

CAFII Executive Operations Committee Meeting Agenda

Date: Tuesday, March 21, 2023

Chair: R. Dobbins

Location: [Virtual MSTEams Meeting](#)

Time: 2:00 – 3:30 p.m. EST

Dial-in: 437-703-4263

Phone Conference ID: 965 295 258#

1. Call to Order, Welcome, and Priority Matters	2:00 p.m.	Presenter	Action	Document
a. Call to Order; and Welcome to New EOC Member: -John Juba, Chubb Life Insurance Company of Canada		R. Dobbins		

2. Consent Items	2:03 p.m.	Presenter	Action	Document
a. Consultations/Submissions Timetable				✓
b. CAFII Response Submission to FSRA Consultation on “Proposed Rule 2022 – 001: Assessments and Fees” (Submission Deadline: February 27/23)				✓
c. March 2023 Regulatory Update				✓
d. Regulator and Policy-Maker Visit Plan Recap				✓
e. Summary of Board and EOC Action Items				✓
f. Board-Approved Schedule of CAFII 2023 Meetings and Events				✓

3. Financial Management Matters	2:05 p.m.	Presenter	Action	Document
a. CAFII 2022 Audited Financial Statements and Independent Auditor’s Report Thereon	2:05 p.m.	D. Hinnecke	Update/ Endorsement	✓ (2)
b. Update on KPMG Audit of CAFII 2022 Fiscal Year Financial Statements	2:10 p.m.	B. Wycks	Update	✓
c. CAFII Financial Statements as at February 28/23	2:12 p.m.	D. Hinnecke	Update	✓
d. Forecast For CAFII 2023 Fiscal Year as at February 28/23	2:16 p.m.	D. Hinnecke	Update	✓

4. Committee Updates	2:20 p.m.	Presenter	Action	Document
a. Market Conduct & Licensing	2:20 p.m.	B. Kuiper	Update	Briefing Document Only
i. Outcomes of February 24/23 CAFII Virtual Meeting with FCNB Staff Executives Re Questions and Clarification Issues Around Compliance with Rule INS-001; Next Steps Completed; and Possible Further Next Steps	2:22 p.m.	K. Martin/B. Wycks	Update/ Discussion	✓ (2)
ii. Outcomes of February 28/23 CAFII Meeting with CCIR/CISRO FTCWG on Final Version of CCIR/CISRO ‘Incentive Management Guidance’	2:29 p.m.	K. Martin/B. Wycks	Update	✓
b. Quebec/AMF Issues	2:36 p.m.	J. Russell	Update	✓
i. Insights Gained from March 1/23 CAFII Quebec/AMF Issues Committee Meeting	2:38 p.m.	J. Russell/K. Martin	Update	✓
c. Media Advocacy	2:42 p.m.	J. Marcus	Update	
i. 2023 Statement of Work Proposal from Operatic Agency Re CAFII Website and Search Engine Optimization Performance Enhancements	2:44 p.m.	K. Martin	Update	✓
ii. Posting of Interesting/Credible Content to CAFII’s New LinkedIn Page; and Creating a Body of Followers for the LinkedIn Page	2:48 p.m.	K. Martin	Update	
d. Research & Education	2:52 p.m.	A. Stuska		
i. ‘Deeper Dive Research’ to Inform Possible Utilization of Results of CAFII 2022 Tracking Study Research with Pollara Strategic Insights on ‘Consumers’ Satisfaction with Credit Protection Insurance’	2:54 p.m.	A. Stuska/K. Martin	Update	
e. Networking & Events	2:58 p.m.	C. Manno	Update	Briefing Document Only
f. Travel Insurance Experts	3:00 p.m.	K. Umutoiniwase	Update	
i. 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	3:02 p.m.	B. Wycks	Update	

5. Recent and Upcoming Strategic and Regulatory Initiatives	3:04 p.m.	Presenter	Action	Document
a. Outcomes of March 7/23 CAFII Virtual Meeting with Eric Jacob and Mario Beaudoin, AMF, To Reaffirm 'Unwritten Understanding' Resolution to Credit Card-Embedded Insurance Benefits Impasse Issue	3:04 p.m.	K. Martin	Update/ Discussion	✓

6. Governance Matters	3:10 p.m.	Presenter	Action	Document
a. Proposed 'New CAFII Management Structure' (Post-2023); and Outcomes of Related March 6/23 CAFII Special Purpose Board Meeting	3:10 p.m.	R. Dobbins/ K. Martin	Update/ Discussion	✓ (3)
b. Further Discussion Around Issue of "CAFII Board Diversity"	3:15 p.m.	R. Dobbins/ K. Kasperski	Update/ Discussion	
c. Draft Minutes of February 14/23 EOC Meeting	3:19 p.m.	B. Wycks	Approval	✓

7. Read Only Items		Presenter	Action	Document
a. CAFII Decision Not to Respond to CCIR Consultation on Annual Statement on Market Conduct (ASMC) Life and Health Insurance Form (2023 data)				✓
b. CAFII Media Release on "CAFII Welcomes Chubb Life Insurance Company of Canada As A New Member"				✓
c. Outcomes of March 2/23 CAFII Relationship-Building Lunch With CAFII Initiation Member Applicant Prospect: Canadian Western Bank (CWB)				✓
d. March 23/23 AMF Virtual Presentation, in French Only, on Plans to Review The Consultation Process for The Prudential and Regulatory Framework Applicable to Financial Institutions (In Response To Requests Re Optimizing The Compliance Burden)				✓
e. March 30/23 CAFII Webinar on "Mental Health Issues In The Workplace"				✓
f. April 4/23 CAFII Reception Event With Kartik Sakthivel, LIMRA As Guest Speaker				✓
g. April 27/23 CAFII Webinar On International Life and Health Insurance Regulatory Developments				Briefing Note Only
h. May 9/23 CAFII Annual Members and Associates Luncheon				✓
i. Confirmed Speaker for June 6/23 CAFII Reception Event				Briefing Note Only

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

9. Tracking Issues		Presenter	Action	Document
a. AMF Consultation on Declaration of Operational Incidents				
b. 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 Board Meeting: Tuesday, April 4/23, 3:00 to 5:00 p.m. EST In-Person/Hybrid Meeting; followed by immediately ensuing CAFII Reception, 5:30 to 7:30 p.m.; Location: Vantage Venues, 150 King St. West, 27th Floor, Toronto (Hosted by Canadian Tire Bank)

Next EOC Meeting: Tuesday, April 25/23, 2:00 to 4:00 p.m. EST In-Person/Hybrid Meeting, at BMO Insurance, 60 Yonge St., Toronto

Briefing Note

CAFII EOC Meeting 21 March, 2023—Agenda Item 1(a)

Call to Order; and Welcome to New EOC Member: -John Juba, Chubb Life Insurance Company of Canada

Purpose of this Agenda Item—Start of Meeting

Start of meeting.

Background Information

The meeting will be called to order by EOC Chair Rob Dobbins. A new EOC member, John Juba of Chubb Life Insurance Company of Canada, will be welcomed and will introduce himself to fellow EOC members.

Recommendation / Direction Sought—Start of Meeting

No action required.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 21 March, 2023—Agenda Item 2(a-f) Consent Items

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. CAFII Response Submission to FSRA Consultation on “Proposed Rule 2022 – 001: Assessments and Fees” (Submission Deadline: February 27/23)
- c. March 2023 Regulatory Update;
- d. Regulatory and Policy-Maker Visit Plan Recap;
- e. Summary of Board and EOC Action Items;
- f. Board-Approved Schedule of CAFII 2023 Meetings and Events.

Recommendation / Direction Sought – Information Only

No action required.

Attachments Included with this Agenda Item

6 attachments.

CAFII Consultations/Submissions Timetable, 2023

Regulatory Issue	Deliverable	Deadline	Accountable
Financial Consumer Agency of Canada (FCAC)	<ul style="list-style-type: none"> CAFII submission on “Proposed Guideline on Appropriate Products and Services For Banks and Authorized Foreign Banks” CAFII meets virtually with FCAC staff executives to present highlights of submission on “Proposed Guideline on Appropriate Products and Services For Banks and Authorized Foreign Banks” FCAC virtual meeting with K. Martin and B. Wycks to present its decisions on elements in CAFII’s submission on “Proposed Guideline” FCAC releases final version of “Guideline on Appropriate Products and Services For Banks and Authorized Foreign Banks” 	<ul style="list-style-type: none"> January 6/22 January 15/22 February 17/22 February 24/22 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Committee; Co-EDs to monitor
BC Ministry of Finance 10-Year Review of FIA (Public Consultation Paper issued June/15)	<ul style="list-style-type: none"> Revised Financial Institutions Act (FIA) tabled in the legislature Ministry releases consultation paper on introducing a Restricted Insurance Agent licensing regime in BC (October 3/22 submission deadline) CAFII submission on BC RIA licensing regime consultation paper Ministry advises that Rule to empower RIA Regime and ensuing Insurance Council implementation work to be developed by Spring 2023 	<ul style="list-style-type: none"> October 21/19 June 30/22 October 3/22 January 13/23 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Committee; Co-EDs to monitor
British Columbia Financial Services Authority (BCFSA)	<ul style="list-style-type: none"> CAFII meets with BCFSA re “Discussion Paper: Information Security Incident Reporting” CAFII written submission on BCFSA’s Information Security Incident Discussion Paper (overhauled based on insights from February 24/22 meeting) CAFII submission on BCFSA’s “Draft Insurer Code of Market Conduct” CAFII submission on Two Follow-up Questions from BCFSA on Its Draft Insurer Code BCFSA releases update promising update report on ‘Insurer Code of Market Conduct’ in 2023 	<ul style="list-style-type: none"> February 24/22 March 1/22 September 9/22 November 11/22 December 15/22 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Committee; Co-EDs to monitor
Quebec Bill 141 and Related Regulations (including Regulation Respecting Alternative Distribution Methods, RADM)	<ul style="list-style-type: none"> CAFII submission on Draft 1 of ‘Regulation Respecting Complaint Processing’ CAFII makes submission to AMF on wording modifications needed to Fact Sheet and Notice of Rescission to make them fit credit card-embedded insurance benefits CAFII submission on AMF draft ‘Incentive Management Guidance’ AMF announces consultation on Draft 2 of ‘Regulation Respecting Complaint Processing’ CAFII submission on Draft 2 of ‘Regulation Respecting Complaint Processing’ <u>CAFII and AMF resolve impasse issue re Regulation respecting Alternative Distribution Methods (RADM)’s applicability to credit card-embedded insurance benefits via an “unwritten understanding” that Fact Sheet and Notice of Rescission do not have to be distributed to card holders</u> 	<ul style="list-style-type: none"> December 8/21 January 17/22 February 18/22 December 2022 February 15/23 <u>February/March 2022</u> 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Committee; Co-Eds to monitor
CCIR/CISRO	<ul style="list-style-type: none"> <i>CCIR/CISRO FTC Working Group accepts proposal in CAFII’s July 2/20 letter</i> CAFII submission on CCIR/CISRO Draft “Incentives Management Guidance” CAFII submission on CCIR/CISRO proposed “Incentives Management Guidance” CAFII written submission on CCIR’s Draft 2023-2026 Strategic Plan (following preliminary feedback provided via Virtual Stakeholder Session on November 4/22) CCIR releases “2021 Annual Statement on Market Conduct Public Report” CCIR launches ‘Annual Statement on Market Conduct: Life and Health Form (2023 data)’ consultation; <u>CAFII passes on formal written submission, in favour of informal verbal feedback to Laurie Balfour, Chair of CCIR CSOC, during regulator visits tour in May 2023</u> CAFII in-person/hybrid stakeholder meeting with CCIR/CISRO Incentives Management Committee re questions/clarifications around final “Incentives Management Guidance” published in November 2022 	<ul style="list-style-type: none"> August 31/20 September 17/21 April 4/22 November 30/22 December 15/22 January 12/23 February 28/23 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Cttee; Co-Eds to monitor
FCNB Insurance Act Rewrite and Introduction of RIA Regime	<ul style="list-style-type: none"> FCNB Releases “Proposed Rule INS-001: Insurance Intermediaries Licensing and Obligations” for consultation, with February 7/22 submission deadline CAFII submission on FCNB’s “Insurance Act Rewrite: Questions For Industry, Dec.’21” 	<ul style="list-style-type: none"> November 2021 January 31/22 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Cttee; Co-Eds to monitor

March 17, 2023

Regulatory Issue	Deliverable	Deadline	Accountable
	<ul style="list-style-type: none"> • CAFII submission on Proposed Rule INS-001: Insurance Intermediaries Licensing and Obligations • CAFII submission on Proposed Rule INS-002: Insurance Fees • CAFII submission on FCNB legislative change proposals re Life Insurance and Accident & Sickness Insurance sections of Insurance Act (informal sounding board consultation) • FCNB releases 'Notices to Industry' on coming into force of final versions of Rule INS-001 and Rule INS-002 (having received Ministerial approval) on February 1/23 • FCNB Rules INS-001 and INS-002 come into force. • <u>CAFII meets with FCNB to discuss implementation questions/clarifications re Rule INS-001</u> • <u>At CAFII's behest, FCNB removes RIR licence applicant requirements to submit Disclosure Forms and Criminal Record Checks for Board Directors</u> 	<ul style="list-style-type: none"> • February 7/22 • February 18/22 • May 20/22 • December 13-14/22 • February 1/23 • <u>February 24/23</u> • <u>March 9/23</u> 	
Financial Services Regulatory Authority of Ontario (FSRA) Regulatory Consultations	<ul style="list-style-type: none"> • CAFII responds to FSRA "Information Guidance on Complaints Resolution" consultation • CAFII submission on FSRA's "Principles-Based Regulation" consultation document • CAFII submission on FSRA's "Principles of Conduct for Insurance Intermediaries" • CAFII submission on FSRA's "Use of Retained Revenues Guidance" • FSRA provides feedback on CAFII's submission on "Use of Retained Revenues Guidance" • CAFII submission on FSRA's Proposed 2023-24 Statement of Priorities and Budget • CAFII submission on FSRA's "Proposed Rule 2022-001: Assessments and Fees" • <u>CAFII passes on making a submission on FSRA's "Proposed Guidance on IT Risk Management", as determined to be largely "out of scope"</u> 	<ul style="list-style-type: none"> • February 15/22 • April 29/22 • May 3/22 • May 31/22 • Sept 9/22 • November 15/22 • February 27/23 • <u>March 31/23</u> 	<ul style="list-style-type: none"> • Mkt Conduct & Licensing Cttee; Co-EDs to monitor

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

February 27, 2023

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

RE: Proposed FSRA Rule 2022 – 001: ASSESSMENTS AND FEES

Dear Mr. White:

The Canadian Association of Financial Institutions in Insurance (CAFII) thanks the Financial Services Regulatory Authority (FSRA) of Ontario for the opportunity to provide feedback comments on proposed *FSRA Rule 2022 – 001: Assessments And Fees*.

Our feedback will be relatively brief, largely because only certain aspects of the proposed amendments to Rule 2019 – 001 – Assessments and Fees (the 2019 Fee Rule) are germane to the life and health insurance sector in which CAFII members operate; and because we have previously communicated our support for FSRA's foundational approach to assessments and fees (as established in the 2019 Fee Rule).

That said, we have the following points of feedback to offer.

As an overarching feedback comment, CAFII notes, with some concern, that Rule 2022 – 001 proposes to remove the 'Principle of Predictability' from the 2019 Fee Rule's Vision & Principles. We view that particular Principle as a foundational, cornerstone feature of a transparent and fair regulatory fees regime; and we therefore strongly encourage FSRA to retain it.

Predictability is one of the guiding principles in Ontario's *Burden Reduction Directive*, a government-wide imperative that "sets out the Ontario government's burden reduction and regulatory modernization expectations, requirements, and responsibilities." Predictability is also the *sine qua non* of a sound regulatory regime, an essential aspect which encourages compliance and helps business entities in the regulated sectors to plan for change.

With respect to Part 2 – Sectoral Assessment Process, the proposed amendments include the following: "With respect to the preparation of budgets by FSRA, the requirement to post a draft budget on the FSRA website has been removed and replaced with a requirement to consult with the regulated sectors as part of FSRA's annual business plan process (Vision & Principles 1.2; 6.1)."

CAFII strongly encourages FSRA to reconsider the removal of the requirement for the Authority to post a draft budget on the FSRA website. In the interests of full transparency, we believe that it should be incumbent upon FSRA both to post a draft budget – in the first instance, before consulting with the regulated sectors on the annual business plan process (which is a related but separate area for review/scrutiny and feedback) – and then to consult with the regulated sectors on it.

In other words, it is our view that this annual process can only be optimal and produce a good, mutually beneficial outcome if it is not an 'either, or' between those two elements, but rather a 'both' and in the right sequential order. After all, how can the regulated sectors be in a position to provide constructive, meaningful feedback to FSRA on the proposed budget for the ensuing year, and on the related annual business plan priorities which the budget is intended to fund, if the draft budget has not been made public and shared with them – in advance, prior to the consultation phase occurring – typically via publication on the Authority's website?

Also in Part 2 – Sectoral Assessment Process, CAFII supports the addition of a new provision whereby "if funds are used from the operating reserve for a specific variable fee sector, then that sector shall include that cost for replacing such funds in the operating reserve as a sector-specific cost for calculating a future assessment following the withdrawal of those funds (Vision & Priorities 2.1; 3.1; 3.2)." We believe that FSRA's stated intention to avoid cross-sector subsidization with respect to replenishment of utilized operating reserve funds – and to take a user/causer-pay approach -- is the only fair and proper way to proceed.

With respect to Part 4 – Insurance Sector Assessments and Fees, CAFII supports the following amendment as a change that will provide greater precision and certainty for the regulated sectors: *"The definition of "direct written premiums" for the insurance sectors has been amended to now be recorded as they are reflected in the insurer's most recent annual audited financial statements presented to the insurer's prudential regulator (Vision & Priorities 4.2; 5.1)."*

With respect to Part 10 – Innovation Office Fees, CAFII supports the fee table set out therein and concurs with FSRA that the proposed fees are modest and reasonable and will serve "to prevent barriers to entry for innovation opportunities (Vision & Priorities 2.1)." In addition, such reasonable fee-for-service rates should incentivize fintechs, insurtechs, and other innovators to approach the FSRA Innovation Office to take advantage of its "Test and Learn Environment."

In a parallel vein, CAFII encourages FSRA to communicate regularly with the regulated sectors with respect to the activities of its Consumer Office and how it is funded.

More generally, we feel that FSRA continues to "walk the talk" in terms of its commitment to transparency, collaboration, and open communication with stakeholders.

Conclusion

CAFII again thanks FSRA for the opportunity to provide key industry stakeholder feedback on the Authority's *Proposed FSRA Rule 2022 – 001: Assessments And Fees*. We extend our Association's appreciation for FSRA's continued commitment to open and transparent communication and consultation. Should you require further information from CAFII or wish to meet with representatives from our Association on this submission or any other matter at any time, please contact Keith Martin, CAFII Co-Executive Director, at keith.martin@cafii.com or 647-460-7725.

Sincerely,



Rob Dobbins
Board Secretary and Chair, Executive Operations Committee

About CAFII

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

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

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

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

Agenda Item 2(d)
March 21/23 EOC Meeting

CAFII Insurance Regulator and Policy-Maker Meetings/Interactions
From February 13/23 To March 17/23

<u>Date</u>	<u>Event/Occasion/Issue</u>	<u>Who</u>
February 24/23	CAFII Virtual Stakeholder Meeting with Financial and Consumer Services Commission of New Brunswick (FCNB) Re ``Questions and Clarification Issues Related to Implementation and Licensing Expectations Arising from FCNB Rule INS-001; and Compliance Obligations Related to the Rule	Co-Executive Directors Keith Martin and Brendan Wycks, along with more than 15 CAFII member representatives including EOC Chair Rob Dobbins. CAFII discussed with FCNB representatives David Weir and Catherine Haines an itemized list of questions and clarification issues, including our Association`s strong concerns about Section 46 of Rule INS-001.
February 28/23 and March 13/23	CAFII In-Person/Hybrid Stakeholder Meeting With CCIR/CISRO Fair Treatment of Consumers Working Group (FTCWG) Re Questions/Clarification Issues Around Final Version of "Incentive Management Guidance" Published November 30/22	EOC Chair Rob Dobbins, EOC Member Charles MacLean, and Co-Executive Directors Keith Martin and Brendan Wycks attended this meeting in-person, with approximately eight CAFII member representatives attending virtually. The meeting provided a forum for a cordial and relationship-building exchange of views and updates around the Incentive Management Guidance. CCIR/CISRO FTCWG members chatted informally with the four CAFII in-person attendees in small groups for 45 minutes after conclusion of the formal part of the meeting. And CCIR Policy Manager Tony Toy sent CAFII a warm thank you letter on March 13, signed by FTCWG Co-Chairs Louise Gauthier, AMF, and April Stadnek, ICS.

March 3/23	CAFII webinar preparatory meeting with international insurance regulator	Keith Martin conducted this productive virtual meeting with Nicholas Herbert-Young, of the UK's Financial Conduct Authority (FCA) and a volunteer leader at the International Association of Insurance Supervisors (IAIS), to prepare for an April 27/23 CAFII webinar in which Mr. Young will engage in a fireside chat Mr. Martin on international insurance regulation issues and trends.
March 3/23 and March 7/23	Email exchange with CCIR Policy Manager	On March 3/23, Brendan Wycks sent an email on behalf of CAFII to Raseema Alam, CCIR Policy Manager, advising that our Association had decided not to make a written feedback/input submission in response to CCIR's informal consultation on its Annual Statement on Market Conduct (ASMC) Life and Health Insurance Form (2023 data). On March 7/23, Ms. Alam replied via email to acknowledge receipt of CAFII's March 3/23 email.

March 7/23	Follow-up Virtual Confirmation Meeting with AMF representatives, conducted in French, around confirming an agreed-upon resolution to an impasse issue	CAFII Board Chair Peter Thompson and Co-Executive Director Keith Martin participated in this follow-up virtual meeting – conducted exclusively in French -- with AMF staff executives Eric Jacob, Superintendent, Client Services and Distribution Oversight, and Mario Beaudoin, Director of Alternative Distribution Practices in Insurance, which had been set up to allow two more witnesses to be present (one from each side) for a re-affirmation of an “unwritten understanding” resolution, which had been previously agreed to by Mr. Thompson from CAFII and Mr. Jacob from the AMF, to the impasse issue re the Regulation respecting Alternative Distribution Methods (RADM)’s applicability to credit card-embedded insurance benefits. The Fact Sheet and the Notice of Rescission will not have to be distributed to holders of credit cards with embedded insurance benefits – because those documents would only misinform and confuse consumers -- and the AMF will not enforce the RADM’s related provisions.
------------	---	---

March 8/23 and March 9/23	Email exchange with Catherine Haines, Deputy Director, Licensing, Financial and Consumer Services Commission of New Brunswick (FCNB)	On March 8/23, Brendan Wycks wrote Catherine Haines, FCNB's Deputy Director, Licensing, to communicate a gentle reminder of a next step which FCNB had agreed to consider in a February 24/23 CAFII/FCNB virtual consultation meeting. On March 9/23, Ms. Haines wrote back to advise that FCNB had decided to remove the RIR licence applicant requirement to submit Disclosure Forms and Criminal Record Checks for Board Directors.
March 13/23	Letter from Nova Scotia Superintendent of Insurance	On March 13/23, Jennifer Calder, Deputy Superintendent of Insurance, Nova Scotia, forwarded a letter to CAFII from her boss, Superintendent of Insurance David McCarron, on the subject of ``reducing the administrative burden upon physicians`` and asking for a discussion with CAFII on a related priority initiative of the Government of Nova Scotia. CAFII will consider this request – particularly as to whether it is in scope for our Association – and respond to Ms. Calder.

