

**CAFII EOC Meeting**

**Tuesday, May 27, 2014**

**Location: CIBC Insurance**

**Commerce Court, 199 Bay Street, 4th Floor [Imperial Room], Toronto, ON**

**1:00 – 4:00 pm**

Conference call dial-in information:

416-764-8662 or 1.888-884-4534, participant code: 771017#, moderator code: 7661560# Chair: J. Hines

**Agenda**

- |   |                            |
|---|----------------------------|
| 1. Call to Order  | J. Hines                   |
| 2. Approval of Agenda   | All                        |
| a. EOC Minutes and Action Items of April 22, 2014                     | All                        |
| 3. CAFII Financial Statement as at April 30/14                        | R. Rajaram                 |
| 4. Policy Issues and Decision Items                                   |                            |
| a. Fasken Martineau Invoice Re CNCA Continuance Legal Services        | B. Wycks                   |
| b. Application for Voting Membership from The CUMIS Group Ltd.        | B. Wycks                   |
| c. Industry Working Group on Travel Insurance Application Forms       | B. Wycks/J. Lewsen         |
| d. Possible CAFII Project on Travel Insurance                         | J. Lewsen                  |
| e. Freedom of Information Access Request Re CAFII-FSCO correspondence | B. Wycks                   |
| f. Balanced Scorecard   | B. Wycks                   |
| g. CAFII External Communications Strategy                             | B. Wycks                   |
| h. CAFII Policies   | B. Wycks/L. Duigu          |
| i. <i>In Camera</i> Discussion (see Other Business)                   | J. Hines/ G.Grant          |
| 5. Regulatory Update  |                            |
| a. Draft CAFII Submission on FSCO 2014 Statement of Priorities        | B. Wycks                   |
| b. Meeting With Manitoba Minister of Finance (April 29/14)            | M. Gill/P. Yeung/B. Wycks  |
| c. Liaison Meeting With Carolyn Rogers, Chair, CCIR (May 6/14)        | J. Lewsen/M. Gill/ G.      |
| d. Regulator and Policy-Maker Visit Plan 2014                         | Grant/M. Sanchez-Chung     |
| i. Meeting with Adam Mitton, Invest New Brunswick (June 3/14)         | B. Wycks / M. Gill         |
| ii. Rescheduling of Joint Meeting With Atlantic Canada Regulators     | B. Wycks                   |
| 6. EOC Committee Updates  |                            |
| a. Distribution and Market Conduct Committee                          | S. Manson                  |
| b. Licensing Efficiency Issues Committee                              | M. Gill                    |
| i. Representation for Restricted Licence Holders in Sask. and Alta.   |                            |
| ii. Presentation to CISRO on Multi-Jurisdictional Licensing Issues    |                            |
| c. Media and Advocacy Committee                                       | J. Lewsen/M. Gill/B. Wycks |
| d. Events and Networking Committee                                    | P. Yeung/M. Sanchez-Chung  |
| i. Confirmed Speaker for June 10, 2014 Regulatory Reception           |                            |
| ii. Confirmed Speaker for October 7, 2014 Event                       |                            |
| 7. Other Business   |                            |
| a. Alberta E&O Insurance Requirements for Restricted Licence Holders  | J. Lewsen                  |
| b. <i>In Camera</i> Discussion – Admin support                        |                            |
| 8. Adjournment  |                            |
| • Next Board Meeting is June 10, 2014 in Toronto (ON) hosted by AMEX  |                            |
| • Next EOC Meeting is June 24, 2014 in Toronto                        |                            |

**CAFII EOC Meeting Minutes  
Tuesday, April 22, 2014  
Action Items from the Meeting**

<b>Agenda Item</b>	<b>Action Item</b>	<b>Responsible</b>	<b>Deadline</b>
3a. EOC Minutes and Action Items of March 25, 2014	Raja Rajaram and Brendan Wycks to monitor CAFII's level of financial reserves and contact KPMG for advice regarding the maximum reserves threshold.	R. Rajaram, B. Wycks	Ongoing
3b. Board Minutes and Action Items of April 8, 2014	Jennifer Hines to discuss Board orientation further with Mark Cummings and Rino D'Onofrio for their feedback.  Brendan Wycks and Leya Duigu to produce a draft Table of Contents for a Board orientation package, for review.	J. Hines  B. Wycks, L. Duigu	Prior to June 10 Board meeting
4. CAFII Financial Statements as at March 31, 2014	Raja Rajaram to direct the Controller to reinvest the maturing GIC proceeds in a two-year cashable GIC at the same financial institution.	R. Rajaram	May 9
5b. Possible CAFII Project on Travel Insurance	<ul style="list-style-type: none"> <li>EOC Members to reflect on this issue further</li> <li>This issue to be brought forward to the May 27, 2014 EOC agenda for further discussion.</li> <li>Brendan Wycks to send the EOC an update on his meeting with CLHIA about the proposed pan-industry project group on travel insurance; and provide a more substantive progress report at the next EOC meeting .</li> </ul>	EOC Members  L. Duigu  B. Wycks	May 27  May 22  April/May
5c. Application for Voting Membership from The CUMIS Group Ltd.	CAFII members to review consultation submissions made by The CUMIS Group Ltd., to confirm that its stances are well-aligned with CAFII's policy positions and that it is supportive of our perspectives on access and distribution.	EOC Members	May 27
8a. Update on CNCA Continuance	A thank you note to be sent to Fasken Martineau once the CNCA continuance work is fully complete.	B. Wycks	June 15

**CAFII EOC Meeting**  
**Tuesday, April 22, 2014**  
**Location: RBC Insurance**  
**RBC Insurance, Royal Bank Plaza, South Tower, Capital Markets**  
**200 Bay St., 5<sup>th</sup> Floor [Richardson Room], Toronto, ON**

<b>Present:</b>	Rose Beckford	ScotiaLife Financial <i>(by teleconference)</i>
	Charles Blaquiere	Canadian Premier Life Insurance Co.
	Emily Brown	BMO Insurance
	Isabelle Choquette	Desjardins Financial Security Life Assurance <i>(by teleconference)</i>
	Moirra Gill	TD Insurance
	Greg Grant	CIBC Insurance
	Jennifer Hines	RBC Insurance, Chair
	John Lewsen	BMO Insurance
	Sue Manson	CIBC Insurance
	Raja Rajaram	CIBC Insurance <i>(by teleconference, for part)</i>
	Maria Sanchez-Chung	TD Insurance <i>(by teleconference)</i>
	Paul Yeung	RBC Insurance <i>(by teleconference, for part)</i>
 <b>Regrets:</b>	 Derek Blake	 RBC Insurance
	Eleanore Fang	TD Insurance
	Andre Duval	Desjardins Financial Security Life Assurance
	Brian Wise	Assurant Solutions
	Cecilia Xiao	Assurant Solutions
 <b>Also Present:</b>	 Kathryn Beck	 Fasken Martineau <i>(for part)</i>
	Leya Duigu	T•O Corporate Services
	Pamela Smith	T•O Corporate Services <i>(for part)</i>
	Brendan Wycks	CAFII Executive Director

**1. Call to Order**

The meeting was called to order at 1:05 pm. Jennifer Hines acted as Chair and Leya Duigu acted as Recording Secretary.

**2. Approval of Agenda**

The agenda was approved as presented.

