 2023 to include next year's renewal apps) and are taking feedback

Recommended for website:

General users/public

- display name; type of license; start/expiry dates, license number, Carrier representing
- search capabilities (NB site has good search functionality-don't have to enter full name, can use part)

Insurers:

- ability to report on who is representing Insurer
- ability to pull report to view status of licenses and if pending, why
- ability to export to XLS

PDF licenses issued to licensee

Payments:

- will do only credit card, no EFT
- ability to do bulk payments (identify who we are paying)

User Access:

- Authority roles
  - Access to initiate / review / pull reports / terminate
  - Authority to approve on behalf of the sponsor

- Admin access for specific Carrier – to create new access for staff/terminate access (rather than having to contact Yukon to provide)
- Ability to switch/toggle between various legal entities that user has access to (ie RBC Life vs RBC Insurance Comp of Canada vs Aviva General)

User portal:

- Ability to upload documents
- Accept MyBackCheck criminal report (and upload)
- Ability to return app to agent with notes/instructions
- Insurer Corporate licenses also managed on line

\*\*\*License Renewal – once license is renewed and approved by Yukon, have the expiry date updated to the new expiry date rather than waiting to update the expiry date on the actual expiry date (Spring will look into this)

**NOTES**

- notarizations will not be required next year once portal launched
- Expect to go live with Renewals first, then transfers, before doing “new” applications (left over from previous meeting, didn’t reconfirm)
- Gov’t system so will be AODA compliant
- Asked for a potential API from Yukon to participating Insurers so licenses can be uploaded automatically??
- Asked for some type of notification if a license is canceled prior to expiry date?
- Offered to assist/test in a prototype

Didn’t get into details about Pending status’ and what those would be. This type of info is important to reduce email/calls between sponsor/Yukon.

**Sandy Prokop** - | Director, Licensing, Contracting, Compensation & Procedure Services | [RBC Insurance](#) | 6880 Financial Drive, Tower 1, Mississauga, ON, L5N 7Y5 | C. (647) 271-5038 | [sandy.prokop@rbc.com](mailto:sandy.prokop@rbc.com)

P Please consider the environment before printing this email.

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 7(e)**

**Read Only Items: New July 2022 Blog Post On CAFII Website of Results of Deloitte Canada Thought Leadership Research on “Best Practices In The Digitization Of CPI In Canada”**

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

This is a read only item.

### **Background Information**

CAFII regularly posts blogs on the “Insights” section of the CAFII website (“Idées” in French), which are produced by CAFII’s media advocacy consultant David Moorcroft. The latest entry is on the insights gained from the recent CAFII research effort with Deloitte Canada on best practices in digitization in CPI.

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

This is a read only item.

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

One attachment.

***Read Only Agenda Item 7(e)  
July 26/22 EOC Meeting***

**Challenges of keeping pace with Canadians' evolving insurance needs**

**July 15, 2022**

***By Brendan Wycks, Co-Executive Director, CAFII.***

New **research by Deloitte Canada** has found that collaboration across distributors, underwriters and even regulators of Credit Protection Insurance (CPI) is key to delivering the type of “best-in-class” digital experience that Canadian consumers have increasingly come to expect.

According to the Deloitte study, which was commissioned by CAFII, digitization is one of the insurance industry's most prominent and disruptive trends; and it demands that the industry respond with new and innovative business models and customer experiences.

The report identifies key trends that are driving the need to transform the insurance business, including:

- Consumers expect more seamless, convenient, and personalized digital experiences from their insurers;
- Growing competition from new entrants with tech-enabled business models; and,
- Increased availability of data and use of advanced analytics have made it possible to generate deeper and more precise customer insights.

In order to deliver an industry-leading digital experience for consumers, the report says that insurers need to have certain attributes and underlying capabilities, including:

- A well-defined digital business strategy which provides absolute clarity around how customers, products, and purchase channels will be supported;
- Be highly customer-focused in how they do business and use a human-centred approach in designing their end-to-end user journey and digital experience;
- Use data-driven insights to inform business priorities, product development, and customer experiences; and,
- Embed a digital culture, skills, and ways of working throughout the organization in order to drive a holistic culture of innovation.

The report found that there are unique challenges facing Canada's CPI industry, accentuated by the multiple stakeholders involved including underwriters, distributors, and regulators. For example, the CPI digital experience is highly dependent upon the borrowing journey that consumers go through when they want to take on a new loan obligation (e.g. mortgages, Home Equity Lines of Credit, car loans), and

the regulatory environment for that journey can be difficult to navigate digitally, due in large measure to a lack of harmonization across the provinces and territories.

Despite those challenges, the CPI industry is committed to delivering on consumers' digital experience expectations, with 100% of the CAFII members surveyed by Deloitte indicating that digitizing CPI is a top strategic priority, and 43% saying that they are targeting having up to 40% of consumers' CPI applications and enrolments be fully digital by 2025.

What's more, CPI distributors recognize the need for greater multi-channel alignment, with 86% of CAFII members indicating that cross-channel integration is key to creating seamless and satisfying digital CPI experiences for consumers.