Agenda Item 2(f)

March 21/23 EOC Meeting

Board-Approved Schedule of CAFII 2023 Meetings and Events

(Approved At October 11/22 CAFII Board Meeting)

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

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

Board Meetings:

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

2023 Annual Members and Associates Luncheon:

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

2023 EOC Annual Appreciation Dinner:

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

Webinars:

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

2022 Board meetings Hosted by:

TD Insurance, Desjardins Insurance, CIBC Insurance

2021 Board meetings Hosted by:

None, due to COVID-19 pandemic situation

2020 Board meetings Hosted by:

None, due to COVID-19 pandemic situation

2019 Board meetings Hosted by:

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

2018 Board Meetings Hosted by:

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

2017 Board Meetings Hosted by:

TD Insurance; CAFII; Desjardins Insurance; CIBC Insurance

Recent Years' Annual Members and Associates Luncheons

2022 Annual Members and Associates Luncheon

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

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

Speaker: Mark White, CEO, FSRA

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

2021 Annual Members and Associates Virtual Luncheon Webinar

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

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

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

Venue: Virtual-Only Webinar

2020 Annual Members and Associates Virtual Luncheon Webinar

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

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

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

Venue: Virtual-Only Webinar

2019 Annual Members and Associates Luncheon

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

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

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

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

Briefing Note

CAFII EOC Meeting 21 March, 2023—Agenda Item 3(a)

Financial Management Matters-- CAFII 2022 Audited Financial Statements and Independent Auditor's Report Thereon

Purpose of this Agenda Item – Update/Endorsement

To present an overview of the CAFII 2022 Audited Financial Statements and Independent Auditor's Report Thereon, prepared by KPMG, and seek endorsement of that document from the EOC.

Background Information

CAFII Treasurer Donald Hinnecke will ask the EOC to endorse the CAFII 2022 Audited Financial Statements and Independent Auditor's Report Thereon, which will then be presented to the Board at its upcoming 4 April, 2023 meeting for approval for presentation to the Association's membership at the 2023 Annual Meeting of Members on 6 June, 2023.

Recommendation / Direction Sought – Update/Endorsement

This is a brief presentation/update and request for endorsement.

Attachments Included with this Agenda Item

1 attachment.

Financial Statements of

**CANADIAN ASSOCIATION OF
FINANCIAL INSTITUTIONS IN
INSURANCE**

And Independent Auditors' Report thereon

Year ended December 31, 2022

CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

DRAFT Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022		2021	
	General Fund	Restricted Fund	General Fund	Restricted Fund
Assets				
Current assets:				
Cash	\$741,352	-	\$582,805	\$12,151
Prepaid expense	6,397	-	5,513	-
	<u>\$747,749</u>	<u>-</u>	<u>588,318</u>	<u>12,151</u>
Capital assets (note 4)	2,148	-	2,864	-
	<u>\$749,898</u>	<u>-</u>	<u>\$591,182</u>	<u>\$12,151</u>

Liabilities and Fund Balances

Current liabilities:				
Accounts payable and accrued liabilities	\$80,623	-	\$85,282	-
Fund balances (note 2)	669,275	-	505,900	12,151
	<u>\$749,898</u>	<u>-</u>	<u>\$591,182</u>	<u>\$12,151</u>

The accompanying notes are an integral part of the financial statements.

On behalf of the Board:

_____ Director

_____ Director

CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

DRAFT Statement of Operations and Changes in Fund Balances

Year ended December 31, 2022, with comparative information for 2021

	2022		2021	
	General Fund	Restricted Fund	General Fund	Restricted Fund
Revenue:				
Membership dues	\$991,653	-	\$955,970	-
Interest Revenue	2,579	-	236	-
Miscellaneous Revenue	360	-	-	-
	994,592	-	956,206	-
Expenses:				
Association operating	605,680	-	649,019	-
Research and education committee	140,826	-	143,273	-
Market conduct committee	9,206	-	-	-
Networking and events committee	45,760	-	1,822	-
Media and advocacy strategy committee	41,896	-	40,051	-
	843,368	-	834,165	-
Excess of revenue over expenses	151,224	-	122,041	-
Fund balances, beginning of year (note 2)	505,900	12,151	383,859	12,151
Inter-fund transfers	12,151	(12,151)	-	-
Fund balances, end of year	\$669,275	-	\$505,900	\$12,151

The accompanying notes are an integral part of the financial statements.

CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

DRAFT Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022		2021	
	General Fund	Restricted Fund	General Fund	Restricted Fund
Cash provided by (used in):				
Operating activities:				
Excess (deficiency) of expenses over revenue	\$151,224	-	\$122,041	\$ -
Amortization of capital assets	716	-	1,136	-
Change in non-cash operating working capital	(5,544)	-	48,726	-
Cash provided by operating activities	146,396	-	171,903	-
Financing activities:				
Inter-fund transfers	12,151	(12,151)	-	-
Increase/(decrease) in cash	158,547	(12,151)	171,903	-
Cash, beginning of year	582,805	12,151	410,902	12,151
Cash, end of year	\$741,352	-	\$582,805	\$12,151

The accompanying notes are an integral part of the financial statements.

CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

DRAFT Notes to Financial Statements

Year ended December 31, 2022

The Canadian Association of Financial Institutions in Insurance ("CAFII") is a not-for-profit association incorporated under the Canada Not-for-profit Corporations Act on August 25, 2014. CAFII was originally incorporated under the Canada Corporations Act on October 29, 1997 and commenced operations on January 1, 1998. CAFII was established to provide an industry-based forum to represent a range of financial institutions in insurance in Canada and to work in partnership with regulators to create an efficient and effective regulatory framework that provides consumer choice in the purchase of insurance products and services. CAFII's members provide life, property and casualty, travel and credit insurance, reinsurance and other products and services through a wide variety of distribution systems. CAFII is exempt from income taxes under paragraph 149(1)(l) of the Income Tax Act (Canada).

1. Significant accounting policies:

(a) General:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants of Canada Handbook.

(b) Revenue recognition:

CAFII derives its revenue primarily through membership dues. Dues are recognized as revenue in the membership period (January 1, 2022 to December 31, 2022) to which they relate.

(c) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and deposits which are highly liquid with original maturities of less than three months.

CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(d) Capital assets:

Tangible capital assets are recorded at cost. When a tangible capital asset no longer contributes to CAFII's ability to provide services, its carrying amount is written down to its residual value.

Tangible capital assets consist of computer equipment and are amortized on a straight-line basis over five years.

(e) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. CAFII has not elected to carry any such financial instruments at fair value.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, CAFII determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount CAFII expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(f) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of capital assets. Actual results could differ from those estimates.

CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2022

2. Fund balances - General Fund:

The General Fund reports unrestricted resources. If resources are to be used for special purpose, these would be reported in restricted fund.

During the year, the Board authorized the residual balance of \$12,151 to be used for general purposes which resulted in an inter-fund transfer from the Restricted Fund to the General Fund.

CAFI's Board of Directors aims to maintain unrestricted net assets (financial reserves) within a range of between 25% of total annual operating expenses and 50% of total annual operating expenses. Management intends to utilize unrestricted net assets on CAFI-mandated projects, as determined by the Board of Directors.

3. Financial instruments:

The carrying amounts of financial assets and liabilities approximate their fair values due to the short-term nature of these financial instruments.

4. Capital assets:

2022	Cost	Accumulated amortization	Net book value
Computer equipment	\$ 10,878	\$ 8,730	\$ 2,148
2021	Cost	Accumulated amortization	Net book value
Computer equipment	\$ 10,878	\$ 8,014	\$ 2,864

CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2022

5. Financial risks and concentration of credit risk:

(a) Liquidity risk:

Liquidity risk is the risk that CAFII will be unable to fulfill its obligations on a timely basis or at a reasonable cost. CAFII manages its liquidity risk by monitoring its operating requirements. CAFII prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2021.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations, resulting in a financial loss. CAFII does not have any financial assets subject to credit risk.

Briefing Note

CAFII EOC Meeting 21 March, 2023—Agenda Item 3(b) Financial Management Matters-- Update on KPMG Audit of CAFII 2022 Fiscal Year Financial Statements

Purpose of this Agenda Item – Update

To provide an update on KPMG's audit of CAFII's 2022 fiscal year financial statements, and next steps in the process.

Background Information

Co-Executive Director Brendan Wycks will provide an update on KPMG's audit of CAFII's 2022 fiscal year financial statements.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

Critical Path With KPMG For CAFII 2022 Audited Financial Statements

Task	Responsible	Timing/Deadline
Prepare Draft CAFII 2022 Financial Statements	R. Nason, Managing Matters	January 12/23 (Completed)
Conduct audit of Draft CAFII 2022 Financial Statements	KPMG	February and early March 2023
Provide Draft 1 of CAFII 2022 Audited Financial Statements for circulation prior to March 21/23 CAFII EOC Meeting	KPMG (reviewed and assisted/facilitated by R. Nason, B. Wycks, K. Martin, D. Hinnecke)	March 13/23
Provide feedback on Draft 1 of CAFII 2021 Audited Financial Statements	EOC	March 21/23
Provide Draft 2 of CAFII 2021 Audited Financial Statements for circulation prior to April 4/23 CAFII Board Meeting	KPMG (assisted/facilitated by R. Nason, B. Wycks, K. Martin, D. Hinnecke)	March 27/23
Approve Draft 2 of CAFII 2022 Audited Financial Statements for presentation to membership at 2023 Annual Meeting of Members	CAFII Board	April 4/23
Provide Final Draft of CAFII 2022 Audited Financial Statements for inclusion in CAFII 2023 Annual Meeting of Members Materials Package	KPMG (assisted/facilitated by R. Nason, J. Becker)	April 24/23
Circulate CAFII 2023 Annual Meeting of Members Materials Package	J. Becker	April 25/22
Approve CAFII 2022 Audited Financial Statements At 2023 Annual Meeting of Members	Membership	June 6/23

Briefing Note

CAFII EOC Meeting 21 February, 2023—Agenda Item 3(c) Financial Management Matters--CAFII Financial Statements as at February 28/23

Purpose of this Agenda Item – Update

To update the EOC on the Association's financial position as at 28 February, 2023.

Background Information

CAFII Treasurer Donald Hinnecke will provide an update on the CAFII financial statements as at 28 February, 2023.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

C A F I I

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

Statement of Operations As at February 28th, 2023

	Current Month	Budget Feb-23	Variance to Monthly Budget	Current YTD	Budget '23 YTD	Variance Budget to YTD	Budget 2023
Revenue							
Membership Dues	\$81,353	\$77,497	\$3,856	\$158,850	\$154,994	\$3,856	\$929,964
Interest	\$776	\$458	\$318	\$1,634	\$916	\$718	\$5,500
Misc (One time event fees)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	\$82,129	\$77,955	\$ 4,174	\$160,484	\$155,910	\$4,573	\$935,464
Expenses							
Office Costs							
Management Fees (CAFII staff and Managing Matters)	\$44,354	\$44,899	\$545	\$88,724	\$89,798	\$1,074	\$538,784
New hire for 6 months overlap	\$0	\$0	\$0	\$0	\$0	\$0	\$102,895
Audit Fees	\$1,305	\$1,367	\$62	\$2,610	\$2,734	\$124	\$16,402
Insurance	\$526	\$575	\$49	\$1,051	\$1,150	\$99	\$6,902
Member Communication and Technology Tools	\$1,041	\$734	(\$307)	\$2,104	\$1,468	(\$636)	\$8,810
Telephone/Fax/Internet	\$104	\$482	\$378	\$208	\$964	\$756	\$5,789
Postage/Courier	\$0	\$7	\$7	\$0	\$7	\$7	\$86
Office Expenses	\$51	\$896	\$845	\$102	\$1,792	\$1,690	\$10,751
Bank Charges	\$36	\$52	\$17	\$61	\$104	\$44	\$628
New Office Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation Computer/Office Equipment	\$60	\$235	\$175	\$119	\$470	\$351	\$2,821
Miscellaneous Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$500
Total Office related expenses	\$47,475	\$49,247	\$1,772	\$94,979	\$98,487	\$3,508	\$694,369
Legal and consulting costs associated with regulatory submissions and initiatives	\$0	\$10,000	\$10,000	\$0	\$10,000	\$10,000	\$90,400
Board/EOC/AGM							
Annual Members and Associates Luncheon	\$0	\$0	\$0	\$0	\$0	\$0	\$16,120
Board Hosting (External)	\$0	\$0	\$0	\$0	\$0	\$0	\$24,075
Board/EOC Meeting Expenses	\$356	\$0	(\$356)	\$362	\$0	(\$362)	\$31,089
Industry Conferences and Events	\$0	\$0	\$0	\$0	\$300	\$300	\$3,627
EOC Annual Appreciation Dinner	\$0	\$0	\$0	\$0	\$0	\$0	\$5,676
Speaker fees & travel	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500
Gifts	(\$150)	\$107	\$257	\$0	\$214	\$214	\$1,284
Networking Events	\$0	\$0	\$0	\$0	\$0	\$0	\$5,650
CAFII 25th Anniversary Celebration	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Board/EOC/AGM	\$206	\$107	(\$99)	\$362	\$514	\$152	\$89,021
Regulatory and Industry							
Provincial Regulatory Visits and Relationship-Building	\$45	\$0	(\$45)	\$89	\$0	(\$89)	\$41,000
Federal Regulatory Visits and Relationship-Building	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
Research/Studies	\$0	\$0	\$0	\$0	\$0	\$0	\$67,800
Webinar Fees	\$0	\$0	\$0	\$1,921	\$2,561	\$640	\$15,368
Website SEO and Enhancements	\$0	\$0	\$0	\$0	\$0	\$0	\$45,200
CAFII Benchmarking Study/RSM Canada	\$0	\$0	\$0	\$0	\$0	\$0	\$71,190
Media Outreach	\$679	\$2,260	\$1,581	\$679	\$2,260	\$1,581	\$9,040
Media Consultant Retainer	\$2,543	\$3,125	\$583	\$5,085	\$6,250	\$1,165	\$37,500
Marketing Collateral	\$0	\$0	\$0	\$0	\$0	\$0	\$7,000
Total Regulatory and Industry	\$3,266	\$5,385	\$2,119	\$7,774	\$11,071	\$3,297	\$299,098
TOTAL EXPENSE	\$50,947	\$64,739	\$13,792	\$103,115	\$120,072	\$16,957	\$1,172,888
NET INCOME	\$31,182	\$13,216	17,966	\$57,369	\$35,838	\$ 21,531	(\$237,424)
proof	-	-	-	-	-	-	-

Explanatory Notes:

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

CAFII

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

Balance Sheet

As at February 28th, 2023

	CAFII Operations		
	28-Feb 2023	31-Jan 2023	31-Dec 2022
ASSETS			
Current Assets			
Bank Balance	\$683,022	\$251,137	\$324,108
Savings Account	\$418,878	\$418,102	\$417,244
Accounts Receivable	\$442,283	\$0	\$0
Prepaid Expenses	\$12,649	\$5,827	\$6,397
Computer/Office Equipment	\$10,878	\$10,878	\$10,878
Accumulated Depreciation -Comp/Equip	(\$8,849)	(\$8,789)	(\$8,730)
Total Current Assets	\$1,558,861	\$677,154	\$749,898
TOTAL ASSETS	\$1,558,861	\$677,154	\$749,898
LIABILITIES			
Current Liabilities			
Accrued Liabilities	\$16,374	\$17,158	\$15,916
Credit Card	\$431	\$1,210	\$566
Account Payable	\$21,165	\$40,823	\$64,141
Deferred Revenue	\$794,248	(\$77,497)	\$0
Total Current liabilities	\$832,218	(\$18,307)	\$80,623
TOTAL LIABILITIES	\$832,218	(\$18,307)	\$80,623
UNRESTRICTED NET ASSETS			
Unrestricted Net Assets, beginning of year	\$669,275	\$669,275	\$505,900
Excess of revenue over expenses	\$57,369	\$26,187	\$163,374
Total Unrestricted Net Assets	\$726,643	\$695,461	\$669,275
Total Unrestricted Net Assets	\$726,643	\$695,461	\$669,275
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$1,558,861	\$677,154	\$749,898
Financial Reserves Targets as per 2023 Budget:			
Minimum 3 months (25%) of Annual Operating Expenses=		\$ 293,222	0.04
Maximum 6 months (50%) of Annual Operating Expenses=		\$ 586,444	0.08
Current Level of Financial Reserves (total unrestricted net assets):		\$726,643	
Current Level of Financials Reserve (%) :		62%	0.00

CAFI

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

Membership Fees

			<u>Feb-23</u>				
			<u>Billed</u>	<u>Received</u>	<u>Method of Payment</u>	<u>Received Date</u>	
TD Insurance	2023 Upper Tier Member	\$	77,110	\$	77,110	Cheque	23-Feb-23
BMO Bank of Montreal	2023 Upper Tier Member	\$	77,110	\$	77,110	Direct Payment - EFT	16-Mar-23
CIBC Insurance	2023 Upper Tier Member	\$	77,110	\$	77,110	Direct Payment - EFT	27-Feb-23
RBC Insurance	2023 Upper Tier Member	\$	77,110	\$	77,110	Direct Payment - EFT	2-Mar-23
Scotia Insurance	2023 Upper Tier Member	\$	77,110	\$	77,110	Direct Payment - EFT	28-Feb-23
Desjardins Financial Security Life Assura	2023 Upper Tier Member	\$	77,110	\$	77,110	Cheque	28-Feb-23
National Bank Insurance	2023 Upper Tier Member	\$	77,110	\$	77,110	Direct Payment - EFT	16-Feb-23
Manulife Financial	2023 Upper Tier Member	\$	77,110	\$	77,110	Direct Payment - EFT	13-Feb-23
The Canada Life Assurance Company	2023 Upper Tier Member	\$	77,110				
Securian Canada	2023 Lower Tier Member	\$	38,555	\$	38,555	Cheque	23-Feb-23
Assurant	2023 Lower Tier Member	\$	38,555				
Valeyo	2023 Lower Tier Member	\$	38,555	\$	38,555	Direct Payment - EFT	3-Mar-23
CUMIS Group Ltd	2023 Lower Tier Member	\$	38,555				
Canadian Tire Bank	2023 Lower Tier Member	\$	38,555				
Chubb Life Insurance Company of Canada	2023 Initiation Members (Lower Tier)	\$	23,133				
RSM Canada	Associate	\$	4,800				
Willis Towers Watson	Associate	\$	4,800				
KPMG LLP	Associate	\$	4,800				
Optima Communications	Associate	\$	4,800	\$	4,800	Direct Payment - EFT	17-Feb-23
RGA Life Reinsurance Company of Canada	Associate	\$	4,800				
Torlys LLP	Associate	\$	4,800	\$	4,800	Direct Payment - EFT	28-Feb-23
Stikeman Elliott	Associate	\$	4,800				
Norton Rose Fulbright Canada	Associate	\$	4,800				
Royal & Sun Alliance Insurance Company	Associate	\$	4,800				
Feb Invoices			\$953,098	\$703,590			
Total Membership Fees			\$953,098				
Total amount to reallocate monthly Jan-Dec. 2023			\$79,424.83				

Briefing Note

CAFII EOC Meeting 21 February, 2023—Agenda Item 3(d)

Financial Management Matters-- Forecast For CAFII 2023 Fiscal Year as at February 28/23

Purpose of this Agenda Item – Update

To provide an update on the Association's financial forecast for the 2023 fiscal year as at February 28/23.

Background Information

CAFII Treasurer Donald Hinnecke will provide an update on CAFII's financial forecast for the 2023 fiscal year as at February 28/23.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

2023 CAFII Budget
In \$ Cdn

	2019 Actuals	2020 Actuals	2021 Actuals	2022 Actuals	CAFII 2023 Budget	2023 YTD February 2023	2023 Forecast	Comment/Rationale
Revenue								
Membership Dues	734,664	884,721	955,970	991,653	929,964	158,850	929,964	Member Dues Revenue Tab
Interest	982	399	236	2,579	5,500	1,634	5,500	Same as budget
CCBPI Revenue + one time event fees	195	-	-	12,511	-	-	-	
TOTAL REVENUE	735,841	885,120	956,206	1,006,743	935,464	160,484	935,464	
EXPENSE								
Office Costs								
Management Fees (CAFII staff and Managing Matters)	465,134	476,844	486,711	507,904	538,784	88,724	538,784	Same as budget
New hire for 6 months overlap					102,895	-	102,895	Same as budget
Audit Fees	14,799	16,743	13,224	15,187	16,402	2,610	16,402	Same as budget
Insurance	5,338	5,385	5,877	6,275	6,902	\$1,051	6,902	Same as budget
Member Communication and Technology Tools	10,022	5,765	6,958	7,990	8,810	2,104	8,810	Same as budget
Telephone/Fax/Internet	6,494	5,808	6,799	5,935	5,789	208	5,789	Same as budget
Postage/Courier	159	53	-	60	86	-	86	Same as budget
Office Expenses	2,025	2,158	2,694	7,898	10,751	102	10,751	Same as budget
Bank Charges	112	236	663	548	628	61	628	Same as budget
New Office Equipment				-	-	-	-	Same as budget
Depreciation Computer/Office Equipment	1,136	1,136	1,136	716	2,821	119	2,821	
Miscellaneous Expense	-	-	-	283	500	-	500	Same as budget
Total Office related expenses	505,219	514,128	524,061	552,796	694,369	94,979	694,369	
Legal and consulting costs associated with regulatory submissions and initiatives	-	28,975	74,221	-	90,400	-	90,400	Same as budget
Board/EOC/AGM								
Annual Members and Associates Luncheon	12,052	-	-	13,147	16,120	-	16,120	Same as budget
Board Hosting (External)	14,001	-	-	203	24,075	-	24,075	Same as budget
Board/EOC Meeting Expenses	35,419	4,676	1,822	11,361	31,089	362	31,089	Same as budget
Industry Conferences and Events	-	-	-	615	3,627	\$0	3,627	Same as budget
EOC Annual Appreciation Dinner	2,193	4,244	-	2,501	5,676	-	5,676	Same as budget
Speaker fees & travel	1,189	-	-	-	1,500	-	1,500	Same as budget
Gifts	200	-	-	765	1,284	-	1,284	Same as budget
Networking Events	-	-	-	1,854	5,650	-	5,650	Same as budget
CAFII 25th Anniversary Celebration	-	-	-	15,315	-	-	-	
Total Board/EOC/AGM	65,053	8,920	1,822	45,761	89,021	362	89,021	Same as budget
Regulatory and Industry								
Provincial Regulatory Visits and Relationship-Building	16,833	983	-	9,205	41,000	89	41,000	Same as budget
Federal Regulatory Visits and Relationship-Building	442	540	-	-	5,000	\$0	5,000	Same as budget
Research/Studies	5,368	28,646	75,473	73,026	67,800	-	67,800	Same as budget
Webinar Fees				7,684	15,368	1,921	15,368	Same as budget
Website SEO and Enhancements	40,914	31,144	50,737	45,200	45,200	-	45,200	Same as budget
CAFII Benchmarking Study/RSM Canada	-	68,365	67,800	67,800	71,190	-	71,190	Same as budget
Media Outreach	5,683	350	9,542	2,779	9,040	\$679	9,040	Same as budget
Media Consultant Retainer	27,120	27,685	29,792	37,331	37,500	5,085	37,500	Same as budget
Marketing Collateral	1,629	845	717	1,787	7,000	-	7,000	Same as budget
Total Regulatory and Industry	105,543	179,462	254,966	244,812	299,098	7,774	299,098	Same as budget
TOTAL EXPENSE	675,816	731,485	855,070	843,368	1,172,888	103,115	1,172,888	
Excess of Revenue over Expenses	60,025	153,636	101,136	163,375	(237,424)	57,369	(237,424)	
Unrestricted Net Assets (beginning of year)	170,198	230,223	230,223	505,900	621,727	669,275	669,275	
Unrestricted Net Assets (end of period)	230,223	383,859	331,359	669,275	384,303	726,643	431,851	

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

Actual/Forecasted Financial Reserves	2019 Actuals	2020 Actuals	2021 Actuals	2022 Actuals	CAFII 2023 Budget	2023 YTD February 2023	2023 Forecast
Minimum 3 months (25%) of Annual Operating Expenses =	\$168,954	\$182,871	\$213,767	\$210,842	\$293,222	\$293,222	\$293,222
Maximum 6 months (50%) of Annual Operating Expenses =	\$337,908	\$365,742	\$427,535	\$421,684	\$586,444	\$586,444	\$586,444
Actual/Forecasted Level of Financial Reserves:	\$230,223	\$383,859	\$331,359	\$669,275	\$384,303	\$726,643	\$431,851
Actual/Forecasted Level of Financial Reserves %:	34%	52%	39%	79%	33%	62%	37%

2019 Operational Budget - Member Dues Breakdown

2018 Member Dues Breakdown			
Upper Tier Member	73,438.00	5	367,190.00
DFS	58,079.00	1	58,079.00
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	5	440,629.00
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	73,438.00	5	440,629.00
National Bank	58,079.00	1	58,079.00
Lower Tier Member	36,719.00	3	110,157.00
Initiation Members	44,000.00	2	88,000.00
Associate	4,800.00	8	40,800.00
			734,664.00

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

2020 Member Dues Breakdown			
Upper Tier Member	77,110.00	5	693,985.00
Lower Tier Member	38,555.00	3	115,664.85
Initiation Members (U)	46,266.00	1	46,265.94
Initiation Members (L)	23,133.00	0	0.00
Associate	4,800.00	11	52,800.00
			908,719.89

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

2020 Member Dues Breakdown			
Upper Tier Member	77,110.00	5	693,985.10
Lower Tier Member	38,555.00	3	115,664.85
Initiation Members (U)	46,266.00	1	46,265.94
Initiation Members (L)	23,133.00	0	0.00
Associate	4,800.00	6	28,800.00
			884,719.89

2020 Lower Tier Member			
BMO Bank of Montreal			
CIBC Insurance			
RBC Insurance			
Scotiabank Financial			
TD Insurance			
Desjardins Financial Security Life Assurance Company			
National Bank Life Insurance Company			
Manulife Financial			
The Canada Life Assurance Company			

2020 Associate			
Assurant Solutions			
Canadian Premier Life Insurance Company			
Cumis Group Ltd/Co-operators Life Insurance Co.			