**3. Minutes and Action Items**

**a. EOC Minutes and Action Items of March 25, 2014**

The Action Items were reviewed. One of the follow-up items from last month's meeting was confirming CAFII's maximum reserves threshold and it was confirmed that the Association's current reserves already exceed the maximum threshold identified in the policy. It would therefore be prudent to discuss what this means and how to address it. Additional information shall be sought prior to the next meeting, including advice from CAFII auditors KPMG, with the goal of creating a strategy for Board approval.

All other Action Items have either been completed or will be addressed in today's agenda.

**Action:** Raja Rajaram and Brendan Wycks to monitor CAFII's level of financial reserves and contact KPMG for advice regarding the maximum reserves threshold.

**b. Board Minutes and Action Items of April 8, 2014**

There are and will be a number of new Directors joining the CAFII Board this year, which prompted the EOC to discuss methods for briefing them on CAFII issues and decisions. Suggestions included building in context and background information on each item requiring a decision; providing previous documents and data; and holding an orientation session for new Board and EOC members. Relevant information could include the Competition Policy and the rationale for it; CAFII research that has been conducted; and the Association's policies.

**Action:** Jennifer Hines to discuss orientation for new Directors further with Mark Cummings and Rino D'Onofrio for their feedback.

**Action:** Brendan Wycks and Leya Duigu to produce a draft Table of Contents for a Board Orientation Package, for the EOC's review.

**4. CAFII Financial Management**

**a. Financial Statements as at March 31, 2014**

Raja Rajaram reported on the CAFII Financial Statements as at March 31, 2014. Looking at the Statement of Operations, the excess of revenue over expenses is \$23,399 and membership dues have been received from all but three Associate members. The Balance Sheet is at \$454,298 in total liabilities and unrestricted net assets.

A maturing GIC was discussed and it was decided that, to maintain liquidity, the proceeds should be reinvested in a cashable GIC at the current financial institution.

**Action:** Raja Rajaram to direct the Controller to reinvest the maturing GIC amount in a two-year cashable GIC.

*Raja Rajaram left the meeting at 1:25 pm*

**5. Policy Issues and Decision Items**

**a. Balanced Scorecard**

Brendan Wycks reported that the Balanced Scorecard had been updated based on feedback received at the April 8, 2014 Board meeting and he summarized the changes. This item will be added to the agenda for the next EOC meeting in May with the goal of discussing progress to date. Regular status reporting at EOC and Board meetings will also apply to the Communications Strategy.

**b. Possible CAFII Project on Travel Insurance**

Members discussed the issue of travel insurance which has been on the radar of several regulators for some time now. John Lewsen noted that in past years, CAFII has performed benchmarking activities on possible risk areas. Travel insurance has been cited by regulators as a source of concern on a few occasions, so perhaps this is an issue that the Association should look into in a comprehensive manner, such as has been done on other critical industry issues by investing in an assessment report from independent third party experts.

One of the issues with travel insurance is that the product is usually purchased without any advice and there is a perception that this is becoming an area of high risk. It appears that many people don't understand travel insurance and this could be addressed through education. In addition, the potential issue of redundancy of travel insurance coverage should be included as this insurance can be available through a credit card, via an employer-sponsored benefits plan, and purchased directly when booking travel.

It was noted that a special task force or ad hoc committee could be formed to take on this issue.

With respect to a possible CAFII project on travel insurance, it was agreed that the next steps would be:

**Action:**

- i. EOC Members to reflect on this issue further; and
- ii. This issue to be brought forward to the May 27, 2014 EOC agenda for further discussion.

On a separate but related matter arising from regulators' concerns about travel insurance, Brendan Wycks reported that, as authorized by the Board of Directors on April 8, 2014, he had reached out to CLHIA, via email, about the prospect of forming a pan-industry project group on travel insurance application forms and medical questionnaires, which would also likely include the Travel Health Insurance Association (THIA). He would be meeting with CLHIA representatives about this in two days' time.

EOC members discussed which organization should be leading the project and whether the issue is related to distribution or product design. From an insurance standpoint, it was agreed that banks are more on the periphery so it would be appropriate if CAFII was to co-lead the initiative, which is seen as being central to THIA.

**Action:** Brendan Wycks to send the EOC an update on his meeting with CLHIA about the proposed pan-industry project group on travel insurance; and provide a more substantive progress report at the next EOC meeting .

**c. Application for Voting Membership from The CUMIS Group Ltd.**

The Association has received a Voting Member application from The CUMIS Group Ltd. The applicant is aware that its membership must be supported by an existing Foundation Member to be considered.

Brendan Wycks recommended that in addition to this pre-requisite of a referral/recommendation, an interview with one or more principals of an applicant organization should be part of the screening process for a prospective new Voting Member.

Members discussed the possible effects of CUMIS becoming a Voting Member and the likely reasons for its pursuing this type of membership.

It was noted that should CUMIS join the Association, that would contribute to the fulfillment of CAFII's mandate to expand its footprint.

**Action:** CAFII members to review consultation submissions made by The CUMIS Group Ltd., to confirm that its stances are well-aligned with CAFII's policy positions and that it is supportive of our perspectives on access and distribution.

## **6. Regulatory Update**

The following items, included in the Regulatory Update for this meeting, were discussed:

### **a. BC FICOM's Creditor's Group Insurance Issue**

A short open letter regarding the Creditors Group Insurance issue was posted online on April 17 and most organizations would have received it by now. Members discussed the letter and determined that CAFII does not need to issue an Association response on behalf of the industry.

### **b. Regulatory Visit Plan 2014**

#### **i. Meeting with Manitoba Minister of Finance (April 29)**

A CAFII delegation made up of Brendan Wycks, Moira Gill and Paul Yeung will be travelling to Winnipeg next week to meet with the Manitoba Minister of Finance. An additional meeting with the Superintendent of Insurance, Deputy Superintendent, and Executive Director of the Insurance Council has also been scheduled.

Jennifer Hines noted that since some attendees have no other reason, logistically, to be in Manitoba, therefore CAFII will be covering their travel expenses under the appropriate budget line items.

#### **ii. Joint Meeting with Atlantic Canada Insurance Regulators (May 15)**

CAFII is working on the final organizational details for the scheduled joint meeting with the Atlantic Canada Insurance regulators on May 15. Brendan Wycks and Sue Manson are working on an updated presentation on the under-served market for the meeting, which can be delivered in-person as well as online.

#### **iii. One-on-One Stakeholder Meeting with LLQP Committee (May 28)**

One-on-one Stakeholder Meetings with CISRO's LLQP Committee will be occurring again at the end of May and Brendan Wycks will be seeking to enlist Sandy Prokop and Laura Bedford from RBC Insurance to join him again in representing CAFII at this meeting.

## **7. EOC Committee Updates**

### **a. Distribution and Market Conduct Committee**

Sue Manson, Chair of the DMC, advised that the Comparative Value of Creditor's Group Insurance Project is proceeding as planned. The final survey of CAFII members, which will be more refined than the draft sent out a few weeks ago, will be distributed in late May or early June.

### **b. Licensing Efficiency Issues Committee**

#### **i. Representation for Restricted Licensees in SK and AB**

Moira Gill, Chair of the LEIC, reported that Ron Fullan, Executive Director of the Insurance Councils of Saskatchewan, has confirmed that he is comfortable with CAFII's Concept Proposal for Restricted Licence Holders in Saskatchewan Representation and intends to move forward on it. However, he is currently fully engaged in CISRO's LLQP Committee work which is causing delays for his other projects. He indicated that an instance had arose recently in which the existence of an Advisory Committee would have been beneficial to the Insurance Councils of Saskatchewan.