The Deloitte report is the latest in a series of research studies commissioned by CAFII over the past seven years that have looked at customer satisfaction with CPI and travel insurance, and how the Association's members can meet or exceed consumers' evolving expectations.

## Difficulté à suivre le rythme de l'évolution des besoins en assurance des Canadiens

15 juillet 2022

***Brendan Wycks, codirecteur exécutif, ACIFA.***

Une nouvelle [recherche de Deloitte Canada](#) démontre que la collaboration entre les distributeurs, les souscripteurs et les régulateurs d'assurance protection de crédit (APC) est essentielle pour offrir le type d'expérience numérique exceptionnelle à laquelle les consommateurs canadiens s'attendent de plus en plus.

Le rapport de Deloitte Canada, demandé par l'ACIFA, révèle que le passage au numérique est au cœur des tendances les plus importantes et transformatrices observées dans l'industrie de l'assurance. Cette dernière doit donc s'adapter en établissant des modèles organisationnels innovateurs et proposer de nouvelles expériences aux consommateurs.

Le rapport souligne les grandes tendances qui expliquent la nécessité de transformer l'industrie de l'assurance, notamment :

- Les consommateurs s'attendent à une expérience numérique plus conviviale, pratique et personnalisée de la part des assureurs.
- La concurrence croissante provoquée par les nouveaux arrivants dans l'industrie, qui ont des modèles organisationnels axés sur la technologie.
- La disponibilité accrue des données et l'utilisation de méthodes analytiques perfectionnées permettent de générer encore plus de renseignements sur les consommateurs et d'avoir des données plus précises.

Le rapport indique que pour offrir une expérience numérique aux consommateurs qui se démarque au sein de l'industrie, les assureurs doivent avoir certaines caractéristiques et capacités sous-jacentes :

- Avoir une stratégie numérique bien définie, qui décrit très clairement la façon dont les consommateurs, les produits et les modes d'achat doivent être soutenus.
- Mettre l'accent sur les consommateurs afin de bien connaître la façon dont ils mènent leurs affaires et adopter une approche axée sur les personnes pour le processus régissant les utilisateurs de bout en bout et l'expérience numérique
- Utiliser des informations fondées sur les données pour orienter les priorités opérationnelles, le développement des produits et l'expérience des consommateurs.
- Intégrer la culture numérique, les compétences et les méthodes de travail dans l'ensemble de l'organisation, afin d'instaurer une culture holistique en matière d'innovation.

Selon le rapport, l'industrie canadienne de l'assurance protection de crédit (APC) est confrontée à des difficultés uniques, qui sont aggravées par la multitude d'intervenants (souscripteurs, distributeurs et organismes de réglementation). Par exemple, l'expérience numérique en matière d'APC dépend grandement de l'évolution du processus de prêt pour les consommateurs (comme les hypothèques, les marges de crédit hypothécaire, les prêts-autos), et la navigation dans l'environnement de réglementation numérique peut être ardue, particulièrement en raison du manque de cohérence entre les provinces et les territoires.

Malgré ces difficultés, l'industrie de l'APC est déterminée à suivre les attentes des clients en matière d'expérience numérique. En effet, 100 % des membres de l'ACIFA interrogés par Deloitte ont indiqué que le passage à une APC numérique est une grande priorité pour leur entreprise, dont 43 % ont mentionné que jusqu'à 40 % de leurs applications seraient entièrement numériques d'ici 2025.

De plus, les distributeurs d'APC reconnaissent la nécessité d'une meilleure harmonisation entre les modes de prestation : 86 % ont indiqué que l'intégration entre les modes était essentielle pour offrir aux consommateurs des expériences numériques harmonieuses et satisfaisantes en matière d'APC.

Le rapport de Deloitte est le dernier d'une série d'études demandées par l'ACIFA depuis 2015 sur la satisfaction de la clientèle dans le secteur de l'APC et de l'assurance voyage, ainsi que sur la façon dont les membres de l'Association peuvent répondre ou excéder les attentes des consommateurs, qui sont en constante évolution.

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 7(f)**

**Read Only Items: THIA Innovation Summit on September 14/22**

---

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

This is a read only item.

### **Background Information**

THIA is holding an in-person “Innovation Summit” on September 14, 2022 at the Bloor Street offices of Manulife. This event provides excellent information and background on technology enhancement/advancement issues related to travel insurance.

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

This is a read only item.

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

One attachment.



*Read Only Agenda Item 7(f)  
July 26/22 EOC Meeting*

# THIA Innovation Summit

**September 14, 2022, 8:30 AM - 5:00 PM**

Back by popular demand, THIA is hosting its popular Innovation Summit in person this fall in downtown Toronto.

Join us on Wednesday, September 14, 2022, for this one-day event to explore the leading edges of technology, business and insurance advancements, while meeting other travel health insurance movers, shakers, and doers. The all-day Innovation Summit will feature multiple keynote speakers, panel discussions, and a startup showcase of the next wave of insurance services. There will also be several opportunities to network with your peers throughout the day.