2020 Initiation Members (Upper Tier)

2020 Associate			
RSM Canada			
Willis Towers Watson			
KPMG MSLP			
Optima Communications			
RCA Life Reinsurance Company of Canada			
Torlife LLP			
*BIC			
*BIC			

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

Did not renew in 2020

PWC
March Reinsurance Company Canada Branch (Life)
Rankhigher.ca

2021 Operational Budget - Member Dues Breakdown - No Dues Increase

2021 Member Dues Breakdown			
Upper Tier Member	77,110.00	5	693,985.10
Lower Tier Member	38,555.00	2	154,219.80
Initiation Members (Upper Tier)	46,266.00	1	46,265.94
Initiation Members (Lower Tier)	23,133.00	0	0.00
Associate	4,800.00	8	24,000.00
			918,474.84

2021 Upper Tier Member			
BMO Bank of Montreal			
CIBC Insurance			
RBC Insurance			
Scotiabank 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			
Valejo			
Cumis Group Ltd/Co-operators Life Insurance Co.			

2021 Initiation Members (Upper Tier) 2 Year

2021 Associate			
RSM Canada			
Willis Towers Watson			
KPMG MSLP			
Optima Communications			
RCA Life Reinsurance Company of Canada			
Torlife LLP			

2021 Forecast

2021 Member Dues Breakdown			
Upper Tier Member	77,110.00	5	693,985.10
Lower Tier Member	38,555.00	2	154,219.80
Initiation Members (Upper Tier)	46,266.00	1	46,265.94
Initiation Members (Lower Tier)	23,133.00	0	0.00
Associate	4,800.00	10	48,000.00
			955,968.84

2021 Upper Tier Member			
BMO Bank of Montreal			
CIBC Insurance			
RBC Insurance			
Scotiabank 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			
Valejo			
Cumis Group Ltd/Co-operators Life Insurance Co.			

2021 Initiation Members (Upper Tier) 2 Year

2021 Associate			
RSM Canada			
Willis Towers Watson			
KPMG MSLP			
Optima Communications			
RCA Life Reinsurance Company of Canada			
Torlife LLP			
Dog and Pony Studios			
Skikeman Elliott LLP			
RSA			
Norton Rose Fulbright Canada			

Initiation Members (Lower Tier)

Canadian Tire Bank

CTB is joining CAFI in early June, we will prorate CTB's 2021 Initiation Member Dues to 7/12 of the full year amount
2nd Year

2022 Operational Budget - Member Dues Breakdown - No Dues Increase

2022 Member Dues Breakdown			
Upper Tier Member	77,110.00	5	771,090.00
Lower Tier Member	38,555.00	2	154,219.80
Initiation Members (Upper Tier)	46,266.00	0	0.00
Initiation Members (Lower Tier)	23,133.00	1	23,132.97
Associate	4,800.00	9	43,200.00
			991,651.77

2022 Upper Tier Member			
BMO Bank of Montreal			
CIBC Insurance			
RBC Insurance			
Scotiabank 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			
Valejo			
Cumis Group Ltd/Co-operators Life Insurance Co.			

2022 Initiation Members (Upper Tier)

2022 Associate			
RSM Canada			
Willis Towers Watson			
KPMG MSLP			
Optima Communications			
RCA Life Reinsurance Company of Canada			
Torlife LLP			
Skikeman Elliott LLP			
RSA			
Norton Rose Fulbright Canada			

Initiation Members (Lower Tier)

Canadian Tire Bank

2023 Operational Budget - Member Dues Breakdown - No Dues Increase

2023 Member Dues Breakdown			
Upper Tier Member	77,110.00	5	893,985.10
Lower Tier Member	38,555.00	5	192,774.75
Initiation Members (Upper Tier)	46,266.00	0	0.00
Initiation Members (Lower Tier)	23,133.00	1	23,132.97
Associate	4,800.00	9	43,200.00
			953,096.82

2023 Upper Tier Member			
BMO Bank of Montreal			
CIBC Insurance			
RBC Insurance			
Scotiabank Financial			
TD Insurance			
Desjardins Financial Security Life Assurance Company			
National Bank Life Insurance Company			
Manulife Financial			
The Canada Life Assurance Company			
Sun Life Financial - Remove next year			

2023 Lower Tier Member			
Assurant Solutions			
Canadian Premier Life Insurance Company			
Valejo			
Cumis Group Ltd/Co-operators Life Insurance Co.			

2023 Initiation Members (Upper Tier)

2023 Associate			
RSM Canada			
Willis Towers Watson			
KPMG MSLP			
Optima Communications			
RCA Life Reinsurance Company of Canada			
Torlife LLP			
Skikeman Elliott LLP			
RSA			
Norton Rose Fulbright Canada			

Initiation Members (Lower Tier)

Chubb Life Insurance Company of Canada

Briefing Note

CAFII EOC Meeting 21 March, 2023—Agenda Item 4(a) Committee Updates—Market Conduct & Licensing

Purpose of this Agenda Item – Briefing Note Only

To provide a written update, which will remove the need for this agenda item to receive any verbal update presentation time during the meeting.

Background Information

Following is a written update on Market Conduct & Licensing from Brad Kuiper, Chair, and Fay Coleman, Vice Chair:

CCIR Annual Statement on Market Conduct - The Committee reviewed the CCIR Consultation on the Annual Statement on Market Conduct forms (2023 data) and the decision was made not to submit a response, given that we had no specific or detailed items to provide direct input on. Rather, any commentary we might have would be more general in nature, voiced in conversation vs. written submission, and related to the overall effectiveness of the Statement itself. For example, questions still linger as to the consistency of data being reported in, the level of expertise related to subsequent analysis, and the reliance of any data output in fashioning CCIR or regulatory decisioning. In that regard, Brendan and Keith would instead explore potentially speaking on the topic of the Statement itself more broadly, during one of their visits with regulators out West. Prior to doing so however, they would also explore whether any of the other Industry Associations share similar thoughts as to the effectiveness/consistency (data) of the Annual Statement itself, the philosophical intent and the practical output/outcome of the Statement; in order to ensure if we were to raise this question, we are not the only industry association doing so.

FSRA IT Risk Management Guideline: The consensus was to not to comment on this consultation as there were no aspects of the proposed guideline we necessarily had issue or concern with. That being said, it was recognized that we had made a submission to a related consultation out of BC. In that regard however, there was concern that BC was not making allowances for the comparative existence and reliance on other IT Risk Management guidance/reporting expectations; such as OSFI direction/expectations. For that main reason, a submission was made to BC, to avoid, in particular, duplicative regulatory efforts.

Recommendation / Direction Sought – Briefing Note Only

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

**CAFII EOC Meeting 21 March, 2023—Agenda Item 4(a)
Committee Updates—Market Conduct & Licensing-- Outcomes of February 24/23 CAFII Virtual Meeting with FCNB Staff Executives Re Questions and Clarification Issues Around Compliance with Rule INS-001; Next Steps Completed; and Possible Further Next Steps**

Purpose of this Agenda Item – Update/Discussion

To provide an update and have an opportunity for discussion of the outcomes of a recent CAFII meeting with the Financial and Consumer Services Commission of New Brunswick (FCNB).

Background Information

CAFII held a meeting on 24 February, 2023 with staff executives from the FCNB around compliance with the Commission's Rule INS-001, at which meeting David Weir said that "we will need to agree to disagree" on CAFII's strong opposition to Section 46 in that Rule, ie. the requirement for representatives of Restricted Insurance Representative licence holders to tell customers being incidental insurance, such as credit protection insurance, that they may wish to seek the advice of a licensed representative.

CAFII has sought a legal opinion from Stikeman Elliott on this Section of Rule INS-001. Stuart Carruthers has concluded that FCNB is within its legal rights to include this Section in Rule INS-001.

CAFII will be considering all possible options on this issue, including possibly writing a letter to the Minister of Finance outlining why this is an inappropriate requirement.

Recommendation / Direction Sought – Update/Discussion

This is an update and request for feedback.

Attachments Included with this Agenda Item

2 attachments.

Agenda Item 4(a)(i)
March 21/23 EOC Meeting

From: Brendan Wycks <brendan.wycks@cafii.com>
Sent: Wednesday, March 8, 2023 5:57 PM
To: Haines, Catherine (FCNB) <Catherine.Haines@fcnb.ca>
Cc: Keith Martin <Keith.Martin@cafii.com>; Jake Becker <jake.becker@cafii.com>; Picard, Robert (FCNB) <Robert.Picard@fcnb.ca>; Weir, David (FCNB) <david.weir@fcnb.ca>
Subject: Follow-up and A Gentle Reminder From CAFII Re Questions and Clarification Issues Related to Implementation, Compliance, and Licensing Expectations Arising from FCNB Rule INS-001

Good afternoon, Catherine.

On behalf of CAFII and our Association's 15 member companies, thank you to you and David Weir for meeting virtually with my CAFII Co-Executive Director colleague Keith Martin, a sizeable delegation of CAFII member representatives, and me on Friday, February 24/23 around *CAFII Questions and Clarification Issues Related to Implementation, Compliance, and Licensing Expectations Arising from FCNB Rule INS-001*.

We believe that the dialogue in that meeting produced a constructive exchange of information, and several important next steps.

In addition to communicating our thanks, this follow-up message has two important secondary purposes: to provide you with a brief CAFII update from our Association; and to offer a gentle reminder of a next step which you committed to undertake in our February 24 meeting:

- Update: Keith and I are currently canvassing CAFII member companies for information on *Specific difficulties being encountered on the FCNB portal with respect to applying for a Restricted Insurance Representative (RIR) licence (including, where possible, screen shots)*. We expect to be in a position to send you a list of such licence application difficulties being encountered on Friday, March 10 (along with, where possible, illustrative screen shots); and
- Gentle Reminder: it is our recollection that during the FCNB Licensing Portal-focused portion of the discussion in our February 24 meeting, you indicated that you would be able get back to CAFII soon with respect to our questions and concerns related to the RIR licence application process requiring a criminal record check to be submitted for a bank/FI applicant's Board members; and, more specifically, around whether FCNB would be willing to make some manner of accommodation on that unique New Brunswick requirement, perhaps by shifting to an attestation approach to address it.

We left the meeting with the understanding that that particular matter would be considered something quite separate and distinct from our CAFII next step of getting back to you with other examples of specific difficulties being encountered when attempting to complete the RIR licence application process on the Portal.

Therefore, while you await CAFII's delivery of our promised specific difficulties input on Friday of this week, we ask that you get back to our Association at the earliest possible point in time on the issue of Board members' criminal record checks, so as not to impact negatively our members' ability to meet the 90-day deadline, post-February 1/23, to apply for and secure a Restricted Insurance Representative (RIR) licence from FCNB.

Thanks, in advance, for giving this CAFII reminder matter your prompt attention; and we look forward to providing you with our compiled *Specific difficulties being encountered on the FCNB portal with respect to applying for an RIR licence (including, where possible, screen shots)* input on Friday, March 10.

Best regards,

Brendan Wycks, BA, MBA, CAE

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

Brendan.wycks@cafii.com

T: 647.218.8243

Alternate T: 647.361.9465

www.cafii.com

From: Haines, Catherine (FCNB) <Catherine.Haines@fcnb.ca>

Sent: Thursday, March 9, 2023 4:01 PM

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

Cc: Keith Martin <Keith.Martin@cafii.com>; Jake Becker <jake.becker@cafii.com>; Picard, Robert (FCNB) <Robert.Picard@fcnb.ca>; Weir, David (FCNB) <david.weir@fcnb.ca>; Haines, Catherine (FCNB) <Catherine.Haines@fcnb.ca>

Subject: RE: Follow-up and A Gentle Reminder From CAFII Re Questions and Clarification Issues Related to Implementation, Compliance, and Licensing Expectations Arising from FCNB Rule INS-001

Hello,

Thank you for following up after our discussion late in February. I realize that your members are looking to move forward with submitting their applications and were waiting on clarification regarding the Director Disclosure section of the Restricted Insurance Representative licence application.

At this time, **we are not going to request** that any entity (or their affiliates) federally regulated by OFSI, or any person or entity currently licensed or registered with FCNB provide the director disclosure form(s) and criminal record check(s) when they submit the Restricted Insurance Representative licence application. Although we reserve the right to request this information from these persons or entities in the future.

We are going to make changes to our application in the FCNB Portal to clarify this item, but in the meantime, your members may proceed with submitting their applications. Applicants may upload a document in place of the Director Disclosure form stating that the information is not being requested as the firm is federally regulated by OFSI or licensed with FCNB in another capacity. In addition, applicants may put the details of any key directors/officers directly in the application, then provide a full listing of their directors/officers in the uploaded documents section of the application.

I will be following up with several of your members who have reached out directly to me on this item, but appreciate that others may be waiting on this information from CAFII.

As I mentioned on the call, there is no need or request to solicit your members regarding any “specific difficulties” they may have encountered on the FCNB Portal, although we appreciate feedback on how our systems may be improved. My request was meant to clarify that if your members have expressed concerns to CAFII, that it would be helpful if you would forward that information along.

Please feel free to contact us if you have any other questions.

Regards.

Catherine Haines
Deputy Director, Licensing
Tel / Tél : 506 444-4052
Catherine.haines@fcnb.ca

**CAFII Questions and Clarification Issues Related to Implementation and Licensing
Expectations Arising from FCNB Rule INS-001; and Compliance Obligations Related to the Rule**

**Discussion Summary of February 24/23 Virtual Meeting Between CAFII
and FCNB (David Weir and Catherine Haines)**

<u>Section</u>	<u>Issue</u>	<u>Request</u>	<u>Outcome of Discussion with FCNB</u>
Definitions (including “employee of a restricted insurance representative) and Exemptions for Individuals (Sections 3 and 4)		CAFII would like to receive a confirmation from FCNB that, given the provisions set out in Rule INS-001, in both the Definitions and Exemptions for Individuals sections, all FI employees who may be involved in a <i>bancassurance</i> business of offering optional credit protection insurance and travel insurance to New Brunswickers would be covered under a corporate Restricted Insurance Representative licence, and none would have to be individually licenced.	<p>Response/Discussion Summary: FCNB said that the intention is for the corporate license, issued to the organization, would cover individual representatives. There might be some confusion about third party entities (such as outsourced, third party contact centres) and FCNB is trying to align its Restricted Insurance Representative (RIR) regime with other RIA regimes in Canada on those matters.</p> <p>We may need to clarify whether outsourced, third party contact centres need to get their own RIR licence; or whether an FI distributor’s own corporate RIR license would cover such outsourced, business partner entities.</p> <p>Independent, third party contact centre services providers, such as Optima Communications, may need to apply for their own RIR licences.</p>

Section	Issue	Request	Outcome of Discussion with FCNB
33 (1) and Definitions	<p>Section 33 (1) of the Rule seems to indicate that a Restricted Insurance Representative licence is required to sell "mortgage insurance", which is defined as "insurance against loss caused by default on the part of a borrower under a loan secured by a mortgage or charge on, or other security interest in, real property". See definitions ("mortgage insurance" means insurance against loss caused by default on the part of a borrower under a loan secured by a mortgage or charge on, or other security interest in, real property) and 33 1 (j) - mortgage insurance. However, s.33(1) says this: "The Superintendent may issue a [RIR] license for...(j) mortgage insurance". The use of "may" indicates that the Superintendent might not issue this type of license, but has the authority to introduce it.</p>	<p>Is Rule INS-001 intended to require financial institutions to have a Restricted Insurance Representative licence in order to offer federally-mandated mortgage default insurance, i.e. a bank would have to have that licence to permit its staff to offer CMHC, Genworth or Canada Guarantee products when a high ratio mortgage exists?</p> <p>There is a lack of clarity about what "mortgage insurance" means and CAFII would like to receive a clarification from FCNB that mortgage default insurance (federally mandated when a home purchaser's down payment is less than 20% of the purchase price) is not captured by Rule INS-001.</p>	<p>Response/Discussion Summary: FCNB said that this was a non-issue because an RIR-licenced distributor of insurance's parent bank/FI, whose representatives would be offering mortgage default insurance (federally mandated for customers with less than a 20% down payment on residential real estate), would be covered by the same corporate RIR licence (which would be issued under the parent bank/FI's name) and so would be able to offer this insurance under that licence.</p> <p>FCNB is capturing mortgage default insurance in Rule INS-001, but nothing new needs to be done as a single corporate RIR licence covers all units within the same company.</p>
37 (Obligations for restricted insurance representatives)	<p>This is the requirement for a Restricted Insurance Representative licence holder potentially to have to provide FCNB with a list of the names of all individuals who have engaged or are engaging in the</p>	<p>In an information-sharing debrief with CLHIA counterparts, following their recent clarifications meeting with FCNB, CAFII learned that FCNB had indicated that it expects that in 9 out of 10 cases where it might make such a request, providing a</p>	<p>Response/Discussion Summary: FCNB said that it would normally be seeking just a numerical range of the number of employees, as this was how it calculated its fees for RIR corporate licence registrants. If a material change in the numerical range occurs during a licence year, that information should be provided to FCNB; otherwise, the information can be updated at renewal.</p>

<u>Section</u>	<u>Issue</u>	<u>Request</u>	<u>Outcome of Discussion with FCNB</u>
	business of insurance on behalf of the licence holder.	<p>numerical range of the number of employees, rather than a list of the individual names, would suffice.</p> <p>CAFI would like to receive a clarification from FCNB as to how often would this information possibly be requested?; and would it ever be expected to be proactively provided by the Restricted Insurance Representative if material changes in numbers or headcount occur?</p> <p>Will FCNB be communicating that clarification information to the industry via a Clarification Bulletin?</p>	No Clarification Bulletin on this matter is envisioned as this time.
35(1)(d)	Licensing criteria – restricted insurance representative – (d) provides the address of the head office and any branches soliciting, negotiating, selling or arranging insurance in the Province),	<p>How often does this have to be provided? e.g. at the time of initial licence application and at licence renewal only? or in real time whenever any changes are made to the head office or branches?</p> <p>This constitutes a very long list for the large bank FIs, even in the province of New Brunswick with a relatively small population.</p>	<p>Response/Discussion Summary: FCNB would want to know if there were significant changes to the list of branches; otherwise, this information can be updated at time of licence renewal.</p> <p>In the FCNB portal, if a branch's exact date of opening is not known with certainty, an RIR applicant can enter an estimated date and state that this question has been answered in good faith.</p>
39(a); See also Applying for a Restricted Insurance Representative license via the FCNB Portal (1)	A restricted insurance representative shall take reasonable steps to ensure that it: (a) is not engaging an employee of a restricted insurance representative who has had an insurance license refused, revoked or suspended, unless the	<p>There are significant challenges around the vetting/not engaging of new employees (who will be offering CPI) with respect to the obligation around inquiring about previous insurance license declines, revocation, adverse actions. This is not something that is currently done and it will be difficult to implement.</p>	<p>Response/Discussion Summary: Generally, FCNB was understanding of the concern being raised, but also said that it wanted to avoid a situation where rogue agents were offering insurance. It "is not asking for perfection, and will be taking a light touch to enforcement." Good faith interpretations are what are being requested. FCNB wants industry to operate on a "best efforts" and "reasonable steps" approach.</p>

Section	Issue	Request	Outcome of Discussion with FCNB
	Superintendent gives prior written approval;	<p>From an HR perspective, when onboarding FI employees or engaging third parties, the industry does not ask such questions or go to this level of detail when hiring an employee who may, as just one part of their responsibilities, be offering/distributing CPI.</p> <p>CAFIL views a stated FCNB rationale for this section – “We don’t want someone who had their individual insurance agent licensed revoked then walking down the street to work for a Restricted Insurance Representative employer” as being highly implausible. Why would a former insurance agent want to go to work in an FI and sell mortgages, credit cards, and CPI? That just doesn’t make sense.</p> <p>FI branch representatives primarily sell financial services – loans, mortgages, credit cards, safety deposit boxes, and overdraft protection. They only offer CPI when it is appropriate to do so, to support an underlying consumer debt obligation. Offering CPI is a very small part of the job of an FI financial services representative.</p>	<p>FCNB said it would look favourably upon any effort to “do due diligence.”</p> <p>Guidance from CAFIL: Based on the feedback from FCNB, we believe that a best efforts, good faith approach will be deemed acceptable. Therefore, as part of the process for obtaining or renewing an RIR licence, the individual completing the company’s application on the FCNB portal could simply this question of the corporate HR department: “Are you or your reports aware of any employee who will be offering insurance under this RIR licence who has had an insurance licence refused, revoked, or suspended in any jurisdiction?” If the answer is No, that should satisfy the FCNB’s due diligence requirement.</p>
43 (b) and (d)	<i>43. A restricted insurance representative, or an employee of a restricted insurance representative, shall provide the insured in writing, within 20 days</i>	CAFIL would like to receive a confirmation from FCNB that with respect to credit protection insurance/creditor’s group insurance (CPI), a welcome letter and fulfillment package that confirm the	Response/Discussion Summary: FCNB did not seem to have any concerns with the approach CAFIL was proposing. The FCNB officials said that RIR licensees should do for New Brunswick consumers what we do in other RIA regime jurisdictions. FCNB is not trying to do something different.