### **c. Media and Communications Committee**

Brendan Wycks reported that the Media and Communications Committee was currently draft FAQ's on Creditor's Insurance, intended for submission to the FCAC for its website, which he had prepared. The next steps entail a review, for accuracy and completeness, by compliance and/or product people within some member FIs, beginning with RBC Insurance. Once the FAQs are finalized, the updated content can also be used on the CAFII web site.

John Lewsen, Paul Yeung, and Brendan Wycks reported that the half-day Media Training Workshop with Patrick McGee on March 26 had been very successful and productive. The session included some mock interviews for Brendan, as spokesperson for the Association, around creditor's insurance, key messages, proof points, and the need to continually bring a human interest angle to the fore.

In future, CAFII will plan to have a Media Roundtable, which entails inviting friendly media to a general presentation and Q&A about creditor insurance. The goals of that session will be to get CAFII's name out there; for Brendan Wycks to develop a first name-basis relationship with the reporters; and to build towards the Association becoming a "go to" resource on creditor insurance.

It was suggested and agreed that once CAFII's Key Messages, Stock Answers, and Story Scenarios are finalized, it would be worthwhile to have Patrick McGee review and critique them.

### **d. Events and Networking Committee**

Maria Sanchez-Chung confirmed that newly appointed FCAC Deputy Commissioner Brigitte Goulard will be the guest speaker at CAFII's Reception event on June 10, 2014. A preparatory meeting to brief Ms. Goulard is being scheduled for early May.

## 8. Other Business

### a. Update on CNCA Continuance

Pamela Smith provided a brief update on the progress of the CAFII's transition and continuance under the Canada Non-Profit Corporations Act (CNCA). The recently amended CAFII by-laws document has been signed and sent to Industry Canada; this is the last time the Association will require the Industry Minister's approval for such changes.

The CNCA transition documents were approved at the April 8, 2014 Board meeting and will therefore be presented at the Annual and Special Meeting on June 10, 2014, for confirmation by the membership.

The EOC recognized and thanked the members of the CNCA Continuance Task Force for their work on this initiative.

**Action:** A thank you note to be sent to Fasken Martineau once all CNCA Continuance work is complete.

## 9. Termination

There being no further business, the meeting terminated at 3:25 p.m. The next CAFII EOC Meeting will be held on May 27, 2014, in Toronto.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Recording Secretary



# CAFII

55 St Clair Ave West, Suite 255  
Toronto, ON M4V 2Y7

## Statement of Operations

As at April 30, 2014

REVENUE	Current Month	Current YTD	Budget 2014	% Used	YTD 2013 Balance	% Used YTD 2013
Membership Fees	\$33,375	\$133,500	\$400,500	33%	\$136,700	36%
Interest Revenue	\$43	\$174	\$720	24%	\$248	248%
<b>TOTAL REVENUE</b>	<b>\$33,418</b>	<b>\$133,674</b>	<b>\$401,220</b>	<b>33%</b>	<b>\$136,948</b>	<b>35%</b>
<b>EXPENSE</b>						
<b>Association Operating Expenses</b>						
Management Fees	\$19,279	\$77,282	223,380	35%	\$74,590	108%
Lawrie Savage Fees	\$0	\$0	-		\$0	0%
CAFII Legal Fees/Corporate Governance	\$0	\$2,825	19,500	14%	\$0	0%
Audit Fees	\$0	\$0	14,000	0%	\$1,617	16%
Insurance	\$439	\$1,754	5,368	33%	\$946	22%
Website (incl translation)	\$331	\$331	540	61%	\$31	6%
Telephone/Fax/Internet	\$417	\$1,538	2,250	68%	\$1,365	63%
Postage/Courier	\$29	\$211	500	42%	\$108	10%
Office Expenses	\$312	\$1,423	4,500	32%	\$807	30%
Bank Charges	\$0	\$0	38	0%	\$70	3%
Miscellaneous Expenses	\$0	\$0	-	0%	\$0	0%
Amortization Expense	\$0	\$0	-	0%	\$0	0%
Depreciation Computer/Office Equipm <sup>1</sup>	\$39	\$156	640	0%	\$272	10%
<b>Sub Total Association Operating Expenses</b>	<b>\$20,845</b>	<b>\$85,519</b>	<b>\$270,716</b>	<b>32%</b>	<b>\$79,806</b>	
<b>Distribution &amp; Market Conduct Committee</b>						
Provincial Regulatory Review	\$872	\$2,474	3,000	82%	\$26	0%
Research/Studies	\$0	\$0	50,000	0%	\$0	0%
<b>Sub Total Distribution &amp; Market Conduct Committee</b>	<b>\$872</b>	<b>\$2,474</b>	<b>\$53,000</b>	<b>5%</b>	<b>\$26</b>	
<b>Licensing Efficiency Issues Committee</b>						
Regulatory Model (s)	\$614	\$1,710	12,000	14%	\$15	1%
Federal Financial Reform	\$0	\$101	3,000		\$0	0%
<b>Sub Total Licensing Efficiency Issues Committee</b>	<b>\$614</b>	<b>\$1,811</b>	<b>\$15,000</b>	<b>12%</b>	<b>\$15</b>	
<b>Media &amp; Advocacy Strategy Committee</b>						
Tactical Communications Strategy	\$1,742	\$2,041	51,500	4%	\$11	0%
Association Branding	\$1,130	\$1,130	2,500	45%	\$0	0%
<b>Sub Total Media &amp; Advocacy Strategy Committee</b>	<b>\$2,872</b>	<b>\$3,171</b>	<b>\$54,000</b>	<b>6%</b>	<b>\$11</b>	
<b>Networking &amp; Events Committee</b>						
Board/EOC/AGM Expense <sup>2</sup>	\$1,771	\$10,846	20,500	53%	\$10,982	52%
Networking Events	\$0	\$9	1,756	1%	\$0	0%
15th Anniversary Event	\$0	\$0	-	#DIV/0!	\$5,346	25%
<b>Sub Total Networking &amp; Events Committee</b>	<b>\$1,771</b>	<b>\$10,855</b>	<b>\$22,256</b>	<b>49%</b>	<b>\$16,329</b>	
<b>Media Relations, CAFII Consultant</b>						
Media Relations, CAFII Consultant	\$0	\$0	-		\$0	0%
<b>Sub Total Media Relations, CAFII Consultant</b>	<b>\$0</b>	<b>\$0</b>			<b>\$0</b>	
<b>TOTAL EXPENSE</b>	<b>\$26,974</b>	<b>\$103,830</b>	<b>414,972</b>	<b>25%</b>	<b>\$96,187</b>	<b>24%</b>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$6,445</b>	<b>\$29,844</b>	<b>(\$13,752)</b>		<b>40,761.30</b>	

### Explanatory Notes:

- (1) Amortization of office equipment based on 4 year straight line depreciation  
(2) Board meetings and receptions, special Board or EOC lunch meetings, speaker expenses