**MARK YOUR CALENDAR AND SECURE YOUR SPOT TODAY** to learn from some of business's brightest minds about their experiences, predictions and aspirations for the next wave of innovative advancement in our industry.

**EVENT AGENDA DETAILS TO COME.**

## **Registration Fees:**

THIA Members - Ultra Early Bird (until June 30) - \$150

THIA Member Early Bird Price (Until Aug 15) - \$200

THIA Member Regular Price (Aug 16 - Aug 31) - \$300

Non-Member Early Bird (until August 15) - \$225

Non-Member Regular Price (after August 15) - \$300

Late Registration (September 1 onward) - \$400

**Thank you to our sponsors.**

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 7(g)**

**Read Only Items: Plans For October 5/22 CAFII Webinar with Lesli Martin, Vice-President, Pollara Strategic Insights, as Fireside Chat Discussant on “Consumer Preferences and Product Development Insights Emerging From Recent Research In Financial Services and Relevant Comparator Industries”**

---

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

This is a read only item.

### **Background Information**

CAFII is planning on holding its first fall 2022 webinar on consumer trends in financial services industries, with Pollara Strategic Insights Vice President Lesli Martin being the discussant/presenter.

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

This is a read only item.

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

One attachment.

**Read Only Agenda Item 7(g)  
July 26/22 EOC Meeting**

**From:** Keith Martin <[Keith.Martin@cafii.com](mailto:Keith.Martin@cafii.com)>  
**Sent:** April 20, 2022 11:41 AM  
**To:** Lesli Martin <[LesliMartin@pollara.com](mailto:LesliMartin@pollara.com)>  
**Cc:** Brendan Wycks <[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)>; Meighan Pears <[events@cafii.com](mailto:events@cafii.com)>; Jake Becker  
<[jake.becker@cafii.com](mailto:jake.becker@cafii.com)>; Danielle McLean <[Danielle.McLean@cafii.com](mailto:Danielle.McLean@cafii.com)>  
**Subject:** Query from CAFII

Hi Lesli,

I trust all is well. I am reaching out to you about an initiative CAFII is engaged in, of holding a series of webinars on a variety of topics every year. While this started out as a pivot from in-person events due to the pandemic, our Board likes the initiative so much that we intend to keep it as an ongoing part of our efforts. You can see examples of previous webinars, which we record and post on our website, at

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

We are beginning our planning for the fall and thought a webinar with you, at which you could speak about broad trends in financial services, including shifting customer expectations coming out of COVID-19, could be very interesting. I know you have your fingers on the pulse of the Canadian industry and hearing your thoughts and insights on general developments in financial services, and even in the broader marketplace, would be very interesting. As you know, we have large banks and insurers as members, and we invite regulators and policy-makers from across the country to these webinars, so I think it would also be good exposure for Pollara and potentially a business development opportunity.

Please let me know if this is something you would consider, if so we are looking at a one-hour webinar from 1-2pm on either Wednesday, October 5 or Thursday, October 6, 2022.

Personal regards,

--Keith

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

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

**From:** Lesli Martin <LesliMartin@pollara.com>  
**Sent:** April-21-22 10:52 AM  
**To:** Keith Martin <Keith.Martin@cafii.com>  
**Cc:** Brendan Wycks <brendan.wycks@cafii.com>; Meighan Pears <events@cafii.com>; Jake Becker <jake.becker@cafii.com>; Danielle McLean <Danielle.McLean@cafii.com>  
**Subject:** RE: Query from CAFII

Hi Keith

I am, of course, more than happy to work with you on a webinar. I have done quite a bit of work in this area, which I know I have shared with you in the form of anecdotal comments. Unfortunately, I can't share those actual results in a more specific way, as the results belong to our clients. I could talk about it in a more general form, but I am not sure how satisfying that will be to the audience without actual numbers to back it up (or maybe that is just the researcher in me!)

Good news is that since it is in September, I have some time to gather some data for public release. Do you have ideas of specific areas that you feel the audience would be interested in?

I feel this is a bit of a rambling email to get to the final point of yes, I will figure something out and be happy to take part in the webinar.

Thanks,

Lesli

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 7(h)**

**Read Only Items: Dropping of COVID-19 Notification Pop-Up From CAFII Website**

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

This is a read only item.

### **Background Information**

CAFII has had a pop-up notification around its response to COVID-19 that was placed on the Association's website shortly after the pandemic was declared. This has now been dropped from the CAFII website.

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

This is a read only item.

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

No attachments.

## **Briefing Note**

**CAFII EOC Meeting 26 July, 2022—Agenda Item 7(i)**

**Read Only Items: Insights Gained from July 11/22 CAFII Meeting with Operatic Agency CEO Chris Barrett**

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

This is a read only item.

### **Background Information**

CAFII held a successful meeting with Operatic Agency CEO Chris Barrett, and members of his team, to calibrate achievements to date and plan for remaining deliverables in 2022.

Operatic Agency, our website development/enhancement and search engine optimization consultant, is on track to deliver on all parts of the 2022 plan, and we have begun discussions around possible 2023 priorities.

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

This is a read only item.

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

No attachments.