<u>Section</u>	<u>Issue</u>	<u>Request</u>	<u>Outcome of Discussion with FCNB</u>
	<p><i>of the insurance coverage coming into force, with all of the following:</i></p> <p><i>(a) the disclosure set out in paragraph 42(a) and (b)</i></p> <p><i>(b) the application and documentation describing the insurance;</i></p> <p><i>(c) the policy or, in the case of group insurance, the certificate;</i></p> <p><i>(d) written documentation that evidences the insurance.</i></p>	<p>customer's enrolment in the group insurance policy, together with the certificate of insurance, would suffice to comply with sub-sections (b) and (d).</p> <p>It would be overly burdensome and not customer-friendly to have to provide a call transcript for phone enrolment in CPI or an IT document for a digital enrolment. A customer's opting to enrol in CPI coverage doesn't involve a lengthy application with medical questions etc.; all that the FI distributor obtains is the customer's consent.</p>	<p>However, FCNB would frown upon "trying to bury or hide information."</p>
44	Disclosure having to be made in a "prominent manner"	CAFII requests greater clarity on what "prominent manner" means exactly.	Response/Discussion Summary: FCNB said that "prominent manner" simply means not using very small type for required disclosures, and not trying to hide such information.
45(1)	If a restricted insurance representative, or an employee of a restricted insurance representative, receives, or will receive any direct or indirect compensation, inducement or benefit from the insurer that exceeds 30% of the price paid by the consumer for an insurance product, the restricted insurance representative shall, at the time the applicant applies for insurance, inform the applicant of the amount of compensation,	<p>CAFII would appreciate a clarification from FCNB as to how the 30% is to be calculated.</p> <p>Also, what are FCNB's expectations as to how this disclosure is to be made? and when is it to be made?</p> <p>Will FCNB be communicating those clarifications to the industry via a Clarification Bulletin?</p>	Response/Discussion Summary: FCNB was quite frank that they were climbing a learning curve on this matter themselves and were not sure how to calculate the 30%. They would appreciate industry's suggestions as to how it should be calculated; and their intent is to ensure that consumers received important disclosure information about compensation before the sale is finalized. They do not intend to issue a Clarification Bulletin on this matter.

Section	Issue	Request	Outcome of Discussion with FCNB
	inducement or benefit or the basis for calculating the amount of the compensation, inducement or benefit.		
46	This section reads as follows: <i>A restricted insurance representative, or an employee of a restricted insurance representative, shall advise potential clients that he or she is not a licensed insurance agent and that the potential client may wish to seek advice from a licensed insurance agent</i>	<p>Given the wording of the concluding Section 123 of Rule INS-001 re “Effective Date,” including its particular reference to “Sections 45 to 53,” CAFII requests a clarification as to whether there are any sections of the Rule, including Section 46, which have yet to be proclaimed into force?; or is the entire Rule already in force?</p> <p>In an information-sharing debrief with CLHIA counterparts, CAFII learned that FCNB indicated that compliance with this clause could be achieved in writing, post- sale, via the fulfillment materials that are sent to the customer (but it must be done/completed within the 20 days free look/review period).</p> <p>CAFII appreciates FCNB’s efforts to identify a more palatable way for our industry sector to comply with what, for our members, is a disappointing section of the Rule which tilts and distorts, in favour of the advice-based channel, what is otherwise a level playing field in the marketplace.</p>	<p>Response/Discussion Summary: CAFII made the point that Canadians are vastly underinsured and uninsured; that anything that stands in the way of a legitimate offer of insurance is undesirable; that the marketplace is very competitive with different products and channels; that the commissioned, advice-based channel is threatened by the direct-to-consumer channel and has made inaccurate comments about it, and would not be a legitimate source of advice about credit protection insurance products; and that this Section was a tilting of the level playing field in favour of the advice-based channel.</p> <p>We asked for the Superintendent to not proclaim/enforce this Clause, which would give FCNB and CAFII time to engage in discussion on a reasonable accommodation solution.</p> <p>David Weir said that FCNB and CAFII would simply have to agree to disagree on this Section. He said that he and FCNB were proud of this Clause, and that it un-tilted the playing field and made it level again, as representatives under a corporate RIR licence can offer insurance without taking the courses, training, etc. that licensed individuals must take.</p> <p>As a result of this discussion, CAFII will be exploring possible other options, given that FCNB appears unwilling to compromise on this issue.</p>

<u>Section</u>	<u>Issue</u>	<u>Request</u>	<u>Outcome of Discussion with FCNB</u>
		<p>While appreciative of FCNB's solution suggestion, our Association still sees some particular problems with the above-noted proposal, which we would like to discuss with FCNB.</p> <p>CAFII regards Section 46 as the one major stumbling block and impasse issue in Rule INS-001, because it will significantly inhibit our members' ability to offer simple, accessible/convenient, and affordable insurance coverage and peace-of-mind to New Brunswickers.</p> <p>We implore FCNB to work collaboratively with CAFII and CLHIA – a sister Association which holds the same view as to the negative impact of this Section – to achieve a reasonable accommodation solution, one which addresses our joint objections to Section 46, at the earliest possible point in time.</p>	
Applying for a Restricted Insurance Representative licence via the FCNB Portal (1); <i>See also 39(a)</i>	Several CAFII member companies have indicated that they are finding the online licence application process to be very cumbersome and time-consuming, and that it's set up in such a way that if particular information is not available, they cannot advance to complete any other part of the process, while they wait on others in the	In addition to seeking a solutions- focused dialogue with FCNB as to how the Restricted Insurance Representative online application process can be made more efficient and effective – to address the Issues described in the column to the immediate left -- CAFII recommends to FCNB that it amend the Restricted Insurance Representative online licensing form and flow to adopt a full attestation	<p>Response/Discussion Summary: FCNB seemed open to changing the approach for background checks to a simple attestation. They asked CAFII to solicit feedback from the Association's members on specific difficulties and problems being encountered on the FCNB portal with respect to applying for an RIR licence (including, where possible, screen shots).</p> <p>FCNB indicated that they would attempt to address such matters quickly after receiving CAFII's more specific input.</p>

Section	Issue	Request	Outcome of Discussion with FCNB
	<p>organization to gather information that may reside elsewhere, e.g. one section of the application form asks for branch location/address information as well as when each branch was opened.</p> <p>As well, there is an 'attestation' of sorts related to the NB obligation around the vetting of personnel, specific to any of them having previously had an insurance license revoked, refused, etc. As currently constituted, the application requires the Designated Representative to affirm that employees under the requested Restricted Insurance Representative licence <i>have been</i> vetted with respect to not having had an individual license revoked, refused, etc.</p> <p>To have this particular attestation question inserted with just two rather limiting/confining responses is quite challenging. It's not that FIs don't have rigorous employee screening procedures in place, but rather, to insist upon this level of granularity with respect to the FI's</p>	<p>approach to background checks, e.g. rather than having to submit actual documents which establish an individual employee's background, such as a police check, the Designated Representative can provide and sign an attestation that relevant background checks were completed on all employees who will be covered under the restricted licence.</p>	

<u>Section</u>	<u>Issue</u>	<u>Request</u>	<u>Outcome of Discussion with FCNB</u>
	<p>Restricted Insurance Representative licence, for FI employees whose duties include all sorts of activities as representatives of the FI, is very burdensome. This would require an FI to build a process to check whether each employee had ever had their license refused, revoked or suspended; and, if so, to ensure that the FI does not allow them to sell insurance. Additionally, the FI would have to check with all existing employees, rather than just new/incoming employees, which would be quite onerous.</p>		
<p>Applying for a Restricted Insurance Representative licence via the FCNB Portal (2)</p>	<p>The online Restricted Insurance Representative licence application form asks for a very detailed and signed attestation on the part of all Partners, Directors and Officers of the parent bank. To secure that within a large financial institution would be a huge, practically impossible task, and one which is not relevant to the insurance business in question. Meeting that requirement is effectively a non-starter.</p>	<p>Does FCNB have any suggestions or insights as to how the Restricted Insurance Representative online application process can be made more efficient and effective?</p>	<p><u>Response/Discussion Summary:</u> FCNB is open to reviewing this issue and to looking at an attestation-only approach to satisfying this requirement.</p>

<u>Section</u>	<u>Issue</u>	<u>Request</u>	<u>Outcome of Discussion with FCNB</u>
	Having the Designated Representative complete all required attestations should be sufficient.		
Clarification bulletins		In an information-sharing debrief with CLHIA counterparts, CAFII learned that FCNB had indicated that if the industry felt strongly about a certain issue(s) in Rule INS-001, FCNB would consider issuing a Clarification Bulletin.	Response/Discussion Summary: FCNB will consider issuing Clarification Bulletins -- especially if there is a groundswell of requests for such from multiple industry stakeholders -- but it is not planning on issuing any such Bulletins at this time.

Briefing Note

**CAFII EOC Meeting 21 March, 2023—Agenda Item 4(a)ii
Committee Updates—Market Conduct & Licensing-- Outcomes of February 28/23 CAFII Meeting with
CCIR/CISRO FTCWG on Final Version of CCIR/CISRO 'Incentive Management Guidance'**

Purpose of this Agenda Item – Update

To provide an update.

Background Information

CAFII held a meeting on 28 February, 2023 with the CCIR/CISRO Fair Treatment of Customers Working Group (FTCWG) on the final version of its “incentive management guidance” which was released on November 30/22. The meeting was an in-person/hybrid meeting, with four CAFII representatives in attendance in-person and about half a dozen in-person representatives from CCIR/CISRO. After the meeting there was an informal discussion that lasted over 45 minutes.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

2 attachments.

Agenda Item 4(a)(ii)
March 21/23 EOC Meeting

Welcome and Introductions

Brendan Wycks

Brendan will serve as CAFII's facilitator during the meeting, including monitoring MTeams for virtual CAFII member representative attendees who have clicked the "Raise Your Hand" tab and would like to speak.

He will open the proceedings; ask the CAFII member representative participants to introduce themselves; make reference to the number of CAFII member companies and the number of individual member representatives participating in the meeting; and indicate how importantly this meeting is viewed by the Association's members as demonstrated by the number of participants.

Thank You and Opening Comments

Rob Dobbins

- On behalf of CAFII's Board and membership, thank you for inviting us to this meeting today.
- This opportunity for us to collaborate and discuss an important new regulatory Guidance, the Incentive Management Guidance, formally published on 30 November, 2022, is greatly appreciated.
- Your openness, transparency, and commitment to dialogue – as leaders within CCIR, CISRO and the joint Fair Treatment of Customers Working Group -- is critically important to regulated entities; and we believe that those attributes lead to better, principles-based regulation that is focused on a common understanding and commitment to the Fair Treatment of Customers; and to the outcomes that you, the regulators, seek for customers.
- As the Chair of CAFII's Executive Operations Committee—and as Chief Compliance Officer at Assurant, where I lead a staff of X professionals committed to ensuring compliance with both the letter and the spirit of our regulatory obligations—I am constantly exposed to the benefits of evidence-based, principles-based, outcomes-focused regulatory approaches – benefit which accrue to regulators, consumers, and the industry.
- I will now turn the next part of CAFII's speaking and dialogue role in this meeting over to Keith Martin, CAFII Co-Executive Director, to comment on some specifics around the final version of the Incentive Management Guidance.

Comments on the Incentive Management Guidance

Keith Martin

- Let me echo our appreciation to CCIR and CISRO for this invitation to meet with you today, and for making it both an in-person and virtual meeting, which has enabled a significant number of our Association's member representatives to participate.
- We have only high-level feedback comments to offer on the final version of the Incentive Management Guidance, because a previous version of the Guidance which we made detailed comments on, led to significant changes which we feel addressed many of our concerns, and for which we are extremely appreciative.

- In the revised version of the Guidance, which we offered formal comments on in a 4 April, 2022 submission letter, we noted that you had introduced new language in the Preamble which included a recognition that “one size fits all” does not work for an industry with participants of different sizes and business models, specifically your new language that remains in the 30 November, 2022 final version:

This guidance provides Insurers and Intermediaries with the necessary latitude to determine the requisite strategies, policies, processes, procedures and controls in order to facilitate achieving such results and to apply them based on the nature, size and complexity of their activities, while considering representatives’ regulatory obligations in order to facilitate achieving the Customer outcomes reflected in this guidance.

- *We also supported in our April 2022 feedback submission inclusion of the following helpful clarifying language in the final version of the Guidance, which has now been added:*

The Insurer is responsible for FTC throughout the life-cycle of the insurance product, as it is the Insurer that is the ultimate risk carrier. The Insurer’s ultimate responsibility does not absolve Intermediaries of their own responsibilities for which they are accountable. Treating Customers fairly is a shared responsibility when Insurers and Intermediaries are both involved.

- *We have additionally noted many helpful revisions in the updated version that now remain in the 30 November, 2022 final version of the Guidance, including clarifying language around the role of senior management versus the Board of Directors; and the modification of the use of the term “suitable” by adding language using the term “appropriate.” We also noted and greatly appreciate that CCIR/CISRO has added new language in the final version of the Guidance that changed the section on Controls to modify “Detecting unsuitable sales...” to “Detecting unsuitable sales, inappropriate sales and inappropriate practices.” Credit protection insurance is simple insurance that is offered to consumers by unlicensed representatives, and as such it does not include the provision of advice. A suitability test is not performed, and as such we appreciate the use of more inclusive language which accommodates our sector of the industry.*
- *Finally, we would like to reiterate a key message in our 4 April, 2022 feedback letter, which is that there is, in our view, no fundamental conflict between Fair Treatment of Customers and the offering of incentives to sell insurance. Incentives can lead to the offering of protection solutions that are important to customers, especially less well-off customers who are vastly underinsured or uninsured. We are committed to controls, including training, scripts, sales reviews, and a variety of post-sales monitoring tools, and we believe that the approach taken in the final version of the Guidance, based on a balanced and nuanced approach, is in the best interests of customers.*
- *We would now welcome a dialogue with you – as the members of the CCIR/CISRO Fair Treatment of Customers Working Group -- on the Incentive Management Guidance, in particular around your plans for educating the industry about the new, now-in-force Guidance; and for monitoring industry implementation and compliance, all the while noting that even though CAFII is confident that our members are fully committed to fair treatment of customers, it is a concept that is hard to measure, and it is fundamentally dependent on ‘culture,’ which can be hard to demonstrate and measure.*



March 13, 2023

Mr. Brendan Wycks, Executive Director
Canadian Association of Financial Institutions in Insurance (CAFII)
21 St. Clair Avenue West
Suite 802
Toronto ON M4T 1L9

Brendan.wycks@cafii.com

Re: Incentives Management Guidance In-Person Meetings

Dear Mr. Wycks:

Thank you for participating in the Canadian Council of Insurance Regulators (CCIR) and Canadian Insurance Services Regulatory Organizations (CISRO) in-person meetings regarding the Incentives Management Guidance (IMG).

We hope the exchange of dialogue was as beneficial for your organization as it was for CCIR and CISRO. As you may already be aware, other stakeholders also participated and raised clarification issues pertinent from their perspectives. Regulators are working on a Questions and Answers document to be posted on our respective websites so all stakeholders will be able to see the important questions raised and the responses. Once we finalize the document, you will be advised in advance of its posting.

Some stakeholders are also working on plans to assist their members with satisfying the guidance expectations. To help with these efforts, in advance of the Questions and Answers document, we also encourage stakeholders to look at the [annual market conduct reports](#) and the [CCIR Cooperative Fair Treatment of Customers \(FTC\) Review – Consolidated Observations Report, October 2021](#) to get additional insights from the regulators on the Fair Treatment of Customers.

One important point raised during those sessions was with respect to educating your members. CCIR and CISRO are holding these meetings for associations to obtain answers directly from regulators and the information is expected to be disseminated accordingly. However, if there are further questions that arise, please contact the CCIR Secretariat directly and we will address inquiries as they arrive.

CCIR and CISRO express their great appreciation for your contribution and efforts.

Regards,

Original signed by

Louise Gauthier
Co-Chair FTCWG
Canadian Council of Insurance Regulators

April Stadnek
Co-Chair FTCWG
Canadian Insurance Services Regulatory
Organizations

Cc: Keith Martin

Briefing Note

CAFII EOC Meeting 21 March, 2023—Agenda Item 4(b) Committee Updates—Quebec/AMF Issues

Purpose of this Agenda Item – Update

To provide an update.

Background Information

Quebec/AMF Issues Committee Chair Jennifer Russell will provide an update on the activities of the Committee.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

Briefing Note

**CAFII EOC Meeting 21 March, 2023—Agenda Item 4(b)i
Committee Updates—Quebec/AMF Issues-- Insights Gained from March 1/23 CAFII Quebec/AMF
Issues Committee Meeting**

Purpose of this Agenda Item – Update

To provide an update.

Background Information

An update will be provided on the March 1/23 meeting of the Quebec/AMF Issues Committee, which has been examining the impact of Bill 96 (Charter of the French Language), Bill 64 on privacy, developments around the Regulation respecting Alternative Distribution Methods (RADM)'s applicability to credit card-embedded insurance benefits, and other developments.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

ROLLING NOTES, CAFII QUEBEC/AMF ISSUES COMMITTEE

Draft CAFII Quebec/AMF Agenda, Wednesday, 1 March, 2023

1. Welcome and start of meeting (Jennifer Russell, All)
2. Jennifer Russell Formally Confirmed as Chair of the Quebec/AMF Committee at 14 February, 2023 EOC Meeting (Keith Martin)
3. Updates on intelligence gained about AMF Including 7 March, 2023 Meeting with Eric Jacob; and 23 March, 2023 Meeting “*Présentation panier de solutions, échanges et questions*” (Keith Martin)
4. Round 2 of AMF consultation on its updated Draft Regulation respecting Complaints Handling and Dispute Resolution in the Financial Services Sector – Submission Sent to AMF (Brendan Wycks, All)
5. Bill-96, Quebec Charter of the French Language—Application to insurance contracts (contracts of adhesion) (Jennifer Russell, All)
6. Recently updated and implemented new AMF Sound Commercial Practices Guideline, including problematic clause regarding reporting any conflicts of interest to customers (Jennifer Russell, All)
 - a. Open Discussion—How do members intend to implement the conflict of interest clause? (All)
7. Recently implemented new Quebec privacy legislation (Bill-64) and related initiatives (Jennifer Russell, All)
8. Removal of spousal cover exemption by January 1, 2025 (all)
9. Other Business

Tracking Issues

AMF initiative around statistics on Debtor Life, Health, and Employment (DLHE) Insurance claims denial rates, and return of premium to customers.

Jennifer Russell opened the meeting and noted that we had a very robust Agenda today. Keith Martin confirmed that the EOC formally confirmed that Jennifer Russell was approved as the new Chair of the Quebec/AMF Committee at its 14 February, 2023 meeting.

Keith Martin provided an update on the resolution of the issue of the RADM and credit card-embedded insurance benefits, noting that a meeting would be held on 7 March, 2023 to confirm the understanding of the AMF and CAFII that the Fact Sheet and Notice of Rescission would not need to be distributed for these products, and that the AMF would have an “unwritten understanding” on this issue with CAFII. Keith Martin would be in attendance of that meeting along with Mario Beaudoin from the AMF, as “witnesses.” As well, Keith Martin noted that a French-only session would be held on 23 March, 2023 on burden reduction initiatives by the AMF. Keith Martin will attend that meeting and provide an English summary; and it was noted that the AMF was increasingly holding meetings only in French, and distributing written documents in French only, or with the English translation only provided many weeks after the distribution of the French.

Brendan Wycks noted that CAFII had submitted its formal submission to the updated AMF draft regulation respecting complaints handling and dispute resolution. The Quebec/AMF Committee was consulted on that submission.

The Committee turned next to Bill-96 on the Charter of the French Language. Michelle Costello from CUMIS asked whether the group policy was also considered a “contract of adhesion.” The group policy is provided by the insurer to the distributor, but the customer may request to see that policy. At Assurant, the group master policy is not viewed to fall within the definition of a “contract of adhesion.” If requested by a policy holder, it would be provided in the language of choice of the consumer. Pete Thorn said TD was in agreement with this interpretation. Isabelle Choquette said that Desjardins was still determining its position, but was leaning towards considering the group policy to fall within the contract of adhesion, so that if a consumer requests to see it the French would be shared first. Kristal McKay from CIBC also felt that CIBC would likely view the group policy to fall within the contract of adhesion.

A question was asked about whether underwriting which might require communication with the customer might be considered to fall within Section 55. The whole issue is whether these documents relate to the contract. Catherine Latulippe from CTFS said that fulfilment packages would be sent by her institution in the language preference of the customer, because it would fall under the consent from customers around language preference, which would already have been received. There is uncertainty around how phone channel enrollment will occur.

It was agreed that “Recently updated and implemented new AMF Sound Commercial Practices Guideline, including problematic clause regarding reporting any conflicts of interest to customers” would be moved to a tracking issue.

Isabelle Choquette said that Desjardins were facing major issues around cancelling the remaining spousal insurance policies by 2025, and had concerns about how to do this. Kristal McKay said CIBC was on track to cancel these spousal insurance policies. There was discussion about whether a spouse who has been enrolled by the primary card holder and who is paying additional premium would need to be removed from spousal coverage, and Desjardins felt that yes that was the view of the AMF.

In Attendance

Jennifer Russell, Assurant * Chair
 Belinda Lynch, Scotia Insurance
 Bessie Paliouras, Manulife
 Cassandra Litniansky, CUMIS
 Catherine Latulippe, Canadian Tire Financial Services
 David Self, CIBC Insurance
 Doug Weir, CIBC
 Greg Caers, BMO Insurance
 Jonathan Poulin, BNC Insurance
 Kristal McKay, CIBC Insurance
 Lindsey LeClair, Valeyo
 Marc-Andre Chartrand, Canada Life
 Michelle Costello, CUMIS

Nadine Roy, Assurant
Peter Thorn, TD Insurance
Silvana Capobianco, BMO Insurance

From staff:
Keith Martin, CAFII Co-Executive Director
Brendan Wycks, CAFII Co-Executive Director

NEXT MEETING: Wednesday, 29 March, 2023, 1-2pm

9 February, 2023 Quebec/AMF Committee Special Purpose Meeting on Bill-96

A special purpose meeting of the Quebec/AMF Committee was held on 9 February, 2023 to discuss how CAFII member companies would be responding to Bill-96, the Charter of the French Language with an implementation deadline of 1 June, 2023.

However, before that part of the meeting started Committee Chair Jennifer Russell (Assurant) called on Keith Martin to update the Committee on a development with the AMF. Keith Martin mentioned that he sent a note to CAFII members on 8 February, 2023 about a resolution to the RADM and credit card-embedded insurance benefits issue with the AMF, where the AMF's Superintendent of Client Services and Distribution Oversight said that there would be an "unwritten agreement" that the AMF would take no action with respect to regulated entities who have chosen not to distribute the Fact Sheet and Notice of Rescission.

David Self (CIBC Insurance) asked if there would be any issues due to CIBC Insurance distributing the Fact Sheet and Notice of Rescission to credit card-embedded insurance benefits, and Keith Martin said that the AMF was already well-aware of this and their decision was more around "we will not do anything if a company does not distribute these documents for embedded insurance" as opposed to a company not being able to distribute those documents if they wished to.

Peter Thorn (TD Insurance) said that he supported the outcome, but that there was a risk of a customer or a consumer organization complaining that the Regulation was not being complied with. Keith Martin agreed that there was some risk of that, but that it was still the best solution available in the circumstances, and it would be difficult for the AMF to reverse position at a later point in time on a matter which they were fully aware of and which had been in place for years.

The meeting then turned to Bill-96, with Jennifer Russell providing an overview of her understanding of the Bill and how Assurant was thinking of implementing it. In reviewing the bill, especially with respect to "Contracts of adhesion" which are final contracts that are non-negotiable, the conclusion reached at her company is that for credit protection insurance (CPI), customer certificates meet the definition of a contract of adhesion. However, it is less clear that embedded benefits within a credit card meet the definition of a contract of adhesion.

There are exceptions in the Bill to the application of the Charter to contracts of adhesion, but there is nothing in the Charter that says that group creditor certificates are exempted. The contract in this case is the certificate for the policy-holder. If that interpretation is correct, then for certificates for CPI French documents must be presented first even if the consumer is English. The consumer may then choose to continue in French or request the English version and continue to discuss the contract in English, but they must first see the contract in French.

Farhad Eslah (Canadian Tire Financial Services) said CTFS would offer the certificates as two links, one in French, and one in English. The same would be done for the Fact Sheet etc. The individual at the end of the credit card application would have an extra sentence in French and English asking them to confirm that if they are a resident of Quebec they have received all documentation in French first, and that they chose to proceed in English for all subsequent communications and reception of documentation. In-store customers would only receive documentation in French, to avoid the risk of staff accidentally providing documentation in English first. In general for credit card applications there will be more physical handouts at the branch, because this lowers the amount of information that needs to be distributed with the material sent in the mail afterwards to the customer.