# CAFII

Toronto, ON M4V 2Y7

## Membership Fees

As At April 30, 2014

	<u>Jan-14</u>		<u>Jul-14</u>	
	<u>Billed</u>	<u>Received</u>	<u>Billed</u>	<u>Received</u>
BMO Bank of Montreal	\$ 23,500.00	Mar7,2014	\$ 23,500.00	
CIBC Insurance	\$ 23,500.00	Mar20,2014	\$ 23,500.00	
RBC Insurance	\$ 23,500.00	Mar17,2014	\$ 23,500.00	
ScotiaLife Financial	\$ 23,500.00	Mar7,2014	\$ 23,500.00	
TD Insurance	\$ 23,500.00	Mar7,2014	\$ 23,500.00	
AMEX Bank of Canada	\$ 11,750.00	Apr7,2014	\$ 11,750.00	
Assurant Solutions	\$ 11,750.00	Apr7,2014	\$ 11,750.00	
Canadian Premier Life Insurance Company	\$ 11,750.00	Apr7,2014	\$ 11,750.00	
Desjardins Financial Security Life Assurance Company	\$ 11,750.00	Apr7,2014	\$ 11,750.00	Apr7,2014
National Bank Insurance Company	\$ 11,750.00	Apr7,2014	\$ 11,750.00	
Aimia	\$ 4,800.00	Mar7,2014		
Avalon Actuarial	\$ 4,800.00	Mar20,2014		
Collins Barrow Toronto Actuarial Services	\$ 4,800.00			
CSI Brokers Inc.	\$ 4,800.00			
KPMG	\$ 4,800.00			
Laurentian Bank of Canada	\$ 4,800.00	Mar20,2014		
Munich Re	\$ 4,800.00	Mar7,2014		
Optima Communications	\$ 4,800.00	Mar20,2014		
RGA Life Reinsurance Company of Canada	\$ 4,800.00	Apr7,2014		
The Canada Life Assurance Company	\$ 4,800.00	Mar20,2014		
<b>January Invoices</b>	<b>\$224,250</b>		<b>\$176,250</b>	
<b>July Invoices</b>	<b>\$176,250</b>			
<b>Total Membership Fees</b>	<b>\$400,500</b>			
Total amount to realocate monthly Jan-Dec	\$33,375			

# CAFI

55 St Clair Ave West, Suite 255

Toronto, ON M4V 2Y7

## Balance Sheet

As at April 30, 2014

ASSETS	Current 2014
<b>Current Assets</b>	
Bank Balance	\$370,450
Investments <sup>A</sup>	\$52,852
Accounts Receivable	\$2,650
Interest Receivable	\$518
Prepaid Expenses	\$439
Computer/Office Equipment	\$2,334
Accumulated Depreciation -Comp/Equip	(\$778)
Intangible Assets-Trademarks	\$0
Accumulated Amortization-Trademark	\$0
<b>Total Current Assets</b>	<b>\$428,465</b>
<b>TOTAL ASSETS</b>	<b>\$428,465</b>
<b>LIABILITIES</b>	
Current Liabilities	
Account Payable <sup>B</sup>	\$19,696
Deferred Revenue	\$90,750
Total Current liabilities	\$110,446
<b>TOTAL LIABILITIES</b>	<b>\$110,446</b>
<b>UNRESTRICTED NET ASSETS</b>	
Unrestricted Net Assets, beginning of year	\$288,175
Excess of revenue over expenses	\$29,844
Total Unrestricted Net Assets	\$318,019
<b>Total Unrestricted Net Assets</b>	<b>\$318,019</b>
<b>TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS</b>	<b>\$428,465</b>

### Minimum Reserve = Greater of:

Reserve at 25% of Annual Operating Expense =	\$ 61,570
Reserve at 6 months of Operating Expense =	\$ 122,134

### 2013 Reserve (based on 6 month Reserve):

**C A F I I**  
55 St Clair Ave West, Suite 255  
Toronto, ON, M4V 2Y7  
**Balance Sheet Items**  
**As at April 30, 2014**

**Item A**

**Investment Portfolio**

Investment Type	Issue Date	Principal	Rate	Deemed Interest	Maturity Date
Cashable GIC #0087-8019718-12	May-07-13	\$52,852.40	1.00%	\$528.52	May-07-14
<b>Total</b>		<b>\$52,852.40</b>		<b>\$528.52</b>	

**Item B**

**Accounts Payable**

Total
2,902.74
1,130.00
1,289.90
<u>14,373.60</u>

## Leya Duigu

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**From:** Brendan Wycks [mailto:brendan.wycks@cafii.com]  
**Sent:** May-21-14 1:31 PM  
**To:** jennifer.hines@rbc.com; john.lewsen@bmo.com  
**Cc:** Leya Duigu  
**Subject:** Fasken Martineau's Invoice To CAFII For CNCA Compliance/Continuance Legal Services

Hi, Jennifer and John

I recommend that this issue be added to next week's EOC agenda for discussion and a decision. I've therefore included it on the draft agenda under Policy Issues and Decision Items. Please advise if you think this would be best handled in some other manner.

Here's a summary of the issue:

CAFII's CNCA compliance/continuance work is now largely complete. And as per the attached pro forma invoice from Fasken Martineau, the amount of time that lawyers Kathryn Beck and Koker Christensen spent on our CNCA Continuance file amounts to well over the \$9,000 estimated in the firm's proposal to us.

In fact, the pro forma invoice -- which Faskens has not yet issued and which Koker called me about last week to discuss -- amounts to \$22, 266.10 or more than \$13K higher than the proposal.

It's perhaps not surprising that the billing is higher than the original proposal/estimate, given that some of what we ended up asking Faskens to do was out-of-scope from the proposal. What is perhaps surprising is the magnitude/quantum of the difference.

The main driver of the overage is the fact that we asked Faskens to expand their work and help the Association navigate through the legal requirements of a **two-stage** process, which would allow us to remove Associate Members as a membership class, in the first instance, before then having Foundation and Voting Members approve a revised Bylaw for ratification by the full membership (which no longer includes Associate Members) at a Special Meeting on June 10.

That said, at no point did Faskens warn CAFII or provide a heads-up revised estimate of what moving to in terms of a revised legal services invoice.

In calling me to provide a heads-up and discuss the pending invoice, Koker did not take a hard line and did not say that CAFII must pay the full amount that is due. Rather, he recognizes that the amount of the invoice will be something of an unpleasant surprise and take us aback; and Faskens is interested in cultivating a long-term client relationship with CAFII.

After telling me about the amount of the pending \$22K invoice, Koker offered to send me the pro forma for consideration and discussion among the Association's leaders. He essentially is now looking to CAFII to come back to him with a proposal on the amount of the billing and how we can settle the account in a win-win manner.

After reflecting on this, my recommendation to the EOC is that CAFII meet Faskens half-way on the difference between the original proposal and the pro forma invoice. In other words, we would be willing to pay \$15,663.05 (plus taxes).

Your comments/feedback on this would be appreciated.

Brendan Wycks, BA, MBA, CAE  
Executive Director  
Canadian Association of Financial Institutions in Insurance  
Cell: (647) 218-8243  
Alternate: (647) 361-9852  
[brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)

## Application for Voting Member or Associate Status

Organization Name: The CUMIS Group Limited

Representative's Name and Title: Colleen Hyslop Senior Manager, Corporate & Board Relations and  
Assistant Corporate Secretary

Address: 151 North Service Road

City: Burlington

Province: Ontario

Postal Code: L7R 4C2

Phone - Main: 905.631.4888

Direct: 905.631.4888

Fax: 905.632.6871

Email: colleen.hyslop@cumis.com

Website: www.cumis.com

Parent Company: The Co-operators Group Limited

Asset Size of Corporate Family: \$35.5 billion

### Membership Classification & Fees:

#### I. VOTING

☐ \$47,000

☒ \$23,500

Financial organizations involved in the business of insurance in Canada are eligible to apply for Voting Member status. Voting Members are entitled to a single vote on Association decisions, regardless of corporate size. Dues are \$47,000 per annum for companies with consolidated corporate family assets of \$75 billion CAD or greater, and \$23,500 per annum for companies with consolidated corporate family assets below that threshold. Dues are payable in equal semi-annual instalments.

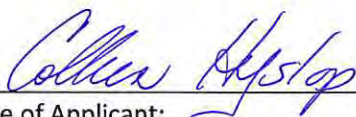
#### II. ASSOCIATE (non-voting status)

☐ \$4,800

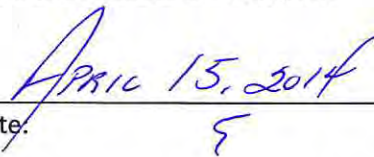
Organizations that are business partners of CAFII members or otherwise support the Association's goals are eligible to apply for Associate status. Associates receive periodic CAFII communications and invitations to CAFII events. Associate dues are \$4,800 per annum payable in one instalment.

*CAFII Voting Member or  
Associate Status is valid from  
January 1 to December 31 each year.*

Signature of Applicant:



Date:



As a signing authority, I hereby acknowledge that as an applicant for Voting Member or Associate status in CAFII, my organization supports the Association's mission, objectives, and policy positions.



***Agenda Item 4(b)(ii)  
May 27, 2014 EOC Meeting***

**From:** Blaquiere, Charles [<mailto:CBlaquiere@AEGONUSA.com>]  
**Sent:** Thursday, May 01, 2014 4:25 PM  
**To:** Brendan Wycks ([brendan.wycks@cafii.com](mailto:brendan.wycks@cafii.com)); 'Hines, Jennifer'  
**Cc:** Grant, Greg; [moira.gill@td.com](mailto:moira.gill@td.com)  
**Subject:** CUMIS

Brendan/Jennifer,

In consideration of CUMIS's application to become a CAFII member, the following is what I have been able to find out from CRI Canada regarding CUMIS, along some observations as to what might have motivated CUMIS to make an application at this time. CRI Canada, like Canadian Premier Life Insurance, is an Aegon N.V. company that falls under the Transamerica umbrella in North America. In Canada, Canadian Premier Life partners primarily with FI's and retail card issuers and CRI Canada support the Credit Union sector. Our CRI Canada business operates primarily in the western provinces. Although my team at CPL does not work directly with Credit Unions, we support CRI's insurance product development and administration needs nationally.

**Insight on CUMIS as an organization:** CUMIS' principal companies are CUMIS Life Insurance Company and CUMIS General Insurance Company. CUMIS also has a 50 per cent interest in Credential Financial Inc. CUMIS is jointly owned by Co-operators Life Insurance Company and Central 1 Credit Union.

CUMIS provides a full range of personal insurance, including credit and mortgage protection; life; disability and critical illness; home; auto; travel and employee benefits. It also provides business, liability and property insurance to credit unions themselves, as well as wealth management services and products, including credit union group retirement plans.

Co-operators Life Insurance Company, is a part of The Co-operators - a group of Canadian companies offering home, auto, life, group, travel, commercial and farm insurance, as well as investment products. The Co-operators Group Limited is a 100 per cent Canadian-owned co-operative. It is owned by a group of Canadian co-operatives, credit union centrals.

Central 1 Credit Union is the central liquidity management facility and trade association for its nearly 200 member credit unions in B.C. and Ontario. Provides a wide range of services, including liquidity management, payments settlement, Internet financial services and trade association functions.

Has anything changed with CUMIS and is this a move to get closer to the banks, regulators, etc.?

Due to organizational structure change .....formally CUNA Mutual Group held 87.4 per cent prior Dec 2009 (change in ownership occurred in 2010) of CUMIS.

Perhaps their motivation to apply for CAFII membership is to get even closer to Canadian issues , regulators etc not that their strategic messaging (CUMIS) changed when organizational ownership changes occurred and became 100% Canadian owned...

Two of the more significant and related areas of focus for CUMIS at the moment consistent with what CRI Canada is dealing with are:

1. Federal Regulated Credit Unions – allowing credit unions to expand their businesses outside of provincial borders
2. Provincial Insurance Regulatory Reviews - across all provincial sectors. Manitoba Review Committee are currently in the process of finalizing their decisions re: required licensing for CU that sell insurance at the branch level etc.... Credit Unions and supporting organizations are looking to adopt what SK did a number of years ago with Restricted licensing etc....in addition the introduction of tax in MB on creditor products for members etc.

Are credit unions dealing with new challenges associated with insurance regulators?

Being at the forefront of understanding the movement in the insurance space and financial sector, the options available for consideration, ability to lobby and provide valuable insight in this area for their partners (credit union branches and members) is key in the current credit union environment and a real value add for organizations who support or partner with credit unions.

Credit Unions are looking to align themselves with partners that have the expertise, solutions and service to assist them in making these decisions or can provide this insight etc....

**Charles Blaquiere**

Vice President, Canadian Market, Financial Solutions Group  
Canadian Premier Life Insurance Company  
5000 Yonge St.  
Toronto, Ontario, M2N 7J8



**Summary Notes From Initial Teleconference Meeting of Industry Associations Around Proposed  
“Pan-Industry Project Group On Travel Insurance”  
Tuesday, May 13, 2014, 2:00 to 3:00 p.m.**

**Confidential: Not For Distribution**

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**Attendees:**

CAFII: John Lewsen, BMO Insurance; Brendan Wycks, Executive Director

CLHIA: Karen Voin, Director, Health and Dental

THiA: John Thain, Assurant Solutions, and President, THiA; David Hartman, Travel Insurance Co-ordinators, a Co-operators Group company, and Past-President, THiA; Alex Bittner, Manulife Financial

Karen Voin of CLHIA served as chair/moderator of this teleconference. She asked Brendan Wycks of CAFII to provide the background as to why CAFII had recently made an outreach to CLHIA – as a precursor to engaging with THiA as well -- about the prospects of forming a pan-industry project group to deal collectively with concerns being expressed by regulators about travel insurance.

Brendan Wycks shared a summary of the notes from recent CAFII liaison discussions with the Canadian Council of Insurance Regulators and the Alberta Insurance Council in which consumer protection concerns were cited with respect to travel insurance. In both of these recent meetings, the regulators encouraged CAFII to take the initiative to engage with other industry stakeholders – namely CLHIA and THiA -- and to take a pan-industry approach to dealing with the concerns.

Mr. Wycks advised that the regulators’ concerns expressed about travel insurance boil down to two major issues:

- Consumers don’t understand what they’re buying because travel insurance application forms and related medical questionnaires that are sometimes required are too complex. Hence, consumers are sometimes dumbfounded and feel hugely offended when their claim may be denied due to failure to report or incorrect reporting of a pre-existing condition, when they feel that they completed the application from honestly and completely. Such claims denial scenarios are often “blow up” when the insured complains to their MLA and the issue is raised with the province’s Minister responsible for the insurance sector; and
- Consumers sometimes have a redundancy of travel insurance coverage – as they have it through their employer’s group plan; through a credit card; and/or may purchase it privately – and the insurance salesperson is not raising and advising the consumer of this possible redundancy. The regulators see this as an issue related to the “Treat the Customer Fairly” imperative embedded in the International Association of Insurance Supervisors’ Insurance Core Principles (ICPs) and as central to market conduct regulation.