Elyse Lemay (Canada Life) asked about the Charter's exemptions for loans. If the insurance offer is separate from the loan it would have to be subject to the Charter, but if they are done together it is not clear if the exemption would apply to the loan and the insurance as well. The loan would come first and so how Section 55 applies to the insurance associated with the loan is not completely clear.

Elyse Lemay also said that the interpretation Jennifer Russell is advancing is based on treating the certificate as though it was an individual contract, which is not necessarily everyone's interpretation. Peter Thorn (TD Insurance) asked if there was any legal basis for the interpretation that the certificate is in fact a contract? Peter Thorn said that the incidental insurance to the loan should not be separated from the decision to apply for the loan, which is the primary contract. Catherine Latulippe (Canadian Tire Financial Services) said that there has been work been done at the CBA level on this issue. Section 55 exempts some loan contracts, but subsequent Section 26 amendments to the Consumer Protection Act may remove those exemptions in practice, so the Section 55 exemptions may not matter in practice.

Iman Muntazir (RBC Insurance) said that at RBC they will act as if the insurance needs to be subject to Bill-96. The process for digital and online applications are still up in the air, but one approach may be to send the application and certificate in French first, and then customer can choose or request after the fact to receive an English version. The Product Summary and Fact Sheet are not viewed as part of the contract of adhesion. So the links will be provided in French first, but only for the application and the certificate. That likely includes the approach for documents that are mailed out. RBC Insurance has chosen to not send out the English version of the documents as well to avoid sending out too much paper. There is still discussion internally on the approach to take, however, as there may be an easier way to let the customer get a copy of the document in English.

Jennifer Russell noted that in addition to the customer experience being negatively affected by some of these processes, there is also the issue of communicating with the customer in a reasonable timeline. She noted that the implications of not complying with the rules are significant, as if the contract of adhesion is not offered in French the contract is voided.

Maude-Marie Dorval (Desjardins) said that underwriting is viewed as part of the contract as well, for example if a customer is told that their application is rejected as part of an underwriting process, that this needs to be communicated in French first. A question was asked if some members are thinking of not providing an English version of the contract at all? Some members said that they will provide general information bilingually, but the fulfillment element may be in French only.

Kristal McKay (CIBC Insurance) asked if there is consideration of fulfilment being bilingual for some members, and Sergio Gomes (BMO Insurance) said BMO was planning on sending fulfilment packages in both languages, with French being first for everyone. Keith Martin noted that this has the ironic outcome of sending English versions of documents to French speakers, which is not the intention of the Charter which seeks to promote French in Quebec.

David Self (CIBC Insurance) said that there was still uncertainty around the how to interpret Bill-96 for embedded coverages.

Michelle Costello (CUMIS) asked about whether the French contract needed to be signed, and the general view was that it was the presentation of the contract that needed to be in French first, and it was fine if the customer chose to sign the English version of the document thereafter. Maude-Marie Dorval (Desjardins) and Cecillia Xiao (Assurant) agreed with that interpretation.

Farhad Eslah (CTFS) said that for the phone channel, CTFS will send the certificate over email during the phone call, and so they will only make an offer to a customer when they have an email. It was noted that the RADM indicates that the Fact Sheet and Notice of Rescission do not need to be provided to the customer during a phone call if there is no way to provide the customer with those documents during the call; if the certificate is being sent during the call to the customer, does that mean the customer should also be sent the Fact Sheet and Notice of Rescission?

Mandy Rutten (CIBC Insurance) said that her view was that embedded insurance is included as part of the credit card so the insurance does not require a separate process, and Keith Martin noted that while that is logical, it is not the interpretation that the AMF has used. Having said that, it is also important to keep in mind that Bill-96 is not an AMF regulation.

Lea Dufresne (Desjardins) asked about the process for travel insurance, and members generally felt that the process should be the same as for credit protection insurance. Silvana Capobianco (BMO Insurance) asked if the Fact Sheet and Notice of Rescission are in scope for Bill-96, and the general consensus was that these documents were not captured by the bill.

There was some discussion of asking for an extension of the 1 June, 2023 deadline, and Catherine Latulippe (CTFS) said that even if there was an extension, there is a private right of action that will be available as of 1 June, 2023. It was noted that monitoring and enforcement of the Charter of the French Language was the jurisdiction of the *Office québécois de la langue française*.

Additional Information

Please find links to two legal opinions on Bill-96:

[Charter of the French language](#) | [Knowledge](#) | [Fasken](#)

[Stikeman Elliott on Bill-96](#)

In Attendance

Jennifer Russell, Assurant * Chair
Iman Muntazir, RBC Insurance ** Vice Chair
Belinda Lynch, Scotia Insurance
Cassandra Litniansky, CUMIS
Catherine Latulippe, Canadian Tire Financial Services
Cecilia Xiao, Assurant
David Self, CIBC Insurance
Deliska Beauregard, Canadian Premier Life
Elliot Yoo, Scotia Insurance
Elyse Lemay, Canada Life
Farhad Eslah, Canada Tire Financial Services
Greg Caers, BMO Insurance
Jason Beauchamp, Canada Life
Jonathan Poulin, BNC Insurance
Kristal McKay, CIBC Insurance
Léa Dufresne, Desjardins
Mandy Rutten, CIBC Insurance
Marc-Andre Chartrand, Canada Life
Maude-Marie Dorval, Desjardins
Michelle Costello, CUMIS
Nadine Roy, Assurant
Peter Thorn, TD Insurance
Sergio Gomez, BMO Insurance
Silvana Capobianco, BMO Insurance
Susan Gibaut, Assurant
Tejal Harri-Morar, BMO Insurance

STAFF:

Keith Martin, CAFII
Brendan Wycks, CAFII

1 February, 2023 Quebec/AMF Agenda Meeting

Draft CAFII Quebec/AMF Agenda, Wednesday, 1 February, 2023

1. Jennifer Russell as Chair of the Quebec/AMF Committee (Keith Martin)
2. Welcome and Introductions (Jennifer Russell, All)
3. Terms of Reference for this Committee (Jennifer Russell, All)
4. Nominating Iman Muntazir, RBC Insurance as Vice-Chair of this Committee— (Jennifer Russell)
5. Updates on intelligence gained about AMF (Keith Martin)

6. AMF initiative around statistics on Debtor Life, Health, and Employment (DLHE) Insurance claims denial rates, and return of premium to customers (Jennifer Russell, All)
7. Round 2 of AMF consultation on its updated Draft Regulation respecting Complaints Handling and Dispute Resolution in the Financial Services Sector (Jennifer Russell, All)
8. Recently updated and implemented new AMF Sound Commercial Practices Guideline, including problematic clause regarding reporting any conflicts of interest to customers (Jennifer Russell, All)
 - a. Open Discussion—How do members intend to implement the conflict of interest clause? (All)
9. Bill-96, Quebec Charter of the French Language—Application to insurance contracts (contracts of adhesion) (Jennifer Russell, All)
10. Recently implemented new Quebec privacy legislation (Bill-64) and related initiatives (Jennifer Russell, All)
11. Removal of spousal cover exemption by January 1, 2025 (all)
12. Frequency of Meetings (all)
13. Other Business

Notes 1 February 2023

Agenda #1: The Committee unanimously supported Jennifer Russell as the new Chair with a motion from David Self, seconded by Peter Thorn.

Agenda #2: Welcome to all by Committee Chair Jennifer Russell.

Agenda #3: Terms of Reference were approved by the at the 17 January, 2023 EOC Meeting. Jennifer Russell will join the EOC as the Chair of the Committee. It was suggested that the creation of this Committee should be shared with the AMF.

Agenda #4: Iman Muntazir as Vice Chair of the Quebec/AMF Committee was approved by the Committee. Moved by David Self, seconded by Deliska Beauregard.

Agenda #5: Keith Martin noted that Louis Morriset, CEO of the AMF would not be renewing his contract and would be leaving in the summer of 2023. Internal candidates to succeed him include Patrick Déry. Keith Martin spoke to Lynne Duhaime of the Quebec CLHIA on 19 January, 2023 at a FSRA Conference, and she said that meetings in recent years with the AMF had been very difficult and awkward. It was noted that on Monday, 6 February 2023 CAFII Chair Peter Thompson would be meeting virtually with AMF's Eric Jacob, in their first quarterly virtual meeting.

Agenda #6: The AMF exercise around insurance denial rates and return of premium to customers was discussed. This was first brought to CAFII's attending in September, 2022 and is based on annual reporting done by industry for the AMF around insurance benefits. This time around, embedded benefits were not included in the exercise. The AMF has sent companies that are not meeting the averages for the industry letters requiring additional information. The letters were sent in November, 2022 and 1 February, 2023 is the deadline for responding. It is not clear if the AMF will have any follow up on this. The focus of the AMF has been on claims denial rates more than loss ratios. TD Insurance's letter only spoke about claims denial rates. CUMIS also did not have any loss ratio questions. It was

suggested that for the Peter Thompson/Eric Jacob virtual meeting on 1 February, 2023 the question of whether this exercise would occur again could be asked, as well as how the data would be used.

Agenda #7: The AMF consultation on complaints handling and dispute resolution was discussed. It was noted that the AMF draft is still prescriptive, is not harmonized with other jurisdictions and the CCIR, and is aligned more with the FCAC definition of complaints. This could also be a question Peter Thompson raises with Eric Jacob, around the strategic direction that the AMF is taking on these files. The letter CAFII has drafted for the AMF will be circulated to the EOC and the Quebec/AMF Committee for comment. Feedback was originally due by February 6th, but industry received an extension offer from the AMF for another two weeks. Plan is to have letter circulated and approved by the EOC and the Quebec/AMF Committee very shortly, and well prior to the deadline.

Agenda #8: AMF Sound Commercial Practices Guideline includes a problematic conflict of interest clause where all potential conflicts need to be captured and all changes need to be shared with customers. Members were encouraged to review the appropriate documents and this can be discussed in future meetings.

Agenda #9: Bill 96 is an open issue in terms of how to interpret the new rules. Section 55 is a concern for group insurance. This might be something that CAFII needs to explore. How are member companies planning to apply this provision? This was something that members of the Committee felt should be added to the Agenda for future meetings. Perhaps there could be a dedicated group that discusses this, or a separate meeting on this issue. CIBC Insurance is taking an approach where documents will be bilingual. CTB said that in a bilingual document the French has to be viewed first.

ACTION: A separate meeting will be organized on this issue alone.

Agenda #10: It was agreed that the issue of Quebec privacy legislation with certain elements requiring implementation by September 2023 would be tabled at future meetings. There was an interest in having a separate meeting on Bill 64 at some point, but it will be on the Agenda for the next meeting as well.

Agenda #11: Postponed due to time issues.

Agenda #12: Agreed to hold monthly meetings every 4 weeks on Wednesdays from 1-2pm.

In Attendance

Jennifer Russell, Assurant * Chair
Iman Muntazir, RBC Insurance ** Vice Chair
Deliska Beauregard, Canadian Premier Life
Silvana Capobianco, BMO Insurance
Cecilia Xiao, Assurant
Elyse Lemay, Canada Life
Farhad Eslah, Canada Tire Financial Services
Jonathan Poulin, BNC Insurance
Léa Dufresne, Desjardins
Belinda Lynch, Scotia Insurance
Marc-Andre Chartrand, Canada Life
Maude-Marie Dorval, Desjardins
Michelle Costello, CUMIS
Kristal McKay, CIBC Insurance
Nadine Roy, Assurant
David Self, CIBC Insurance
Susan Gibaut, Assurant
Peter Thorn, TD Insurance

STAFF:

Keith Martin, CAFII
Brendan Wycks, CAFII

Briefing Note

CAFII EOC Meeting 21 March, 2023—Agenda Item 4(c) Committee Updates—Media Advocacy

Purpose of this Agenda Item – Update

To provide an update.

Background Information

Media Advocacy Committee Chair Jacqlyn Marcus will provide an update on recent initiatives of the committee.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

**CAFII EOC Meeting 21 March, 2023—Agenda Item 4(c)i
Committee Updates—Media Advocacy--2023 Statement of Work Proposal from Operatic Agency Re
CAFII Website and Search Engine Optimization Performance Enhancements**

Purpose of this Agenda Item – Update

To provide an update.

Background Information

Operatic Agency has met with CAFII to review its proposed workplan for 2023, and has submitted its written Statement of Work (SOW) for consideration and approval by CAFII. The Media Advocacy Committee will meet on 27 March, 2023 to review the SOW and whether it should approve it as is or modify it in any way.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

Scope of Work March 3, 2023

2023 Marketing Program

Prepared for CAFII

Table of Contents

Overview	3
Website	3
Website Hosting & Maintenance	3
Dedicated URL for Event Posts	3
Search Engine Optimization Enhancements	4
User Experience Enhancements	4
Animated Video	4
Google Business Profile	5
Images & Video	5
Posts	5
FAQ / Responses	5
Website Back End Scope, Report & Strategy	6
Project Governance	6
What About Feedback?	6
Scope & Scope Changes	6
Investment	7
Terms and Conditions	7

Overview

At our core, Operatic is a creative digital agency that solves complex business challenges with data-inspired strategy. Our strengths include research, creative and digital strategy, performance marketing, design including UX/CRO, and the development of websites/platforms/tools that better connect brands with their intended audience segments. We have a proven ability to produce deliverables that exceed our clients' expectations on time and on budget. To learn more about our approach and the value it drives for our clients, please [visit our website](#).

But enough about us, we're here for you – and based on our work together our primary focus for 2023 is going to be on improving the user experience of your online ecosystem while not losing ground on visibility. In this proposal we've included the following tactics which we've already briefly discussed with you:

- Website Hosting, Maintenance & Enhancements of front-end, consumer-facing portion of website (e.g. backups, plugin updates, uptime, speed, general security)
- Animated Video Creation
- Google Business Profile Management
- Year End Performance Report and 2023 Strategy

We're looking forward to continuing our long standing partnership.

Website Hosting, Maintenance & Enhancements

This year we'll continue to host and maintain the front-end portion of your website. Additionally, we'll ensure the creation of a dedicated URL for event posts, keep up to date on search engine optimizations and finally, we'll focus on User Experience (UX) to increase engagement with your website. Details as follows:

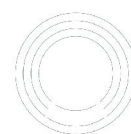
Website Hosting & Maintenance

Your website hosting and maintenance will include the following as they pertain to the front-end of your website:

- Hosting fee for your website
- SSL certificate fee – keeping your websites secure
- CDN fee – contributing to a faster website experience
- Automated backups – providing an up-to-date backup to rely on
- Uptime monitoring – proactively flag challenges with your site

Dedicated URL for Event Posts

We'll create a dedicated URL for each event post throughout the year, for CAFII to share with its members. We will use SEO best practices in the creation of the URL, which can contribute to search rankings. Events pages will include the research related to the event (where applicable) as a download link.



Search Engine Optimization Enhancements

Leveraging our work and results from 2022 we'll continue to optimize in order to stay aligned with shifts in search behaviour and algorithmic changes throughout 2023.

User Experience Enhancements

In an effort to improve the bounce rate on your website (as reported in the performance report) we'll focus on improving the user experience. Our focus will be on four main items for this year:

1. Home Page – we'll redesign the home page in order to create a scrollable experience which will include an intro to: CAFII, insurance, tools & resources, news, research & insights and contact us. We'll design the page, and we'll provide David Moorcroft with the content requests we require to build the page. Once built, we'll ensure optimization of the content and technical elements for SEO.
2. Insurance Page – we'll design and properly structure the Insurance Page. We'll leverage content from the insurance sub page – but will request David Moorcroft's support if we need to expand a little further to improve the experience. This initiative will be part of creating cohesion and continuity in the website's navigation bar.
3. Tools & Resource Page – we'll design and properly structure a Tools & Resources Page – which will include an intro into FAQs, Inquiries and Complaints, Helpful Links and How To Make A Claim. Again, this update will be part of creating cohesion and continuity in the website's navigation bar.
4. We'll create the same functionality on the Research section as the Event section (i.e. additional download links for related, downloadable content, where applicable).
5. We will add your LinkedIn profile link to the CAFII home page
6. We will adjust settings to ensure that all YouTube embedded videos do not have links displayed when the video concludes.
7. We will ensure that tracking is active and firing on the CAFII website, to ensure that we have real time access to all website data.

Animated Video

Continuing with our series, we'll create one 60–90 second on-brand, motion graphic video covering the topic of your choosing, during Q3–Q4. As always, the animation will be produced in both English & French, and deployed on your website. Once you've determined the video topic of your choosing, our process will be as follows:

Pre-Production:

1. CAFII will provide English and French scripts (which read no more than 90 seconds) to Operatic
2. Operatic will storyboard the English script for CAFII review and feedback
3. Operatic will complete one-round of revisions incorporating CAFII's feedback
4. CAFII will sign-off on the script and storyboard for production



Production:

5. Operatic will complete a rough-cut English animation (with FPO voiceover for pacing purposes only) as well as options for voice over talent and music
6. CAFIL will provide feedback on the animation, and their selections for voice over talent and music
7. Operatic will complete the final English animation including voice over and music
8. CAFIL will review the English animation and provide feedback
9. Operatic will complete one-round of revisions and minor graphic updates as needed
10. CAFIL will sign-off on polished English animation output
11. Operatic will create the French animation including voice over and music
12. CAFIL will review the French animation and provide feedback
13. Operatic will complete one-round of revisions related to pacing
14. CAFIL will sign-off on polished French animation

*Please note that adaptations to this process may result in scope change orders.

Google Business Profile

Your Google Business Profile is an integral part of your online ecosystem, taking up valuable real estate within the search engine results page. Ensuring that you show up for searches related to your association has been a key focus of our activities in years past. This year, we're going to maintain your presence on Google Business Profile and ensure users continue to receive a positive user experience through the following:

Images & Video

We'll continue to upload any assets that you create and share throughout the year, and we'll ensure this year's video is featured on your GBP once complete.

Posts

In March, we'll create a content calendar that aligns with your business goals, key messages, and upcoming events for the rest of the year. Once approved, we'll create and publish two posts per month on your GBP. We will also leverage LinkedIn content, where appropriate, to use for posts.

FAQ / Responses

Leveraging the top FAQs from your website that we have not yet used, we'll pose one question per quarter on your Google Business Profile, and we'll answer it with the pre-approved response provided by **David Moorcroft**.

Additional GMB Content

GMB additions to list member companies – we will check with our internal team and confirm the possibility of doing this. The CAFIL team to confirm if we are going ahead with this (to ensure that CAFIL isn't perceived to be "selling or promoting" insurance products).



Website Back End Scope, Report & Strategy

In the fall, we'll scope out the rebuild of your member portal and will provide it to you for your consideration for 2024 budgets. Additionally, we'll prepare one Executive Presentation with data on performance, insights and recommendations for 2024's strategy which will be presented to the CAFII board in early 2024, and will include one round of revisions before the full presentation to the broader CAFII group. The report will be delivered by our CEO, Chris Barrett.

Project Governance

What About Feedback?

Feedback is an important part of our process, so addressing it needs to be a part of our workflow. Throughout our program (we'll need you to be especially active out of the gate), you will be given the opportunity to review and provide feedback before deliverables are implemented. We have included one round of revisions for all deliverables in this proposal. Should additional feedback be given after approval is received or one round of revisions is already completed, a Change of Scope Order will be required.

We ask that you do your best to be timely with your feedback so that we may keep your deliverables on time. We understand that from time to time unanticipated challenges arise which delay feedback from you. If this does occur, we'll communicate the effect of the delay on your project timeline.

Scope & Scope Changes

We're partners and as such will deliver what we've scoped in this document, whether or not we're on a budget. That said, from time to time new information, needs or wishes arise from our partners and it's important to note that anything that does not fall within this document is out of scope. When this occurs, our team will be diligent in ensuring that you're aware of the options you have available to you, as well as the pros and cons of each option. In cases where changes are determined to be necessary, a change request will be processed as follows:

- Operatic will create a Change of Scope Order that documents the relevant information, including but not limited to:
 - Description of the change
 - Rationale
 - Impact assessment
 - Effort
 - Associated incremental investment to implement the change
- This Change of Scope Order will be submitted to you and reviewed for final approval before we proceed.



Investment

Item	Investment
Website <ul style="list-style-type: none">• Host & maintain your front-end website• Create a dedicated URL for each event post• Ongoing search engine optimizations• Enhanced user experience on website	\$21,000
Video	\$12,000
Google Business Profile	\$3,500
Reporting & Strategy	\$3,500
TOTAL	\$40,000

Terms and Conditions

- Investment is shown in CAD and does not include applicable taxes.
- 25% due upon acceptance of this proposal
- 25% due on July 1st, 2023
- 25% due in October 1st, 2023
- 25% due December 1st, 2023
- All Invoices are net thirty (30).
- Operatic reserves the right to charge a late interest fee of 2.75% per month on invoices past due thirty (30) days.
- Accepted payment methods include cheque, EFT, and credit card. A 2.75% processing fee will apply to all credit card transactions.



Signature of authorized representative
Date:

Signature of authorized representative
Date:

Briefing Note

**CAFII EOC Meeting 21 March, 2023—Agenda Item 4(c)ii
Committee Updates—Media Advocacy-- Posting of Interesting/Credible Content to CAFII's New
LinkedIn Page; and Creating a Body of Followers for the LinkedIn Page**

Purpose of this Agenda Item – Update

To provide an update.

Background Information

CAFII has soft-launched its LinkedIn page and continues to populate it with good content. It will also ask CAFII members to follow the page to create a strong following.

Please visit the CAFII LinkedIn page:

[CAFII LinkedIn Page](#)

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 21 March, 2023—Agenda Item 4(d) Committee Updates—Research & Education

Purpose of this Agenda Item – Update

To provide an update.

Background Information

CAFII Research & Education Committee Chair Andrea Stuska will provide an update on recent initiatives of the committee.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 21 March, 2023—Agenda Item 4(d)i

Committee Updates—Research & Education--‘Deeper Dive Research’ to Inform Possible Utilization of Results of CAFII 2022 Tracking Study Research with Pollara Strategic Insights on ‘Consumers’ Satisfaction with Credit Protection Insurance’

Purpose of this Agenda Item – Update

To provide an update.

Background Information

The Research & Education Committee is working with Pollara Strategic Insights to do a deeper dive on some of the research findings from the recent 2022 study on the views of credit protection insurance consumers. A meeting will be held with Pollara during the week of 3 April, 2023 to review the findings of the deep dive follow-up research. When the committee is satisfied that it has understood the results of the deep dive follow-up research properly, those results will be presented to the EOC and subsequently to the Board.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 21 March, 2023—Agenda Item 4(e) Committee Updates—Networking & Events

Purpose of this Agenda Item—Briefing Document Only

To provide an update.

Background Information

The Networking & Events Committee has been engaged in CAFII's very active set of events, including the following:

- an upcoming 30 March, 2023 webinar on mental health issues in the workplace, with Paula Allan of Telus Health and CAFII Board member Nigel Branker from Securian Canada;
- an upcoming webinar on 27 April, 2023 with Nicholas Herbert-Young, from the UK's Financial Conduct Authority and a participant in the International Association of Insurance Supervisors (IAIS);
- a webinar on 26 September, 2023 with Stuart Wilkinson, head of the Financial Services Regulatory Authority of Ontario (FSRA)'s Consumer Office, with an introduction by FSRA's Glen Padassery, FSRA Executive Vice-President Policy & Chief Consumer Officer;
- an in-person speech at the Reception immediately following the 4 April, 2023 Board meeting by Kartik Sakthivel, Vice President & Chief Information Officer, LIMRA/LOMA; and
- an in-person speech following the 6 June, 2023 Board meeting by the President & CEO of the Canadian Bankers Association (CBA), Anthony Osler.

Recommendation / Direction Sought—Briefing Document Only

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 21 March, 2023—Agenda Item 4(f) Committee Updates—Travel Insurance Experts

Purpose of this Agenda Item—Update

To provide an update.

Background Information

An update will be provided on the recent initiatives of the 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 21 March, 2023—Agenda Item 4(f)i
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**

Purpose of this Agenda Item—Update

To provide an update.

Background Information

An update will be provided on the recent meetings of the CLHIA, THIA, and CAFII on developments in travel and travel insurance.

Recommendation / Direction Sought—Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 21 March, 2023—Agenda Item 5(a)

Recent and Upcoming Strategic and Regulatory Initiatives-- Outcomes of March 7/23 CAFII Virtual Meeting with Eric Jacob and Mario Beaudoin, AMF, To Reaffirm 'Unwritten Understanding' Resolution to Credit Card-Embedded Insurance Benefits Impasse Issue

Purpose of this Agenda Item—Update/Discussion

To provide an update and an opportunity for discussion/feedback.

Background Information

The EOC will be provided with an update on a 7 March, 2023 meeting that CAFII held with the AMF on the 'unwritten understanding' resolution to the impasse issue around the Regulation respecting Alternative Distribution Methods (RADM)'s applicability to credit card-embedded insurance benefits.

Recommendation / Direction Sought—Update/Discussion

This is an update and discussion item.

Attachments Included with this Agenda Item

1 attachment.

Summary of a Virtual Meeting between CAFII and the AMF 7 March, 2023 (9-10am)

Background

At the 11 October, 2022 CAFII Board meeting and AMF dialogue and liaison meeting in Montreal, Quebec, there was a presentation and dialogue with the AMF at which a main topic raised by CAFII was the lack of progress around CAFII member concerns with respect to the distribution of the Fact Sheet and Notice of Rescission for credit card-embedded insurance benefits. There was some tension at that meeting, and after it concluded AMF Superintendent, Client Services and Distribution Éric Jacob approached CAFII Board Chair Peter Thompson and suggested that the two of them have regular quarterly meetings to discuss issues on the table between CAFII and the AMF.

At the most recent such meeting, on 6 February, 2023, Éric Jacob and Peter Thompson came to an understanding where CAFII members did not need to distribute the Fact Sheet and Notice of Rescission for credit card-embedded insurance benefits, and the AMF and CAFII would have an “informal understanding” where the AMF would not do anything further on this file. The full summary of that meeting can be found below in Appendix A.

Peter Thompson said at the conclusion of the 6 February, 2023 meeting that it would be beneficial for a follow-up meeting to be held with Keith Martin, CAFII Co-Executive Director, in attendance to hear this commitment along with another AMF representative, and Éric Jacob readily agreed. That meeting was held on 7 March, 2023 from 9-10am, with Éric Jacob, Peter Thompson, Keith Martin, and Mario Beaudoin (Director, Alternative Insurance Distribution Practices) in attendance. The meeting was held entirely in French.

Summary of 7 March, 2023 CAFII/AMF Meeting

After the exchange of some informal comments and pleasantries, Peter Thompson thanked Éric Jacob and Mario Beaudoin for joining CAFII in this call. Peter then gave a summary of the commitment that he understood from Éric Jacob, which was that the distribution of the Fact Sheet and Notice of Rescission was not an AMF priority, and not something they wanted to focus on. He noted that the AMF felt it was difficult to formally revise the Regulation, as it would require Ministerial approval to do so, and the AMF preferred to just not do anything at this time. Peter Thompson noted as well that if something changed at some point in future, the AMF indicated that it would let CAFII know with time to adjust. Finally, Peter Thompson said that the meeting today was to reiterate and confirm this understanding with Keith Martin and an additional AMF executive in attendance.

Éric Jacob said that he was comforted and reassured by Peter Thompson’s summary, and that he was fully aligned with it. He said that it was difficult to change a regulation, and that doing so would raise all sorts of difficulties. Furthermore, such a change would trigger all the requirements associated with a regulatory change—including communications, consultations with industry, and an implementation period. This is not something the AMF wants to do right now, Mr. Jacob said, and then, smiling, he added “we are already viewed as too active with regulation.”

Éric Jacob said that the Regulation respecting Alternative Distribution Methods was not developed with credit card-embedded insurance benefits in mind, and that this resulted in requirements that did not really fit—Mr. Jacob used the colloquial expression <<un Molson pour tout le monde>> (“*a Molson beer for everyone*”). He reiterated that if the unwritten agreement ever needed to be changed—which is not something he envisions, this is nowhere on his priority list—CAFII would be given ample notice.

Mario Beaudoin added to Mr. Jacob's comments, flatly acknowledging that "the Fact Sheet was never meant for credit cards," but that changing the regulation would be a big change, with potentially unexpected consequences. For example, changing the requirements for the travel insurance industry would involve travel agencies and other parts of the insurance space in addition to the areas that CAFII members are active in, and this would be a major undertaking. It would, he said, "open a Pandora's box" for something that is "not a deal breaker for the AMF."

Mario Beaudoin said that the AMF simply wants proper disclosure for insurance for customers, and that this file is nearly complete with CAFII members' Action Plans largely implemented. He said that he has been working closely on the Action Plans with CAFII members, and that the CAFII member employees he and his team have been working with have "collaborated impeccably on the Action Plans" and that other than some fine-tuning, these are largely implemented now. He said it was best not to reopen this file for credit cards, and that this was now a "done deal."

However, Mario Beaudoin said that while the AMF would not pursue this file further, there was always the risk of someone complaining that the Regulation was not being adhered to, and that if such a complaint were made the AMF would have to respond to it in some way.

Peter Thompson asked Keith Martin if he had any questions, and Keith Martin said that the summaries by all three were excellent, and that he had spoken with members about this informal agreement solution and CAFII members were very appreciative of the effort by the AMF to find a solution to this matter. He added that this approach would allow CAFII members to conform with the Regulation. Keith Martin said that the industry appreciated the dialogue and effort by the AMF, and he concluded by saying "thank you for offering this solution."

Éric Jacob said he appreciated those comments. He then added that he was carefully reviewing a recent CAFII letter to the AMF on the *Regulation on Complaints and Dispute Resolution*, and that we made many interesting observations in the submission. He then noted that we mentioned in our letter that we had previously made a submission to the AMF on Burden Reduction, but had not received a response to that submission yet¹, which Mr. Jacob said concerned him. He elaborated that while a formal response might not have been made yet, there were AMF initiatives that he hoped were helping industry around burden reduction. Keith Martin responded to Mr. Jacob by agreeing that there were informal initiatives being made by the AMF that industry appreciated, and called out specifically the initiative that Mario Beaudoin shared in late 2022 to not require industry to submit to the AMF lists of all branches distributing products covered by the RADM, but instead to only submit the address of the head office, which was a very important and elegant solution and one that was much appreciated by the industry. Mario Beaudoin was smiling and nodding during this comment. Keith Martin also noted that there was a 23 March, 2023 virtual meeting called by Julien Reid of the AMF, that Keith Martin would be attending, on burden reduction initiatives by the AMF.

¹ The exact quote from the 17 February, 2023 letter "Re: CAFII Feedback On Revised 8 December, 2022 Draft 2 of AMF's Regulation respecting Complaints Handling and Dispute Resolution in the Financial Sector" was: "CAFII made an AMF-requested submission on regulatory burden reduction opportunities in Québec on 25 October, 2021, a submission to which we have yet to receive an official response."

The meeting was notable for the friendly and well-intentioned tone of both Éric Jacob and Mario Beaudoin. They were engaged, sincere, and seemed to genuinely seek a resolution to the credit card-embedded insurance benefit issue.

In a debrief call after the meeting between Peter Thompson and Keith Martin, Peter Thompson said that he felt that there was a desire for collaboration on the part of the AMF after some of the tensions of the past. Peter Thompson felt that there was benefit to continuing with the quarterly meetings, and that Keith Martin's involvement in future meetings would be a positive step forward. Peter will suggest that to Éric Jacob at the next quarterly meeting, and also suggest that Éric Jacob may also wish to bring a senior person within his team to future meetings. Finally, it was agreed that with an imminent naming of a new President and CEO of the AMF, the time was ideal to seek to recalibrate the relationship overall and seek a resetting of the AMF tendency to over-regulate, not harmonize, and to be overly prescriptive.

Appendix A**Summary of Peter Thompson Virtual Meeting with Éric Jacob, 6 February, 2023—(Summary is from a 16 February, 2023 Email From Keith Martin to CAFII Board, EOC, and Committee Members)****CAFII Update on AMF Regulation respecting Alternative Distribution Methods (RADM) and Credit Card-Embedded Insurance Benefits****Background**

- CAFII has tried to persuade the AMF that credit card-embedded insurance benefits should not fall under the RADM regime, but the AMF has not accepted that argument. Relevant CAFII member companies therefore submitted Action Plans to the AMF in December 2021 with respect to how they would comply with the RADM in the case of credit card-embedded insurance benefits.
- However, since the Fall of 2021, CAFII has continued to make the case to the AMF that the Fact Sheet and the Notice of Rescission, both of which indicate that customers can cancel the insurance benefits that come embedded in a credit card, were inaccurate with respect to these products and would confuse and mislead consumers.
- On 10 September, 2021, in a meeting with Eric Jacob, the AMF's Superintendent, Client Services and Distribution Oversight, and Louise Gauthier, the AMF's Senior Director of Distribution Framework Policies, a commitment was made to CAFII that the Fact Sheet and the Notice of Rescission did not have to be distributed to consumers until the AMF and CAFII had identified a resolution to this impasse issue. As a result, most CAFII members included common language in their December 2021 Action Plans that they would not be distributing the Fact Sheet and Notice of Rescission for credit card-embedded insurance benefits until a resolution had been agreed upon. As a result, nearly all CAFII members are currently not distributing those documents to the holders of credit cards with embedded insurance benefits.

6 February, 2022 Meeting between CAFII Chair Peter Thompson and AMF Superintendent Eric Jacob

- CAFII made a presentation at the 11 October, 2022 Industry Issues Dialogue with the AMF in Montreal which noted that this impasse issue was not yet resolved, despite the fact that CAFII had proposed language to modify the Fact Sheet and the Notice of Rescission to make them accommodate and fit credit card-embedded insurance benefits. Coming out of that 11 October, 2022 meeting, Eric Jacob requested quarterly virtual meetings with CAFII Board Chair Peter Thompson to enhance communication between the AMF and our industry Association.
- The first such quarterly meeting was held in November 2022, at which Eric Jacob committed to try to resolve the impasse between the AMF and CAFII on the credit card-embedded insurance benefits issue. A subsequent meeting was held on 6 February, 2023.
- At the 6 February, 2023 meeting, Eric Jacob said that changing the RADM would require securing approval from the Quebec Minister of Finance, and making such an entreaty was not something that the AMF wanted to undertake at this time. However, Mr. Jacob said that the AMF understood the concerns of CAFII members about distributing the Fact Sheet and Notice of Rescission in their present form to consumers; that monitoring and enforcement with respect to the requirement to distribute those two documents to holders of credit cards with embedded insurance benefits was currently very low on the AMF's priority list; and that there was no AMF desire or intention to impose sanctions or penalties, or even to act on this matter with respect to regulated entities which are not distributing the Fact Sheet and Notice of Rescission to holders of credit cards with embedded insurance benefits.

- **As such, Mr. Jacob said that the solution to this impasse might be simply for the status quo to prevail: i.e. for CAFII members to continue to refrain from distributing the Fact Sheet and Notice of Rescission to holders of credit cards with embedded insurance benefits; and the AMF would simply continue to do nothing based on an “unwritten understanding.”**
- Mr. Jacob said he understood that some CAFII members might prefer a written commitment, but the AMF would not be able to provide that. However, he gave his word about the unwritten understanding; and furthermore said that if, for whatever reason, this situation changes in future, he would give CAFII ample notice.
- Peter Thompson said that it would be beneficial to have additional people, from both CAFII and the AMF, become a party to the proposed “unwritten understanding”; and he therefore proposed that Keith Martin (CAFII Co-Executive Director) join a subsequent virtual meeting at which this commitment would be repeated; and Eric Jacob readily agreed to such a meeting in the very near future, to which he would bring Mario Beaudoin.

Analysis and Observations

- In many respects, the AMF’s proposed “unwritten understanding” meets all of the “best case” outcomes desired by CAFII with respect to distribution of the Fact Sheet and Notice of Rescission. That’s because if, in the alternative, those two documents were modified and then had to be distributed to consumers, a new round of Action Plans, process changes, and implementation efforts would be required. All of that is avoided by essentially retaining the status quo.
- Mr. Jacob acknowledged that FIs prefer written commitments over unwritten understandings, but this verbal entente has the potential to strengthen the relationship between the AMF and industry, and establish a good faith resolution to this long-standing impasse.
- If, at some point, the AMF reverses its position on this matter, CAFII and its members would have a very strong and persuasive argument, and even a solid legal foundation, after many years of not distributing the Fact Sheet and Notice of Rescission to holders of credit cards with embedded insurance benefits, with the AMF having been fully aware of that reality and not having taken any action in response.

Next Steps

- Following a meeting on 7 February, 2023 at which Peter Thompson briefed CAFII Management (Keith Martin and Brendan Wycks) and the EOC volunteer leaders (EOC Chair Rob Dobbins and EOC Vice-Chair Karyn Kasperski) on the outcomes of his 6 February, 2023 meeting with Eric Jacob, Peter Thompson asked Keith Martin to distribute a summary note on the 6 February, 2023 meeting and, through that communication, to seek support from the CAFII Board for the approach outlined; or, alternatively, to determine if the CAFII Board would like to have a Special Purpose Board Meeting convened to discuss the proposed solution.
- If there is support for the proposed solution, Peter Thompson will reach out to Eric Jacob for a meeting to confirm the AMF’s commitment to the unwritten understanding, at which Keith Martin and Mario Beaudoin will be present along with Eric Jacob and Peter Thompson.
- **CAFII Board members are therefore requested to provide their views on the proposed solution to this impasse issue with the AMF by end of day on Friday, 17 February, 2023.**

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
T: 647.460.7725
www.cafii.com



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

This message, including any attachments, is intended only for the use of the individual(s) to which it is addressed and may contain information that is privileged, proprietary, or confidential. Any other distribution, copying, or disclosure is strictly prohibited. If you have received this communication in error, please notify us immediately by reply e-mail and permanently delete this message, including any attachments, without reading or making a copy. Thank you.

Briefing Note

**CAFII EOC Meeting 21 March, 2023—Agenda Item 6(a)
Governance Matters-- Proposed 'New CAFII Management Structure' (Post-2023); and Outcomes of
Related March 6/23 CAFII Special Purpose Board Meeting**

Purpose of this Agenda Item—Update/Discussion

To provide an update and seek feedback.

Background Information

Brendan Wycks will be retiring at the end of 2023, and CAFII has begun the process of developing a new management structure for 2024. Keith Martin presented a proposed new management structure at a Special Purpose Board Meeting on 6 March, 2023; and Board members electronically voted on the proposal thereafter. There was unanimous support for the recommended approach, with Keith Martin as sole Executive Director, and two new hires to be brought onto the CAFII management team – a Research Analyst, and an Operations Manager.

Recommendation / Direction Sought—Update/Discussion

This is an update and discussion item.

Attachments Included with this Agenda Item

3 attachments.

CAFII Management Structure: Options for Post-2023

Background: Brendan Wycks is Retiring at the End of the 2023, and a New Management Model is Required



cafii acifa

The Canadian Association of
Financial Institutions in Insurance

L'association canadienne des
institutions financières en assurance

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

91

Current Situation

CAFII currently has a two Co-Executive Directors management structure

The Board has Approved a 2023 Budget with an allocation for six months salary for a new hire(s), in addition to the two Executive Directors' salary

The Board needs to approve a new management structure before CAFII can proceed with the next steps on hiring



In the Current Structure, the Two Co-EDs Collaborate Closely, but there is a Division of Responsibilities

Keith Martin Lead

- Strategic Plan Implementation (e.g. website enhancements, media advocacy initiatives, annual research initiatives)
- Strategy Around and Preparing First Draft of Regulatory Submissions
 - Regulatory and Policy-Maker Presentations
 - Media Spokesperson
 - Moderating Webinars
 - Contract Negotiation with Vendors
 - Debrief to Board, EOC on strategic initiatives, regulatory developments
 - Producing Board, EOC Minutes
 - Regulatory Update (every second month)
 - Reports on Major Conferences
 - Vendor Contract Negotiation
 - Managing Legal Advice

Brendan Wycks Lead

- Senior Governance and Organizational Initiatives, like EOC and Board Agendas
- Finalizing and Submitting Regulatory Submissions
- Strategic Lead on Events, Meetings, Regulatory and Policy-Makers Tours
- Lead on Annual Members Luncheon, Annual EOC Appreciation Dinner
 - Board Chair Scripts for Board Meetings
- Monthly Budget Updates and Annual Audit Process; Annual Collection of Member Fees; meeting Accountant to Settle Payables
 - Regulatory Update (every second month)
- Overseeing Development of Consolidated Packages for EOC, Board Meetings
 - Preparing Content for Webinar E-Blasts
- Provides Review of Lists for Receptions, Webinars, Meetings



Recommendation: Keith Martin as the Sole Executive Director, With Two New Hires Reporting to Keith Martin



In the New Structure, Keith Martin Provides Direction, Strategy, and Leadership, with Support from Two New Hires

6

Research Analyst

Policy Support

Input in Drafting of Regulatory Submissions; Preparing Presentations to Regulators

Strategizing with Executive Director, EOC, and Committee members on Approach to Regulatory Issues

Surveying Industry and Regulatory Trends, Content for Regulatory Updates, Policy Content for EOC and Board Meetings

Governance

Email motions for New Board Members, Onboarding New EOC and Board members; Script for Chair for Board Meetings

EOC Agendas, Board Agendas, Ensuring Abiding by Bylaws, Policies; Documentation for EOC, Board meetings; Annual AGM Materials

Proper Documentation and Following of Processes for Meetings including EOC and Board Consolidated Packages

In the New Structure, Keith Martin Provides Direction, Strategy, and Leadership, with Support from Two New Hires

7

Operations Manager



This Structure Positions CAFII For Ongoing Success in the Future

- 1 Frees Keith Martin for Leadership and Strategic Contributions
- 2 Breaks Support Tasks into Two Logical Buckets That New Hires Can Succeed In
- 3 Should Create Efficiencies That in Future Could Lead to More Outputs
- 4 These Could Include More Research, Website Content, and Keith Martin Communication/Speaking Opportunities



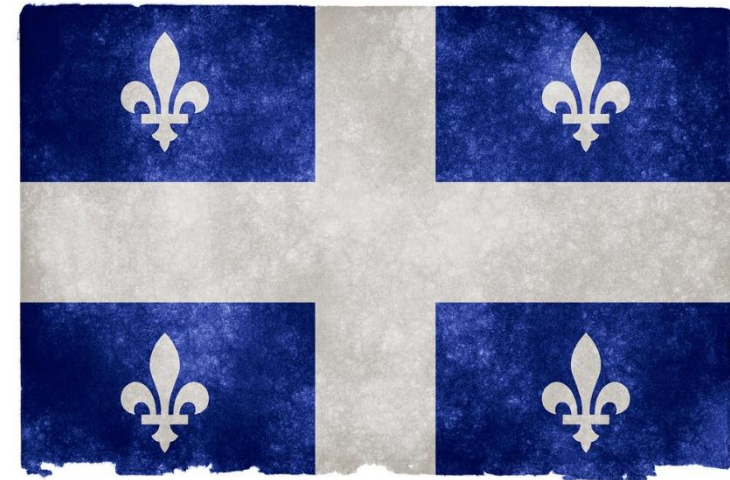
Comments on a Possible Quebec-Based Staff Hire

There has been interest raised about a Quebec-Based Staff Hire, but in Practice this Raises Questions

Most CAFII regulatory activity is not with the AMF; and most CAFII activity pertaining to the AMF is internally-focused, with CAFII member representatives, on how to comply with AMF regulatory expectations

CAFII meetings with the AMF amount to no more than 10 hours a year currently

How would Keith Martin (who is fluently bilingual) “fit into” such a model? Would meetings with AMF be held in French—if so, how would CAFII volunteers who do not speak French engage?



Thank You

100

***Agenda Item 6(a)(2)
March 21/23 EOC Meeting***

From: Keith Martin <Keith.Martin@cafii.com>
Sent: Thursday, March 16, 2023 11:59 AM
To: CAFII Board Members
Cc: CAFII EOC Members
Subject: UPDATE RE: Follow up To CAFII Board Members--Proposed Management Structure 2024--
Relevant Materials, and Request to Participate in an Electronic Vote of the CAFII Board

Hello CAFII Board Members (copy EOC):

I'm pleased to report that all Board members have now submitted their electronic vote on the 2024 Proposed Management Structure, and all 15 Board members have voted in favour.

Thanks again to each of you for your support.

I also want to acknowledge three important comments that were made by various Board members:

- seek bilingual capabilities to the extent possible;
- strive to achieve greater diversity in the team;
- develop a succession plan for the Executive Director position.

I will be working on each of these three priorities. In terms of next steps, I will be developing a plan with options around hiring, and will reach out initially to the Board Chair Peter Thompson, EOC Chair Rob Dobbins, and EOC Vice Chair Karyn Kasperski on these, and will provide updates as the process moves forward to the full Board and EOC.

Thanks,

--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
T: 647.460.7725
www.cafii.com

From: Keith Martin

Sent: Tuesday, March 7, 2023 11:05 AM

To: CAFII Board Members

Cc: CAFII EOC Members

Subject: Follow up To CAFII Board Members--Proposed Management Structure 2024--Relevant Materials, and Request to Participate in an Electronic Vote of the CAFII Board

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

Please see the information attached and the Board Ballot below related to a request that you vote electronically, **at your earliest convenience and by EOD Tuesday, 14 March/23**, on a motion to support the recommended management structure in 2024, with Keith Martin as sole Executive Director, with two new hires reporting into him (Policy Analyst; Operations Manager). The form to vote is below my signature block.

A summary of a Special Purpose Board Meeting held on 6 March, 2023 is attached, along with the presentation made by Keith Martin at that meeting on the proposed management structure in 2024, and a link to a recording of the meeting. No vote on the proposed structure was taken at that Board meeting, to give the Board members who did not attend the chance to review these materials, and ask any questions or offer any comments they may have.

LINK TO THE 6 MARCH, 2023 SPECIAL PURPOSE BOARD MEETING ON THE PROPOSED MANAGEMENT STRUCTURE 2024 (NOTE: 30 MINUTE DURATION):

https://infocafii-my.sharepoint.com/:v/g/personal/info_cafii_com/EVUUYwcWW6dDqTKJevi2z4EBmMiO82q-1ZSU00X8WsReEw?e=CE2f6p

After reviewing these materials, and offering any thoughts or comments you may have, please cast your vote asap – via a reply email message to me -- so that the motion can be supported by the CAFII Board via an *Electronic Vote of the Board, Outside of a Board Meeting* on a duly authorized Motion (moved by Valerie Gillis, TD Insurance; and seconded by Wally Thompson, Manulife) **by EOD Tuesday, March 14;** after which CAFII can move forward on the hiring process.

As per the CAFII Bylaw provision cited in the attached document, a two-thirds majority affirmative vote of the Board (i.e. 10 of the existing 15 Directors on the Board) is required for this *Electronic Vote of the CAFII Board* to carry.

Thanks and best regards,

--Keith

Keith Martin

Co-Executive Director / Co-Directeur général

Canadian Association of Financial Institutions in Insurance

**CAFII BOARD OF DIRECTORS' VOTE ON A DULY AUTHORIZED RESOLUTION: VIA ELECTRONIC MEANS,
OUTSIDE OF A BOARD MEETING**

*I support the Resolution below moved by Valerie Gillis, CAFII Director from TD Insurance; and seconded
by Wally Thompson, CAFII Director from Manulife,*

THAT the recommended management structure in 2024 be adopted, with Keith Martin as sole Executive
Director, with two new hires reporting into Keith Martin (Policy Analyst; Operations Manager).