Mr. Wycks concluded by advising that the Alberta Insurance Council was very supportive of an approach that would see a multi-partite industry group tackle these issues, which as it had been suggested that the group might include regulator representation from CISRO and/or CCIR.

Karen Voin added that CLHIA has also learned from CCIR that it has some specific concerns related to the “white labeling” of travel insurance.

Karen Voin then asked John Thain, THiA Chair, to outline some recent work that his Association has done related to the regulators’ concerns.

John Thain advised that THiA formed a special committee about a year ago to deal with many of the issues that the regulators have been raising with respect to travel insurance. The committee has been meeting regularly since August 2013, and has broken up into four subgroups. He indicated that the committee’s mandate was to address

- Confusion in medical questionnaires – format, application and questions are perceived as too confusing;
- Pre-existing conditions and stability – concept and industry usage of the terms are inconsistent;
- Lack of advice about products; advice is not available in all distribution channels;
- Consumers want “peace of mind” to know what they are and are not covered for when they travel.

Mr. Thain noted that there was broad representation on THiA’s special committee, including representatives from Medipac, CAA, Travel Insurance Co-ordinators, Avalon Actuarial, and others.

The THiA committee just gave a presentation on the results and recommendations stemming from its work to the THiA membership at the Association’s annual conference a week ago. The THiA membership has been asked to provide feedback on the committee’s report by June 30, 2014. The recommendations are then slated to be finalized at THiA’s AGM in September 2014, with a view to changes being implemented over the course of 2015 for the beginning of the 2016 selling season.

Mr. Thain advised that the work the THiA has already done on addressing many of the regulators’ concerns has definitely raised the visibility and profile of the Association in the regulator community.

In response to a question from John Lewsen, the THiA representatives indicated that both insurers and distributors had been represented on the special committee; that the direct distribution channel had been well-represented; and that one of the recommendations related to advice and a tick-box approach at point-of-sale.

Karen Voin then asked for participants’ views on whether there is an opportunity to build on THiA’s groundwork as a broader industry group?

John Thain said yes, noting that bringing the weight of CLHIA and CAFII to the initiative would bring greater clout for the recommendations with all stakeholders.

David Hartman said yes, noting that – subject to THiA Executive Committee approval in a teleconference taking place two days hence – THiA would be willing to share its already developed resources as a significant headstart for a multi-Association group’s work. He also noted that one of the special committee’s four subgroups is tasked with education, and taking a broader approach to secure pan-industry consensus dovetailed nicely with its objectives.

Alex Bittner said yes, noting that if a joint, pan-industry committee was looked upon favourably by the regulators, then THiA would also support that approach.

John Thain advised that in recent years, THiA had commissioned legal counsel to do an analysis of licensing requirements for travel insurance in the provinces across the country. There is a wide diversity in those requirements, and little uniformity.

David Hartman indicated that he takes issue, to a degree, with the regulator concern about redundancy and duplication of travel insurance coverage, because the industry already deals with that through “co-ordination of benefits.”

In concluding discussion, the representatives of the three Associations participating agreed that there was sufficient common ground and interest to justify proceeding with further discussions about a Multi-Partite Industry Working Group on Travel Insurance, Including Application Forms and Medical Questionnaires.

A subsequent teleconference meeting was set for Thursday, May 22 at 2:00 p.m. Eastern, at which time the THiA representatives would be able to report on the discussion of this proposed initiative with their Association’s Executive Committee.

*NOTE: Minutes are confidential and not intended for broad distribution, until the project group has had an opportunity to establish the governance of this initiative.*

### ***Proposed Pan-Industry Travel Insurance Project Group***

**Stakeholders:** Travel Health Insurance Association of Canada (THiA)  
Canadian Life and Health Insurance Association (CLHIA)  
Canadian Association of Financial Institutions in Insurance (CAFII)

**Attendees:**

CAFII: John Lewsen, BMO Insurance (for part); Brendan Wycks, Executive Director; Leya Duigu, Administrative Coordinator

CLHIA: Karen Voin, Director, Health and Dental

THiA: John Thain, Assurant Solutions, and President, THiA; Alex Bittner, Manulife Financial

**Date:** Thursday, May 22, 2014 at 2:00 pm

**Location:** Conference call

**Introductions**

- Karen Voin, Director, Health and Dental, CLHIA. Represents CLHIA member companies.
- Brendan, Executive Director, CAFII. Represents CAFII member financial institutions on industry issues.
- John Lewsen is a member of CAFII's Executive Operations Committee; and Chief Compliance Officer at BMO Insurance.
- Leya Duigu, Administrative Coordinator, CAFII and will be supporting the group in a Secretarial capacity by taking notes.
- John Thain, current President of THiA and Director, Inclusive Benefits and Ombudsman at Assurant Solutions. John's term will be ending at THiA's AGM in September 2014 and he will be continuing on for a further year as Past-President.
- Alex Bittner, Director of Broker Specialty, Manulife Financial, specializing in travel insurance. On the Executive ladder to become President of THiA in September 2014.
- David Hartman (absent from this meeting) is currently Immediate Past-President of THiA; and CEO of Travel Insurance Co-ordinators, a Co-operators Group company. Will be stepping off the THiA Executive in September 2014. But has been a key member of THiA's recent task force on travel insurance issues. He indicated on the last call that he is passionate about this issue and would be willing to serve on a pan-industry group beyond September 2014 to achieve broad industry solutions.

This is the second preliminary meeting of this group and, moving forward, an agenda shall be produced in advance of each meeting to help facilitate discussion and allow members to be prepared.

It was noted that Carlos Coutinho, Vice President of Travel Insurance at Orion Insurance, a spinoff from CAA South Central Ontario, is Chair of the THiA's travel insurance task force and can offer this group his expertise on the issues, as requested.

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It was noted that while the three organizations present (CAFII, CLHIA, THiA) represent a broad spectrum of travel insurance underwriters and distributors, this group is potentially missing some companies that are in the business and are not members of any of our organizations. For example, some p&c companies that are likely members of the Insurance Bureau of Canada (IBC) -- such as Royal & Sun Alliance which sell a great deal of travel insurance -- and it would be beneficial, in terms of achieving pan-industry consensus and solutions, to have representation from these companies as well.

## **Background**

Each organization shared the background to their interest in forming this group.

THIA: Over the last few years, THiA has made presentations to regulators, including Manitoba and BC's FICOM; and during these presentations, regulators have voiced their concerns with respect to travel insurance. It was noted that Harry James' (BC) concerns were related to third party administrators and white labelling of travel insurance, rather than with the quality or customer service issues behind the product.

Also in two consecutive recent THiA Annual Conferences, regulators have presented to THiA members (AB/BC one year; ON/QC the next) and in both cases expressed concerns about travel insurance in their remarks.

The THiA Executive felt that if nothing was done, then regulators may feel forced to take regulatory action. With that as a regulatory context, THiA decided to form a task force of senior representatives from member companies with an interest in travel insurance.

In addition, THiA has a Regulatory Affairs Committee chaired by Richard Ollier of Allianz which has had some involvement in these matters.

CAFII: Over the last year, CAFII has met with regulators from CCIR and the Alberta Insurance Council who echoed the comments that THiA has heard from regulators. There is a high degree of consistency in what regulators have been saying to each group.

CLHIA: Similar to THiA and CAFII, CLHIA has also received the same messaging from regulators about travel insurance. CLHIA has identified as an ongoing objective on the 2014-15 Strategic Plan to identify areas for greater standardization and clearer language on medical questionnaires to help reduce confusion in the marketplace. Therefore, the outreach from CAFII about forming a pan-industry project group was seen as timely and the right thing to do.

## **Follow-up Actions since Initial Teleconference Meeting on May 13, 014**

- THiA. The THiA Executive met on May 15 and approval was secured for the Association to participate in the proposed pan-industry project group and for the work already conducted by the Association's task force to be shared.
- CAFII. Brendan Wycks provided a written summary of the concerns about travel insurance that had been expressed by CCIR and the Alberta Insurance Council.

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### **Purpose of Today's Meeting**

It was confirmed that all three Associations are prepared to proceed with further planning discussions about forming a pan-industry project group. It was agreed that the next steps are to establish terms of reference including scope, governance, group size, additional industry representation (companies and regulators), and sourcing subject matter expertise if necessary.

Karen Voin has a CLHIA meeting on travel coming up on May 29 and would like to be in a position to share a preliminary report about this initiative then.

It was agreed that it would be ideal for the group to develop some Key Messages on what this group is all about so that each Association is communicating a consistent message to its respective members.

Karen Voin offered to prepare a Key Messages one-pager about the proposed formation of this pan-industry working group, and to circulate it to the representatives from the other two Associations by mid-day on May 26.

### **Representation**

It was suggested and agreed that to establish a manageable and effective project group, each Association should appoint a minimum of two and a maximum of three representatives to serve on it. In addition, other Association representatives could be invited to visit and participate in a particular meeting on an ad hoc basis, based on their expertise.

While this is very much a pan-industry, multi-partite initiative, a Chair should be identified who can prepare the agendas and manage the meetings.

Karen Voin offered to chair the pan-industry project group, as CLHIA's primary representative, which THiA and CAFII accepted.

Brendan Wycks noted that CAFII would assist in the management and administration of the group, through the services (meeting notes, etc.) of Leya Duigu, Administrative Co-ordinator.

### **Additional Stakeholder Representation**

Members discussed representation from members of CCIR and CISRO. As a first step, it was agreed that the group should meet again to agree on their terms of reference; and during that meeting, we can determine if CCIR and/or CISRO should be invited to appoint participants; how this should be done; and the scope and purpose of their participation. There was agreement that there would be value in regulator participation but we should be clear about their role.

Brendan Wycks advised that the notion of CCIR and/or CISRO participation on such a group was raised in CAFII's recent meeting with the Alberta Insurance Council. The idea received a favourable response from the regulator, but no commitments were made on this.

During a more recent liaison discussion with Carolyn Rogers, CCIR Chair, she indicated that if the pan-industry group does come to fruition, then it could well serve as the forum/vehicle for addressing CCIR's

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regulatory concerns about the white labelling of travel insurance and related issues which will be included in CCIR's 2014-17 Strategic Plan.

#### **Areas of Concern/Consideration**

- Application Forms and Medical Questionnaires
- Informing consumers of possible redundancy of travel insurance protection (employer group plans; credit card coverage; and privately purchased travel insurance)
- White labelling of travel insurance. The regulators' key concern is that travellers don't know who to call when there is an issue.

#### **Action Items from this Meeting**

- Karen to circulate Key Messages for review/edits by the group on Monday, May 26. THIA, CLHIA and CAFII shall communicate these key points to their respective memberships regarding this initiative.
- A comparison of each Associations' membership to be performed in order to help identify gaps in representation on the pan-industry group vis a vis the Canadian universe of travel insurance underwriters and distributors.

#### **Next Meeting**

**Date:** Friday, June 20, 2014 from 11:30 to 1:30 pm  
**Location:** Manulife Financial, 2 Queen Street West, Toronto, ON

**Preparation:** Each Association to bring an inventory of material/work that has been done on this to date including papers, research, and consumer brochures (THIA, CLHIA). THIA has done some work already and CLHIA has published Guideline G9 (direct marketing) and G5 (Travel Insurance).

Karen to circulate a proposed agenda for agreement in advance of this meeting.

# Committee Development Objective

- Confusion in medical questionnaires – format, application and actual questions are perceived as too confusing
- Pre-existing and Stability – notion and industry usage of the terms are inconsistent
- Lack of advice about products, advice is not available in all distribution channels
- People want “peace of mind” to know what they are and are not covered for when they travel



# Guidelines for Best Practices for Medical Questionnaires/Applications

1. Before starting the application, include strong warning at the beginning of the application. Warning should be separate from other declarations typically found at the end of the application for medical records. Warning upfront should include checkbox for acknowledgement and contain:
  - (a) Consequences for change in medication/medical condition between application date and departure date – at a minimum, application should include a warning that agent/advisor/insurer should be notified if there is **any change** (any change to be **bold and underlined**)
  - (b) warning disclosure should contain consequences for non-disclosure and require sign off or acknowledgement that disclosure were read and understood including:
  - (c) warning of a pre-existing conditions may not be covered or is subject to stability period required for coverage
  - (d) warning indicating that medical records may be reviewed at time of claim

# Con't...

2. Keep eligibility questions separate from rating questions, check box for eligibility
3. If medical terms are used, provide layman terms in brackets
4. Wherever possible, include a box for each condition rather than grouping conditions into a single question – preference by the vast majority of the group was to include yes/no boxes (ie. Not just the yes box)
5. Definitions for Stable, Treatment and Pre-existing should be consistent in the industry
6. Avoid fine print, medical questions should be readable

# What we did not agree on...

- Minimum font size ie. 9 or 10
- Medical questionnaire completed by a “bona fide” doctor would not result in claim denial
- We did not look at detailed policy wording or exclusions

# Recommended Minimum Definitions

## **Stable**

Best Practice to be considered stable should include:

- no change in medication
- no medical attention/treatment
- no new symptoms

Potential carve-outs to stability include:

- No restrictions for minor ailments

Medication changes does not include brand to generic, self-regulating insulin levels (blood thinners for self-management/regulation)

## **Treatment**

THiA approved definition:

- treatment, treat or treated: means a medical, therapeutic or diagnostic procedure prescribed, performed or recommended by a physician, including but not limited to prescribed medication, investigative testing or surgery

# Con't...

## **Pre-existing**

Any medical condition that exists before your effective date,  
as described in your policy

Potential carve-out to pre-existing

- minor ailment

# Lack of Advice

Best Practice recommendations:

- 1) Ensure that all channels have a 1-800 customer support line available for pre and post sale customer information and advice.
- 2) Underwriters should provide an agent support/help desk to assist in clarifying risk or underwriting questions.
- 3) Have a defined disclaimer process as part of the application and ensure that customers acknowledge that they understand the policy limitations.
- 4) Create ongoing Insurance Agent underwriting and product training programs to support continuous learning and product update support.
- 5) Have inventory of the THIA customer brochure to provide additional customer reference materials

# People want “peace of mind”

Best practice recommendation:

- 1) Re-enforce the Read your policy guidelines to all consumers.
- 2) Highlight policy exclusions and limitations such as parasailing, scuba diving etc.