CAFII Director's Name and Member Company Affiliation:

___ **In Favour**

___ **Opposed**

___ **Abstain**

Background Context/Rationale: On March 6, 2023 a presentation was made on a proposed management
structure in 2024. It was agreed to have that recommended structure voted on via Article 5.14 of the
Association's By-Law: *Voting By Electronic Means, Outside Of A Board Meeting* so that, if CAFII Board
members support the recommended structure, the hiring process can begin without delay.

(The foregoing Resolution was moved and seconded pursuant to Article 5.14 of the Canadian
Association of Financial Institutions in Insurance By-Law No. 1: *Voting By Electronic Means, Outside Of A
Board Meeting*:

*At the discretion of the board chair – or in his/her absence, the board vice-chair – and in lieu of 5.13, a
resolution in writing may be proposed to the directors via electronic means, outside of a properly
constituted board meeting, for approval via electronic means. Where this option is exercised, a simple
affirmative vote response by a director shall suffice and be as valid as if it had been cast at a board meeting.
A two-thirds majority vote of all directors entitled to vote shall be required for approval of the resolution -
absent any vote against the resolution by a director entitled to vote, the occurrence of which shall void
the voting on the resolution by electronic means, outside of a board meeting. Voting by electronic means
outside of a board meeting shall be reserved for matters of particular time-sensitivity and urgency. A copy
of every such resolution in writing proposed to directors for voting by electronic means, outside of a board
meeting shall be kept with the minutes of the proceedings of the board or committee of directors.)*

Agenda Item 6(a)(3)
March 21/23 EOC Meeting

CAFII Electronic Vote on New Management Structure: 14 March, 2023

<u>Board Member</u>	<u>Response</u>	<u>Date/Time of Email</u>
(Nicole Benson) nicole.benson@securiancanada.ca	Yes	10.03am 15 March 2023
(Paul Cosgrove) paul.cosgrove@assurant.com	Yes	5.28pm 7 March 2023
(Valerie Gillis) valerie.gillis@td.com	Yes	10.35pm 7 March 2023
(Louie Georgakis) louie_Georgakis@canadalife.com	Yes	10.48 14 March 2023
(Simon Lacroix-Hubert) simon.lacroixhubert@dsf.ca	Yes	10am 8 March 2023
(Chris Lobbezoo) chris.lobbezoo@rbc.com	Yes	1.41pm 7 March 2023
(Peter McCarthy) peter.mccarthy@bmo.com	Yes	1.09pm 7 March 2023
(Ian Oncea) ian.oncea@cibc.com	Yes	2.02pm 8 March 2023
(Wallace Thompson) wallace_thompson@manulife.com	Yes	11.12am 7 March 2023
(Peter Thompson) Peter.Thompson@bnc.ca	Yes	3.12pm 7 March 2023
(Kelly Tryon) kelly.tryon@cumis.com	Yes	11.59am 7 March 2023
(Adam Vespi) adam.vespi@ctfs.com	Yes	10.03am 15 March 2023
(Wayne Hewitt) wayne.hewitt@scotiabank.com	Yes	1.47pm 7 March 2023
(Nigel Branker) Nigel.Branker@securiancanada.ca	Yes	1.42pm 13 March 2023
(Rahul Kakar) Rahul.Kakar@Chubb.com	Yes	2.35pm 7 March 2023

Briefing Note

CAFII EOC Meeting 21 March, 2023—Agenda Item 6(b) Governance Matters-- Further Discussion Around Issue of “CAFII Board Diversity”

Purpose of this Agenda Item—Update/Discussion

To provide an update and seek feedback.

Background Information

There has been some previous, preliminary *In Camera Session* discussion among CAFII EOC members about the importance of DEI (Diversity, Equity, and Inclusion) to the Association, and this is an opportunity to discuss some options around advancing DEI initiatives within CAFII.

Recommendation / Direction Sought—Update/Discussion

This is an update and discussion item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 21 March, 2022—Agenda Item 6(c) Governance Matters-- Draft Minutes of February 14/23 EOC Meeting

Purpose of this Agenda Item – *Approval*

To request EOC approval of the minutes of the previous EOC meeting.

Background Information

The EOC will be asked to approve the minutes of the February 14, 2023 EOC meeting.

Recommendation / Direction Sought – *Approval*

This is an approval item.

Attachments Included with this Agenda Item

1 attachment.

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

Tuesday, February 14, 2023, 2:00-4:00pm

MINUTES

EOC Present:

Rob Dobbins	Assurant and EOC Chair
Karyn Kasperski	RBC Insurance and Vice Chair
Jennifer Russell	Assurant
Martin Boyle	BMO Insurance
Tejal Harri-Morar	BMO Insurance
John Burns	Securian Canada
Deliska Beauregard	Securian Canada
Cynthia Golubic	Canadian Tire Bank
Afzal Baig	Chubb Life Insurance Company of Canada
David Self	CIBC Insurance
Ibrahim Idowu	CIBC Insurance
Doug Weir	CIBC Insurance
Casandra Litniansky	CUMIS/The Co-operators
Michelle Costello	CUMIS/The Co-operators
Isabelle Choquette	Desjardins Insurance
Suzie Blanchard	Manulife Financial
Carmelina Manno	Manulife Financial
Janet Pacini-Thibodeau	Manulife Financial
Katia Umutoniwase	Manulife Financial
Sharon Murrell-Foster	Manulife Financial
Fernando Heleno	RBC Insurance
Iman Muntazir	RBC Insurance
Brad Kuiper	Scotia Insurance
Andrea Stuska	TD Insurance
Fay Coleman	TD Insurance
Fergal Murphy	TD Insurance
Peter Thorn	TD Insurance
Jacqlyn Marcus	Valeyo
Marco DeiCont	Valeyo

Regrets:

Donald Hinnecke	RBC Insurance and Treasurer
Asma Desai	Securian Canada
Farhad Eslah	Canadian Tire Bank
Jonine McGregor	Canadian Tire Bank
Konstance Allain	CIBC Insurance
Almas Satwat	CUMIS/The Co-operators
Diane Quigley	CUMIS/The Co-operators
Jawid Kargger	CUMIS/The Co-operators
Nathalie Baron	Desjardins Insurance
Pierre-Olivier Cyr	Desjardins Insurance
Ivan Murray	National Bank Insurance

Charles MacLean	RBC Insurance
Stacey Hughes-Brooks	RBC Insurance
Tal Zisu	Scotia Insurance
Moirra Gill	TD Insurance
Dallas Ewen	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 and Welcome to New EOC Members

EOC Chair Rob Dobbins called the meeting to order and welcomed new EOC member John Juba, Chubb Life Insurance Company of Canada, who then introduced himself to fellow EOC members.

Item 2: Consent Items

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

- a. Consultations/Submissions Timetable;
- b. February 15/23 CAFII Response Submission on “Revised 8 December, 2022 Draft 2 of AMF’s Regulation respecting Complaints Handling and Dispute Resolution in the Financial Sector” (Final English Version upon which French Translation, for submission, will be based);
- c. February 2023 Regulatory Update;
- d. Regulator and Policy-Maker Visit Plan Recap;
- e. Summary of Board and EOC Action Items;
- f. Board-Approved Schedule of CAFII 2023 Meetings and Events;
- g. List of CAFII Member Company Primary Contacts for Specifying Invitees to May 9/23 CAFII Annual Members and Associates Luncheon.

Item 3: Financial Management Matters

Item 3 (a): CAFII Financial Statements as at January 31/23

CAFII Treasurer Donald Hinnecke was unable to attend this meeting and, in his place, Brendan Wycks presented the CAFII financial statements as at January 31, 2023. He noted that in 2023, each line item has been reviewed for when in the year the related expenses are likely to be incurred. As a result, monthly forecasts should be much more accurate in 2023. The Balance Sheet is healthy, with the Association holding \$669K in cash reserves. As a result of some one-time costs, including additional staff hires to provide transition time with the end of 2023 retirement of Brendan Wycks and the intention to go on two regulator and policy-maker visits tours this year, there will be a draw-down of some of the accumulated surplus over the course of 2023.

Item 3 (b): CAFII Financial Statements as at December 31/22 (full 2022 fiscal year)

Brendan Wycks reported that CAFII ended the 2022 fiscal year with a higher-than-expected surplus, which was particularly attributable to the fact that none of the \$90K budget for legal fees was spent, and with BMO Insurance not charging CAFII for the expenses associated with hosting the Association's 25th Anniversary Celebration at BMO's 68th Floor, First Canadian Place corporate event space.

Item 3 (c): Update on KPMG Audit of CAFII 2022 Fiscal Year Financial Statements

Brendan Wycks reported that KPMG's audit of CAFII's 2022 financial statements was now underway; and the auditor was committed to meeting CAFII's related critical path timelines.

Item 3 (d): Dissemination of CAFII 2023 Member and Associate Dues Invoices

Brendan Wycks reported that in the 2023 membership year, for the first time, only one invoice would be distributed to members for the entire year; and the dissemination of those invoices had occurred in early February.

Item 4: Committee Updates

Item 4 (a): Marketing Conduct & Licensing

i. FCNB December 13-14/22 Publication of 'Notices to Industry' Re February 1/23 Coming Into Force of Rule INS-001: Insurance Intermediaries Licensing and Obligations (Including Launch of "New Licensing Framework for a Restricted Insurance Representative for the Incidental Sale of Insurance Products"): Retention of Legal Counsel Re Clause 46; and Related Alignment Discussion with CLHIA

Keith Martin reported that there was disappointment throughout CAFII's membership due to the fact that FCNB had retained a Section in its Rule INS-001 (now Section 46) which required that those offering insurance on behalf of Restricted Insurance Representative (RIR) licence holders inform the customer that they may wish to speak to a licenced individual. CAFII had retained legal counsel to review Section 46 of the Rule; and, unfortunately, Stuart Carruthers and his colleagues at Stikeman Elliott had concluded that there is no legal basis to challenge the approach FCNB has taken. However, CAFII will develop arguments for why this is not an appropriate approach and will share those arguments with FCNB, in particular at an upcoming consultation meeting that will be arranged to review implementation issues and licence application difficulties associated with the new RIR licensing regime.

ii. CCIR Consultation on Annual Statement on Market Conduct (ASMC) Forms (2023 data) (Submission Deadline: February 15/23)

There was a discussion about whether CAFII should make a submission on the modest changes to the ASMC forms in 2023. As well, there was some discussion about whether instead of offering comments on the minor changes being proposed, CAFII should more generally suggest to CCIR that it should consider completely reworking the survey so that it resulted in more accurate and useable reports.

iii. FSRA Consultation on "Proposed Rule 2022 – 001: Assessments and Fees" (Submission Deadline: February 27/23)

Brendan Wycks reported that CAFII is preparing to make a submission to FSRA, by the stated deadline of February 27, 2023, on its consultation on assessments and fees, which will be largely supportive of the approach FSRA is taking.

iv. FSRA Consultation on Proposed Guidance on IT Risk Management (Submission Deadline: March 31/23)

Brendan Wycks reported the Market Conduct & Licensing Committee would be meeting on March 6 to consider whether CAFII should make a response submission to FSRA on its consultation on its Proposed Guidance on It Risk Management. Karyn Kasperski asked that the committee carefully assess whether this particular FSRA consultation is in scope for CAFII or not, and perhaps consult with allied industry Associations such as CLHIA and CBA as to their response intentions.

v. CAFII February 28/23, 1:00 to 2:00 pm. In-Person/Hybrid Stakeholder Meeting with CCIR/CISRO Incentives Management Committee Re Questions/Clarifications Arising from Final "Incentives Management Guidance" Published November 30/22

Brendan Wycks reported that CAFII has an in-/hybrid stakeholder meeting arranged with the CCIR/CISRO Fair Treatment of Customers Working Group (FTCWG) for February 28/23, 1:00 to 2:00 p.m. around the implementation, education, and monitoring issues associated with the final version of its Incentives Management Guidance which was published on November 30/22. He encouraged EOC members and other CAFII member representatives to attend this meeting, either in-person or virtually.

Item 4 (b): Quebec/AMF Issues

i. Formalizing Appointment of Jennifer Russell as Chair of the Quebec/AMF Issues Committee

The EOC formally appointed Jennifer Russell as the Chair of the CAFII Quebec/AMF Issues Committee, via a motion which received unopposed assent.

ii. Insights Gained from/Outcomes of First Two Meetings (February 1/23 and February 9/23) of New CAFII Quebec/AMF Issues Committee

Jennifer Russell, Chair of the CAFII Quebec/AMF Issues Committee, reported that this new Committee had discussed many issues in its first two meetings, including the insurance industry implications of Bill 96, the Charter of the French Language; Bill 64, on privacy; the AMF statistics on claims denial rates and return of premium to customers (loss ratios); and on the recent meeting between Peter Thompson and AMF Superintendent Éric Jacob which had achieved a resolution to the impasse issue around the Regulation respecting Alternative Distribution Methods (RADM)'s applicability to credit card-embedded insurance benefits. She noted that it was important to make it clear that that resolution did not make it a requirement not to distribute the Fact Sheet and Notice of Rescission, but rather whether to do so or not was now a discretionary determination for individual firms to make based on their own particular circumstances.

iii. March 23/23 AMF Virtual Presentation, in French Only, on Plans to Review The Consultation Process for The Prudential and Regulatory Framework Applicable to Financial Institutions (In Response To Requests Re Optimizing The Compliance Burden)

Keith Martin reported that he would be attending this French-only meeting with AMF officials on 23 March, 2023 on burden reduction, and he will share the highlights in a summary note in English with CAFII members.

Item 4 (c): Media Advocacy

i. 2023 Statement of Work Proposal from Operatic Agency Re CAFII Website and Search Engine Optimization Performance Enhancements

Keith Martin reported that CAFII is working with Operatic Agency to finalize a 2023 Statement of Work with Operatic Agency around optimizing the CAFII website and related search engine optimization goals.

Item 4 (d): Research & Education

i. Utilization of Results of CAFII 2022 Tracking Study Research with Pollara Strategic Insights on 'Consumers' Satisfaction with Credit Protection Insurance'

Keith Martin reported that CAFII is planning to do some "deeper dive research" with Pollara Strategic Insights on some of the results from the 2022 research study on CPI, to understand better some of the consumer responses received to that the survey.

Item 4 (e): Networking & Events

i. Insights Gained from January 26/23 CAFII Webinar on "Emerging Issues and Trends in Domestic and International Privacy Legislation, Regulations, and Enforcement, From An Insurance Industry Lens"

Keith Martin reported that there was positive feedback on the very informative webinar held on 26 January, 2023 on privacy issues in insurance.

Item 4 (f): Travel Insurance Experts

i. 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

Brendan Wycks reported that there are fewer contentious issues around travel health insurance right now, but that service issues at airports continues to be a concern as travel picks up.

Item 5: Recent and Upcoming Strategic and Regulatory Initiatives

Item 5 (a): Insights Gained and Next Steps Arising from CAFII Board Chair Peter Thompson's February 6/23 Quarterly Virtual Meeting with AMF Superintendent Éric Jacob, Including Re Finding A Solution To Impasse Issues Around RADM's Applicability to Credit Card-Embedded Insurance Benefits

CAFII EOC members expressed strong approval of the progress made in getting the AMF to accept that many CAFII members and other industry players did not wish to distribute the Fact Sheet and Notice of Rescission to holders of credit cards with embedded insurance benefits; and with the resolution to the impasse which the AMF had proposed. A follow-up meeting between Peter Thompson and Éric Jacob was being organized, at which Keith Martin and Mario Beaudoin would be in attendance to be witnesses to the "unwritten understanding" resolution commitment being made by Éric Jacob.

Item 6: Governance Matters

Item 6 (a): Admission of Chubb Life Insurance Company of Canada to CAFII Initiation Membership

Brendan Wycks reported that the meeting to review the application of Chubb Life Insurance Company of Canada for CAFII Initiation Membership had been productive, and that Chubb has now formally been accepted through an electronic vote of the Board of Directors of CAFII.

Item 6 (b): Draft Minutes of January 17/23 EOC Meeting

The draft minutes of the January 17, 2023 EOC meeting were approved.

Briefing Note

CAFII EOC Meeting 21 March, 2022—Agenda Item 7(a)

Read Only Items-- CAFII Decision Not to Respond to CCIR Consultation on Annual Statement on Market Conduct (ASMC) Life and Health Insurance Form (2023 data)

Purpose of this Agenda Item – Read Only Item

This is a read only item.

Background Information

The Market Conduct & Licensing Committee decided not to respond to the recent CCIR Consultation on Annual Statement on Market Conduct (ASMC) Life and Health Insurance Form (2023 data).

At some point, it was suggested that CAFII may wish to suggest to the CCIR that it consider revising the way it collects information so that the reports issued from the ASMC are more consistent and useable. This point could be made to Laurie Balfour of the Automobile Rate Board at Alberta Treasury Board and Finance (ATBF), who is the Chair of CCIR's *Cooperative Supervision Oversight Committee*, which oversees the ASMC; CAFII will be meeting her during the late May/early June regulator and policy-maker tour in Western Canada.

Recommendation / Direction Sought – Read Only Item

This is a read only update to the EOC.

Attachments Included with this Agenda Item

1 attachment.

Agenda Item 7(a)
March 21/23 EOC Meeting

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

Sent: February 16, 2023 12:34 PM

To: Tony Toy <Tony.Toy@fsrao.ca>; Raseema Alam <Raseema.Alam@fsrao.ca>; Margaret Orlander <Margaret.Orlander@fsrao.ca>

Cc: Keith Martin <Keith.Martin@cafii.com>; Peter Burston <Peter.Burston@fsrao.ca>; Laurie Balfour <laurie.balfour@gov.ab.ca>; Marie-José Bernard <Marie-Jose.Bernard@lautorite.qc.ca>; Gauthier Louise <Louise.Gauthier@lautorite.qc.ca>

Subject: RE: Deadline Extension Request from CAFII Re CCIR Consultation on the Annual Statement on Market Conduct forms (2023 data)

Hi, Tony and thanks for your response and the follow-up question below.

CAFII would be keen to arrange a meeting with CSOC – either in-person/hybrid or virtual only – which would give our Association the desired opportunity to provide some high level, strategic feedback/input on the ASMC Life and Health Insurance Form. A meeting of 45 minutes to one hour would suffice, and we would ask that the CCIR Secretariat arrange that meeting for the very near future, so that our CAFII members' strategic feedback/input can be provided while it is still fresh in their minds.

With respect to our February 28/23 in-person/hybrid stakeholder meeting with the FTCWG on the final version of the Incentives Management Guidance, our relevant CAFII committee met yesterday with respect to that upcoming meeting, with the following outcomes:

- we don't have any specific questions or clarification issues with respect to the Incentives Management Guidance itself. In fact, our view is that the CCIR/CISRO FTCWG has done a fine job at both addressing/incorporating some of the feedback points on the consultation draft which were provided by CAFII and other industry stakeholders; and at keeping the Guidance very much high-level and principles-based (so we want to extend a kudo in that regard);

but

- that said, we still want to proceed with the meeting scheduled for Tuesday, February 28/23 from 1:00 to 2:00 p.m.** because our member representatives are interested in having a dialogue/exchange with the FTCWG around more high level considerations such as scenarios/case examples related to implementing the Guidance; and what the FTCWG's plans are around engaging with and educating the industry about the Guidance and around monitoring implementation, now that the Guidance is in force.

**It is critically important to CAFII that a hybrid/virtual attendance option be made available for the February 28/23 meeting because a significant number of CAFII member representatives are interested in attending this meeting on a virtual platform, preferably MSTEams. It is likely that only a small group of CAFII representatives will be able to attend in-person, namely Co-Executive Directors Keith Martin and Brendan Wycks; and Executive Operations Committee Chair Rob Dobbins (Assurant).

I will be able to provide you with a complete and near-final list of our expected CAFII attendees will be at the February 28/23 meeting (and whether in-person or online) on Friday, February 24.

Best regards,

Brendan Wycks, BA, MBA, CAE

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

Brendan.wycks@cafii.com

T: 647.218.8243

Alternate T: 647.361.9465

www.cafii.com

From: Raseema Alam <Raseema.Alam@fsrao.ca>

Sent: Thursday, February 23, 2023 1:59 PM

To: Brendan Wycks <brendan.wycks@cafii.com>; Tony Toy <Tony.Toy@fsrao.ca>; Margaret Orlander <Margaret.Orlander@fsrao.ca>

Cc: Keith Martin <Keith.Martin@cafii.com>; Peter Burston <Peter.Burston@fsrao.ca>; Laurie Balfour <laurie.balfour@gov.ab.ca>; Marie-José Bernard <Marie-Jose.Bernard@lautorite.qc.ca>; Gauthier Louise <Louise.Gauthier@lautorite.qc.ca>; CCIR-CCRR <ccir-ccrra@fsrao.ca>

Subject: RE: Deadline Extension Request from CAFII Re CCIR Consultation on the Annual Statement on Market Conduct forms (2023 data)

Good afternoon Brendan,

Hope you are doing well.

I discussed internally and at this time, it would best to submit your comments – if you have any – via email. I do recognize you had mentioned before that you didn't have much in terms of written input on the ASMC life and health insurance form. I invite you to submit what you have via email in written form to CCIR by March 3.

Please let me know if you have any questions.

Thank you.

Raseema

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

Sent: March 3, 2023 3:14 PM

To: Raseema Alam <Raseema.Alam@fsrao.ca>; Tony Toy <Tony.Toy@fsrao.ca>; Margaret Orlander <Margaret.Orlander@fsrao.ca>

Cc: Keith Martin <Keith.Martin@cafii.com>; Peter Burston <Peter.Burston@fsrao.ca>; Laurie Balfour <laurie.balfour@gov.ab.ca>; Marie-José Bernard <Marie-Jose.Bernard@lautorite.qc.ca>; Gauthier Louise <Louise.Gauthier@lautorite.qc.ca>; CCIR-CCRA <ccir-ccra@fsrao.ca>

Subject: RE: Deadline Extension Request from CAFII Re CCIR Consultation on the Annual Statement on Market Conduct forms (2023 data)

Good afternoon, Raseema.

Thank you for your email message of February 23 below.

CAFII has now had an opportunity to consider the request set out in that message.

As a result, our Association has reaffirmed its initial decision not to make a written submission on the Annual Statement on Market Conduct Life and Health Insurance Form (2023 data) at this time.

Instead, we will further consider and work internally to flesh out our emerging feedback thoughts – which remain largely at a high, strategic level about the overall approach to the ASMC itself – and we'll await an opportunity to convey our more fully formed feedback to the CCIR Co-operative Supervision Oversight Committee (CSOC) at an appropriate future point in time.

Best regards,

Brendan Wycks, BA, MBA, CAE

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

Brendan.wycks@cafii.com

T: 647.218.8243

From: Raseema Alam <Raseema.Alam@fsrao.ca>

Sent: Tuesday, March 7, 2023 3:11 PM

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

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

Subject: RE: Deadline Extension Request from CAFII Re CCIR Consultation on the Annual Statement on Market Conduct forms (2023 data)

Hi Brendan,

Thank you for letting me know.

Raseema

Briefing Note

CAFII EOC Meeting 21 March, 2022—Agenda Item 7(b)

Read Only Items-- CAFII Media Release on “CAFII Welcomes Chubb Life Insurance Company of Canada As A New Member”

Purpose of this Agenda Item – *Read Only Item*

This is a read only item.

Background Information

CAFII issued a news release on Chubb Life Insurance Company of Canada joining CAFII as a new member, with Rahul Kakar as the new CAFII Board member from Chubb.

Insurance Business Canada reported on the story:

<https://www.insurancebusinessmag.com/ca/news/life-insurance/chubb-life-insurance-company-of-canada-joins-cafii-437757.aspx>

Recommendation / Direction Sought – *Read Only Item*

This is a read only update to the EOC.

Attachments Included with this Agenda Item

1 attachment.

**CAFII Welcomes Chubb Life Insurance Company of Canada
as a New Member**

Toronto, February 27, 2023 – The Canadian Association of Financial Institutions in Insurance (CAFII) is pleased to announce that Chubb Life Insurance Company of Canada has joined the Association as a new member. In that connection, Rahul Kakar, Senior Vice President and Head of Chubb Life Canada's Accident and Health (A&H) division, has been appointed to CAFII's Board of Directors.

Chubb is the world's largest publicly traded property and casualty insurance company, with operations in 54 countries and territories. It provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. Chubb Insurance Company of Canada has offices in Toronto, Calgary, Montreal and Vancouver and provides its products and services across Canada.

"The Board of CAFII is pleased to welcome Chubb Life Insurance Company of Canada as a member of our Association," said Peter Thompson, Chair of the CAFII Board and CEO of National Bank Insurance. "We look forward to working with Rahul and his colleagues at Chubb in fulfilling our mission to ensure that Canadians have access to an open and flexible insurance marketplace, with high levels of customer satisfaction."

"I am delighted to be appointed to the board of CAFII," noted Kakar. "Together, we can take proactive steps to make insurance more accessible and simpler for Canadians while continuing to provide a great customer experience for our clients."

CAFII is a not-for-profit industry association that was established in 1997 to create a voice for financial institutions involved in selling insurance through a variety of distribution channels including client contact centres, agents and brokers, travel agents, direct mail, branches of financial institutions, and the internet. Its members offer credit protection insurance, travel, life, health, and property and casualty insurance across Canada.

CAFII works with government and regulators (primarily provincial/territorial) to develop a legislative and regulatory framework for the insurance sector that helps ensure Canadian consumers get the insurance products that suit their needs. The Association's aim is to ensure that appropriate standards are in place for the distribution and marketing of all insurance products and services.

In addition to Chubb Life Insurance Company of Canada, CAFII's 15 members include the insurance arms of Canada's major financial institutions – BMO Insurance; CIBC Insurance; Desjardins Insurance; National Bank Insurance; RBC Insurance; Scotia Insurance; and TD Life Insurance Company; along with major industry players Assurant Canada; The Canada Life Assurance Company; Canadian Tire Bank; CUMIS Services Incorporated; Manulife (The Manufacturers Life Insurance Company); Securian Canada; and Valeyo.

- 30-

Media contact:

David Moorcroft, Public Affairs Advisor

Email: david@strategy2communications.com; Tel: +1-416-727-1858

L'ACIFA accueille Chubb du Canada Compagnie d'assurances en tant que nouveau membre

Toronto, le 27 février 2023 – L'Association canadienne des institutions financières en assurance (ACIFA) est heureuse d'annoncer que Chubb du Canada Compagnie d'assurances est nouvellement devenue membre de l'Association. De ce fait, Rahul Kakar, vice-président principal et directeur de la division accidents et maladie de Chubb, a été nommé au conseil d'administration de l'ACIFA.

Chubb est la plus grande compagnie d'assurance-dommages cotée en bourse au monde, avec des bureaux dans 54 pays et territoires. Elle offre des produits d'assurance-dommages commerciale et personnelle, ainsi que des produits d'assurance-accidents, d'assurance-maladie supplémentaire, de réassurance et d'assurance-vie personnelles à divers groupes de clients. Chubb a des bureaux à Toronto, à Calgary, à Montréal et à Vancouver. Elle offre ses produits et services partout au pays.

« Le conseil d'administration de l'ACIFA est fier d'accueillir Chubb du Canada Compagnie d'assurances à titre de membre de notre association », indique Peter Thompson, président du conseil d'administration de l'ACIFA et PDG de Banque Nationale Assurances. « Nous sommes impatients de collaborer avec Rahul et ses collègues pour remplir notre mission et veiller à ce que les Canadiens aient accès à un marché de l'assurance ouvert et flexible, où le taux de satisfaction est élevé. »

« Je suis ravi d'avoir été nommé au conseil d'administration de l'ACIFA », confirme M. Kakar. « Ensemble, nous pouvons prendre des mesures proactives pour nous assurer que l'assurance est simplifiée et plus accessible pour les Canadiens, tout en continuant d'offrir une excellente expérience à nos clients. »

L'ACIFA est une association industrielle sans but lucratif créée en 1997. Elle a pour but de donner une voix aux institutions financières impliquées dans la vente d'assurance par le biais de diverses méthodes de distribution, comme les centres d'appels, les agents et courtiers, les agences de voyages, le publipostage, les succursales d'institutions financières et Internet. Nos membres offrent l'assurance voyage, l'assurance-vie, l'assurance-maladie, l'assurance-dommages et l'assurance-crédit collective dans tout le Canada.

L'ACIFA collabore avec les gouvernements et les organismes de réglementation (principalement provinciaux et territoriaux) afin d'élaborer un cadre législatif et réglementaire pour le secteur de l'assurance qui contribue à garantir que les consommateurs canadiens obtiennent les produits d'assurance qui répondent à leurs besoins. L'ACIFA a pour mandat d'assurer la mise en place de normes appropriées pour la distribution et la commercialisation de tous les produits et services d'assurance.

En plus de Chubb du Canada Compagnie d'assurances, les 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, Assurance Scotia et TD Assurance – ainsi que les principaux acteurs de l'industrie : Assurant, Assurance-vie Canada, Banque Canadian Tire, CUMIS Services Incorporated, Manuvie (La Compagnie d'Assurance-Vie Manufacturers), Securian Canada et Valeyo.

– 30 –

Personne-ressource pour les médias :

David Moorcroft, conseiller en affaires publiques

Courriel : david@strategy2communications.com; Tél. : +1-416-727-1858

Briefing Note

CAFII EOC Meeting 21 March, 2022—Agenda Item 7(c)

**Read Only Items-- Outcomes of March 2/23 CAFII Relationship-Building Lunch With CAFII Initiation
Member Applicant Prospect: Canadian Western Bank (CWB)**

Purpose of this Agenda Item – Read Only Item

This is a read only item.

Background Information

Brendan Wycks and Keith Martin had lunch with Canadian Western Bank (CWB) executive Elizabeth Gandolfi on 2 March, 2023 to discuss the possibility of CWB applying for CAFII Initiation Membership.

Recommendation / Direction Sought – Read Only Item

This is a read only update to the EOC.

Attachments Included with this Agenda Item

1 attachment.

Agenda Item 7(c)
March 21/23 EOC Meeting

From: Keith Martin <Keith.Martin@cafii.com>
Sent: Wednesday, November 23, 2022 12:56:01 PM
To: Elizabeth Gandolfi <Elizabeth.Gandolfi@cwbank.com>
Cc: Brendan Wycks <brendan.wycks@cafii.com>; Jake Becker <jake.becker@cafii.com>
Subject: Follow up from CAFII

Hi Elizabeth!

Thank you so much for responding to my LinkedIn reach-out to you. I did notice that you had left Scotia for Canadian Western Bank, and I hope that has turned out well for you and that you are enjoying your new job.

I believe that Canadian Western Bank does offer credit protection insurance? Brendan and I thought that it might be worth exploring whether the services of our Association might be relevant for Canadian Western Bank, with the level of regulatory activity being so intense I do believe that our members find it essential to be engaged with CAFII and so I thought I would reach out to you about that possibility for your company.

Elizabeth, let us know if you think that an exploratory, low-key lunch might be possible for us to discuss that idea. Regardless of how such an exploratory discussion turns out, catching up with you would be great.

Look forward to hearing back from you,

Thanks,

--Keith

Keith Martin

Co-Executive Director / Co-Directeur général

Canadian Association of Financial Institutions in Insurance

From: Elizabeth Gandolfi <Elizabeth.Gandolfi@cwbank.com>
Sent: Saturday, January 21, 2023 3:34 PM
To: Keith Martin <Keith.Martin@cafii.com>
Cc: Brendan Wycks <brendan.wycks@cafii.com>; Jake Becker <jake.becker@cafii.com>; Michelle Kowalchuk <Michelle.Kowalchuk@cwbank.com>; Anthony Danda <Anthony.Danda@cwbank.com>
Subject: Re: Follow up from CAFII

Sorry for delayed response.

Can we set up time to reconnect? Michelle can help set up for early March. CWB does offer Creditor Insurance.

Many thanks
Elizabeth

From: Brendan Wycks
Sent: Friday, March 17, 2023 1:53 PM
To: Elizabeth Gandolfi <Elizabeth.Gandolfi@cwbank.com>; Keith Martin <Keith.Martin@cafii.com>
Cc: Jake Becker <jake.becker@cafii.com>; Michelle Kowalchuk <Michelle.Kowalchuk@cwbank.com>; Anthony Danda <Anthony.Danda@cwbank.com>
Subject: RE: Follow up from CAFII

Hi, Elizabeth.

Thanks so much for meeting with Keith Martin and me for lunch on Thursday, March 2. We really enjoyed the catch-up dialogue with you and the opportunity to learn more about CWB and its interest in CAFII Initiation Membership.

Apologies for the delay in getting the requested CAFII background documents sent to you.

I will send the following over to you by Monday, March 20:

- Benefits of Membership in the Canadian Association of Financial Institutions in Insurance (CAFII);
- an MS365 drive link to the CAFII Orientation Package (currently being updated). This is a voluminous document of approximately 200 pages, but it has an excellent Table of Contents which allows you to hone in on sections of particular relevance. After you have a chance to look at it, you can ask us to send a condensed version containing only those sections of most relevance to your CWB team members; and
- our CAFII Initiation Membership Application Form, 2023.

Have a great weekend and talk to you again soon, Elizabeth.

Brendan Wycks, BA, MBA, CAE
Co-Executive Director, CAFII

Briefing Note

CAFII EOC Meeting 21 March, 2022—Agenda Item 7(d)

Read Only Items-- March 23/23 AMF Virtual Presentation, in French Only, on Plans to Review The Consultation Process for The Prudential and Regulatory Framework Applicable to Financial Institutions (In Response To Requests Re Optimizing The Compliance Burden)

Purpose of this Agenda Item – Read Only Item

This is a read only item.

Background Information

Keith Martin will be attending a French-only AMF virtual presentation on 23 March, 2023 on burden reduction. He will then summarize the presentation information into a report in English that will be distributed to CAFII members.

Recommendation / Direction Sought – Read Only Item

This is a read only update to the EOC.

Attachments Included with this Agenda Item

1 attachment.

Agenda Item 7(d)
March 21/23 EOC Meeting

March 23/23 AMF Virtual Presentation, in French Only, on Plans to Review The Consultation Process for The Prudential and Regulatory Framework Applicable to Financial Institutions (In Response To Requests Re Optimizing The Compliance Burden)

Hello,

As announced in the 2022-2023 Statement of Priorities, the AMF has undertaken, in response to requests regarding optimization of the compliance burden, to review the consultation process for the prudential and regulatory framework applicable to financial institutions .

In this perspective, you are invited to a presentation on March 23, from 9:00 to 10:30. The AMF will present the proposed basket of solutions to you. This will be a 60-minute maximum session, followed by a 30-minute discussion and question period.

The invitation will follow separately.

Please share this invitation with your members.

Please send names and email addresses to Élodie Fernandez at the following address:

elodie.fernandez@lautorite.qc.ca, so that she can send them the Teams link.

With pleasure,

Elodie Fernandez

Specialized secretary

Main directorate of supervision and resolution

From: Fernandez Elodie <Elodie.Fernandez@lautorite.qc.ca>
Sent: January-30-23 4:10 PM
To: Brendan Wycks <brendan.wycks@cafii.com>
Cc: Reid Julien <Julien.Reid@lautorite.qc.ca>; Samson Hélène <helene.samson@lautorite.qc.ca>; Trad
Karim <Karim.Trad@lautorite.qc.ca>; Déry Isabelle <Isabelle.Dery@lautorite.qc.ca>
Subject: Invitation de l'Autorité le 23 mars prochain, de 9:00@10:30

Bonjour,

Comme annoncé dans [l'Énoncé des priorités 2022-2023](#), l'Autorité s'est engagée, en réponse aux demandes concernant l'optimisation de la charge de conformité à revoir le processus de consultation de l'encadrement prudentiel et réglementaire applicable aux institutions financières.

Dans cette perspective, vous êtes invités à une présentation le **23 mars prochain, de 9:00@10:30**. L'Autorité vous présentera le panier de solutions proposé. Il s'agira d'une séance de maximum 60 minutes, suivie d'une période d'échanges et de questions, de 30 minutes.

L'invitation suivra séparément.

Merci de partager cette invitation auprès de vos membres.
Veuillez S.V.P. transmettre noms et adresses courriel à Élodie Fernandez à l'adresse suivante : elodie.fernandez@lautorite.qc.ca, afin qu'elle puisse leur faire parvenir le lien Teams.

Au plaisir,

Elodie Fernandez

Agente de secrétariat spécialisée
Direction principale de l'encadrement et résolution

Pour :

Julien Reid

Directeur principal
Direction principale de l'encadrement et de la résolution
Surintendance des institutions financières

Autorité des marchés financiers

2640, boul. Laurier, 5^e étage
Québec (Québec) G1V 5C1
Téléphone : 418 525-0337, poste 4648
Sans frais : 1 877 525-0337, poste 4648
Elodie.Fernandez@lautorite.qc.ca
www.lautorite.qc.ca

Briefing Note

CAFII EOC Meeting 21 March, 2022—Agenda Item 7(e)

Read Only Items-- March 30/23 CAFII Webinar on “Mental Health Issues In The Workplace”

Purpose of this Agenda Item – *Read Only Item*

This is a read only item.

Background Information

On 30 March, 2023 CAFII Board member from Securian Canada Nigel Branker and Telus Health executive Paula Allen will be co-panelists in a CAFII webinar on “mental health issues in the workplace.”

Recommendation / Direction Sought – *Read Only Item*

This is a read only update to the EOC.

Attachments Included with this Agenda Item

1 attachment.

Agenda Item 7(e)
March 21/23 EOC Meeting

Having trouble viewing this email? [Click Here](#)

Reminder: You are receiving this email because you have expressed an interest in the Canadian Association of Financial Institutions in Insurance.



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

You're Invited!

Mental Health Issues in the Workplace

A CAFII Virtual Fireside Chat with Paula Allen and Nigel Branker

Thursday, March 30, 2023

from 1:00pm - 2:00pm ET

via Zoom Webinar



Paula Allen

Global Leader, Research and Total Wellbeing

TELUS Health

(For capsule biography, [click here](#))



Nigel Branker

Chief Executive Officer

Securian Canada

(For capsule biography, [click here](#))

This webinar will feature two expert panelists who will address the following in a virtual Fireside Chat with CAFII moderator Keith Martin:

- Impact of workplace, economic, and societal pressures on the mental health of employees and customers;
- Emerging societal recognition that just as anyone can get physically sick, mental health issues and challenges are no different;

- Has the stigma around mental health issues really gone away?, or can a person's career still be negatively impacted if they reveal that they suffer from mental health issues?;
- Not all mental health issues have to be major incidents—the COVID-19 pandemic and its aftermath have caused low-level, chronic stress and anxiety in a lot of people's lives—is this currently a major concern, and/or something with potential long-lasting implications?;
- In addition to helping their own employees, are CAFII member companies and/or industry peers trying to help customers cope with mental health issues and challenges caused by workplace, economic, and societal pressures?

[Click Here to Register](#)

For further information or assistance, please email Buni Mba at webinars@cafii.com or call 416-494-9224 ext. 3.

We look forward to welcoming you to this 2023 CAFII webinar .

Sincerely,

Brendan Wycks, BA, MBA, CAE
Co-Executive Director
Canadian Association of Financial
Institutions in Insurance
T: (647) 218-8243
Office: (416) 494-9224
brendan.wycks@cafii.com
www.cafii.com

Keith Martin
Co-Executive Director
Canadian Association of Financial
Institutions in Insurance
T: (647) 460-7725
Office: (416) 494-9224
keith.martin@cafii.com
www.cafii.com

Canadian Association of Financial Institutions in Insurance
Tel: 416-494-9224 | info@cafii.com | www.cafii.com

Briefing Note

CAFII EOC Meeting 21 March, 2022—Agenda Item 7(f)

Read Only Items-- April 4/23 CAFII Reception Event With Kartik Sakthivel, LIMRA As Guest Speaker

Purpose of this Agenda Item – *Read Only Item*

This is a read only item.

Background Information

At the Reception immediately following the CAFII Board meeting on 4 April, 2023, Kartik Sakthivel from LIMRA/LOMA will be the guest speaker.

Recommendation / Direction Sought – *Read Only Item*

This is a read only update to the EOC.

Attachments Included with this Agenda Item

1 attachment.

Agenda Item 7(f)
March 21/23 EOC Meeting

Having trouble viewing this email? [Click Here](#)

Reminder: You are receiving this email because you have expressed an interest in the Canadian Association of Financial Institutions in Insurance.



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

You're Invited!

You are cordially invited to attend CAFII's Reception event on Tuesday, April 4, 2023. This thought leadership and networking-focused gathering will provide an opportunity to socialize informally with industry counterparts, insurance regulator and policy-maker representatives, and key contacts from allied Associations.

When: Tuesday, April 4, 2023 from 5:30 to 7:30 p.m.

Location: Vantage Venues, Inverness Room - 27th Floor, 150 King St West, Toronto (northeast corner of King St. West and University Avenue; connected to the PATH).

cafii acifa

The Canadian Association of
Financial Institutions in Insurance | L'association canadienne des
institutions financières en assurance

This Reception will feature a presentation by Kartik Sakthivel, Vice President and Chief Information Officer at LIMRA and LOMA:



Kartik Sakthivel, PhD, MS-IT/MS-CS, M.B.A., PGC-IQ

Vice President and Chief Information Officer

LIMRA and LOMA

(For capsule biography, [click here](#))

This presentation will focus on ...

Kartik will offer a sweeping overview of transformations occurring in the life and health insurance space, building on leading-edge research by LIMRA/LOMA, including:

- Technology changes and their impact on insurance, including artificial intelligence, machine learning, and other technological developments;
- The heightened expectations of insurance consumers, including around a seamless digital experience;
- The importance of delivering on diversity, equity, and inclusion in insurance companies; and
- How Canada fares in insurance innovation in comparison with other jurisdictions in the world.

Reception: Event Overview

5:30 to 6:00 Cocktails and Conversation

Networking and socializing, with beer, wine, soft drinks, snacks and hors d'oeuvres available

6:00 to 6:30 Presentation by Kartik Sakthivel Vice President and Chief Information Officer at LIMRA and LOMA

6:30 to 7:30 Reception Continues

Further networking and socializing continues

Registration is required to attend. Please RSVP to this invitation using the "Register Here" link below by 4:00 p.m. on Monday, March 27, 2023.

If you have any questions, please contact Meighan Pears at events@cafii.com

[Click Here to Register](#)

For further information or assistance, please email Meighan Pears at events@cafii.com

We look forward to welcoming you to this 2023 CAFII event!

Sincerely,

Brendan Wycks, BA, MBA, CAE
Co-Executive Director
Canadian Association of Financial
Institutions in Insurance
T: (647) 218-8243
Office: (416) 494-9224
brendan.wycks@cafii.com
www.cafii.com

Keith Martin
Co-Executive Director
Canadian Association of Financial
Institutions in Insurance
T: (647) 460-7725
Office: (416) 494-9224
keith.martin@cafii.com
www.cafii.com

Canadian Association of Financial Institutions in Insurance
Tel: 416-494-9224 | info@cafii.com | www.cafii.com

Briefing Note

CAFII EOC Meeting 21 March, 2022—Agenda Item 7(g)

Read Only Items-- April 27/23 CAFII Webinar On International Life and Health Insurance Regulatory Developments

Purpose of this Agenda Item – *Read Only Item*

This is a read only item.

Background Information

Nicholas Herbert-Young is an executive with the UK's Financial Conduct Authority (FCA), and also an active participant in the deliberations of the International Association of Insurance Supervisors (IAIS). He was recommended as a speaker by FSRA CEO Mark White. Mr. Herbert-Young will participate in a CAFII webinar on international life and health insurance regulatory developments, including the priority that the IAIS has placed on DEI initiatives.

Recommendation / Direction Sought – *Read Only Item*

This is a read only update to the EOC.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 21 March, 2022—Agenda Item 7(h)

Read Only Items-- May 9/23 CAFII Annual Members and Associates Luncheon

Purpose of this Agenda Item – Read Only Item

This is a read only item.

Background Information

Every two years, CAFII seeks to have a panel of insurance law experts as the focus of its Annual Members and Associates Luncheon. This year, the event will again be held at St. James Cathedral Centre Event Venue in Toronto, with Stuart Carruthers of Stikeman Elliott and Jill McCutcheon of Torys LLP participating in a panel that will be moderated by CAFII Co-Executive Director Keith Martin.

Recommendation / Direction Sought – Read Only Item

This is a read only update to the EOC.

Attachments Included with this Agenda Item

1 attachment.

Agenda Item 7(h)
March 21/23 EOC Meeting



Hello CAFII,

You're Invited!

You are cordially invited to attend CAFII's **2023 Annual Members and Associates Luncheon** on Tuesday, May 9, 2023 at St. James Cathedral Centre Event Venue in Toronto.



CAFII 2023 Annual Members and Associates Luncheon

This *by-personal-invitation-only* CAFII event will take place at St. James Cathedral Centre Event Venue, 65 Church St. in downtown Toronto (short walk from the King TTC station). Join us for a benefits-packed 2.5 hours of networking with fellow CAFII Member and Associate representatives; a delicious buffet lunch; and a panel presentation with Stikeman Elliot Partner Stuart Carruthers and Torgys LLP Partner Jill McCutcheon, moderated by CAFII Co-Executive Director Keith Martin.

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



Stuart Carruthers, Partner, Stikeman Elliot

Please [click here](#) for capsule biography.



Jill McCutcheon, Partner, Torys LLP

Please [click here](#) for capsule biography.

CAFII is pleased to present a stellar panel of two leading insurance law and regulatory regime experts, who will engage in a Fireside Chat with CAFII Co-Executive Director Keith Martin on changes, trends, and issues in the global and domestic insurance regulatory environments, with a particular focus on credit protection insurance, travel insurance, and life and health insurance more broadly.

When: Tuesday, May 9, 2023 from 11:45 am to 2:15 pm

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

CAFII 2023 Annual Members and Associates Luncheon: Event Overview

11:45 a.m. to 12:15 p.m.: Arrival & Pre-Lunch Networking

Check in at Registration; Network with fellow CAFII Member and Associate representatives before lunch

12:15 to 1:00 p.m.: Buffet Lunch and At-Table Conversation/Networking

1:00 to 1:10 p.m.: Coffee/Tea and Dessert (placed On tables); and At-Table
Conversation/Networking continues

1:10 to 1:15 p.m.: Welcome Remarks and Introduction of VIP Guests and Expert Panelists

1:15 to 2:00 p.m.: Fireside Chat Presentation, concluding with Q&A Session with Audience
Members

2:00 to 2:15 p.m.: Post-Event Networking

2:15 p.m.: Event concludes

Please register below by 5:00 p.m. on Monday, May 1, 2023.

If you have any questions, please contact Meighan Pears at events@cafii.com.

[Please Click Here To Register](#)

Sincerely,

Brendan Wycks, BA, MBA, CAE
Co-Executive Director
Canadian Association of Financial
Institutions in Insurance
T: (647) 218-8243
Office: (416) 494-9224
brendan.wycks@cafii.com
www.cafii.com

Keith Martin
Co-Executive Director
Canadian Association of Financial
Institutions in Insurance
T: (647) 460-7725
Office: (416) 494-9224
keith.martin@cafii.com
www.cafii.com

Canadian Association of Financial Institutions in Insurance
Tel: 416-494-9224 | info@cafii.com | www.cafii.com

Briefing Note

CAFII EOC Meeting 21 March, 2022—Agenda Item 7(i)

Read Only Items-- Confirmed Speaker for June 6/23 CAFII Reception Event

Purpose of this Agenda Item – Read Only Item

This is a read only item.

Background Information

CAFII has confirmed that at the Reception which will immediately follow the 6 June, 2023 Board meeting, the guest speaker will be Anthony Ostler, President & CEO of the Canadian Bankers Association (CBA).

Recommendation / Direction Sought – Read Only Item

This is a read only update to the EOC.

Attachments Included with this Agenda Item

No attachments.