## What we did not agree on ...

1. Our role in providing information and links on travel advisories or sanctions.

# Next...

- April 2014 – hold meeting at THiA conference to communicate recommendations
- Recommendation to be posted to member site
- Feedback by June 30<sup>th</sup> to Carlos or David
- Finalize recommendation at September 2014 AGM
- 2015 implement changes for beginning of 2016 selling season



**Ministry of Finance**  
Freedom of Information and  
Privacy Office  
Room 665, 95 Grosvenor Street  
Toronto ON M7A 1Z1  
Tel (416) 325-8370  
Fax (416) 325-1931

**Ministère des Finances**  
Bureau de l'accès à l'information et la  
protection de la vie privée  
95, rue Grosvenor, Salle 665  
Toronto ON M7A 1Z1  
Tél (416) 325-8370  
Télééc (416) 325-1931



May 15, 2014

Brendan Wycks  
Executive Director  
Canadian Association of Financial Institutions in Insurance  
255 – 55 St. Clair Ave.  
Toronto ON M4V 2Y7

Dear Mr. Wycks:

**Re: G-17-0071-02 - (CAFII) -Third Party Notice**

The Ministry of Finance has received an access request under the *Freedom of Information and Protection of Privacy Act* (the *Act*) to disclose the following records:

1. From July 1, 2012 up to the current date, all electronic and written correspondence memoranda, opinions, reports, agreements, contracts, discussion papers, communications, minutes, agenda, resolutions or records relating to all meetings between Canadian Association of Financial Institutions (CAFII) and FSCO including the dates of such meetings and the names of persons in attendance.
2. From July , 2012 up to the current date, all electronic and written correspondence memoranda, opinions, reports, agreements, contracts, discussion papers, communications, minutes, agenda, resolutions or records relating to:
  - the licensing call-centre based life insurance agents; and/or
  - the regulation of online sales of life insurance
3. All electronic and written correspondence between any representative of CAFII and any representative of FSCO from July 1, 2012 to the current date.

The enclosed records were located as responsive to the request. Disclosure of the records may affect your interests as a third party. Under section 28 of the *Act*, an affected third party must be given an opportunity to make representations concerning disclosure of records. The records may contain information that qualifies for an exemption from disclosure under section 17 (Third Party Information) of the *Act*.

.../2

Your views regarding disclosure of the records would be appreciated. Please indicate, in writing, whether or not you would consider all or parts of the records to qualify for an exemption from disclosure. All representations should be forwarded, in writing, by **June 4, 2014** to my attention at:

Ministry of Finance  
Freedom of Information & Privacy Office  
Suite 665 – 95 Grosvenor Street  
Toronto, ON M7A 1Z

If no representations are received, the ministry will be required to make a decision on the records based on our understanding of the documents.

You will be notified, in writing, of my decision by **June 13, 2014** regarding the release of these records. If you disagree with the decision, you will have 30 days to appeal to the Information and Privacy Commissioner of Ontario.

A copy of sections 17 and 28 of the Act are enclosed for your information and can be found at:

[http://www.e-laws.gov.on.ca/html/statutes/english/elaws\\_statutes\\_90f31\\_e.htm](http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90f31_e.htm)

We have also included a bulletin "The Third Party and Ontario's Freedom of Information and Protection of Privacy Acts" for your reference.

Should you have any questions or require further details please do not hesitate to contact Nadia Williams, Assistant FOI Coordinator at (416) 325-8370.

Sincerely,



Alma Beard  
FOI Coordinator

Enclosures: Records

Section 17 - Third Party Information

Section 28 – Notice to Affected Party

"The Third Party and Ontario's Freedom of Information and  
Protection of Privacy Acts"

# **Freedom of Information and Protection of Privacy Act**

R.S.O. 1990, CHAPTER F.31

## **Third party information**

**17. (1)** A head shall refuse to disclose a record that reveals a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence implicitly or explicitly, where the disclosure could reasonably be expected to,

- (a) prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization;
- (b) result in similar information no longer being supplied to the institution where it is in the public interest that similar information continue to be so supplied;
- (c) result in undue loss or gain to any person, group, committee or financial institution or agency; or
- (d) reveal information supplied to or the report of a conciliation officer, mediator, labour relations officer or other person appointed to resolve a labour relations dispute. R.S.O. 1990, c. F.31, s. 17 (1); 2002, c. 18, Sched. K, s. 6.

## **Tax information**

**(2)** A head shall refuse to disclose a record that reveals information that was obtained on a tax return or gathered for the purpose of determining tax liability or collecting a tax. R.S.O. 1990, c. F.31, s. 17 (2).

## **Consent to disclosure**

**(3)** A head may disclose a record described in subsection (1) or (2) if the person to whom the information relates consents to the disclosure. R.S.O. 1990, c. F.31, s. 17 (3).

## **Notice to affected person**

**28. (1)** Before a head grants a request for access to a record,

- (a) that the head has reason to believe might contain information referred to in subsection 17 (1) that affects the interest of a person other than the person requesting information; or

- (b) that is personal information that the head has reason to believe might constitute an unjustified invasion of personal privacy for the purposes of clause 21 (1) (f),

the head shall give written notice in accordance with subsection (2) to the person to whom the information relates. R.S.O. 1990, c. F.31, s. 28 (1).

#### **Contents of notice**

(2) The notice shall contain,

- (a) a statement that the head intends to release a record or part thereof that may affect the interests of the person;
- (b) a description of the contents of the record or part thereof that relate to the person; and
- (c) a statement that the person may, within twenty days after the notice is given, make representations to the head as to why the record or part thereof should not be disclosed. R.S.O. 1990, c. F.31, s. 28 (2).

#### **Description**

(2.1) If the request covers more than one record, the description mentioned in clause (2) (b) may consist of a summary of the categories of the records requested if it provides sufficient detail to identify them. 1996, c. 1, Sched. K, s. 5.

#### **Time for notice**

(3) The notice referred to in subsection (1) shall be given within thirty days after the request for access is received or, where there has been an extension of a time limit under subsection 27 (1), within that extended time limit. R.S.O. 1990, c. F.31, s. 28 (3).

#### **Notice of delay**

(4) Where a head gives notice to a person under subsection (1), the head shall also give the person who made the request written notice of delay, setting out,

- (a) that the record or part thereof may affect the interests of another party;
- (b) that the other party is being given an opportunity to make representations concerning disclosure; and
- (c) that the head will within thirty days decide whether or not to disclose the record. R.S.O. 1990, c. F.31, s. 28 (4).

#### **Representation re disclosure**

(5) Where a notice is given under subsection (1), the person to whom the information relates may, within twenty days after the notice is given, make representations to the head as to why the record or the part thereof should not be disclosed. R.S.O. 1990, c. F.31, s. 28 (5).

**Representation in writing**

(6) Representations under subsection (5) shall be made in writing unless the head permits them to be made orally. R.S.O. 1990, c. F.31, s. 28 (6).

**Decision re disclosure**

(7) The head shall, within thirty days after the notice under subsection (1) is given, but not before the earlier of,

(a) the day the response to the notice from the person to whom the information relates is received; or

(b) twenty-one days after the notice is given,

decide whether or not to disclose the record or the part thereof and give written notice of the decision to the person to whom the information relates and the person who made the request. R.S.O. 1990, c. F.31, s. 28 (7).

**Notice of head's decision to disclose**

(8) Where a head decides to disclose a record or part thereof under subsection (7), the head shall state in the notice that,

(a) the person to whom the information relates may appeal the decision to the Commissioner within thirty days after the notice is given; and

(b) the person who made the request will be given access to the record or to a part thereof, unless an appeal of the decision is commenced within thirty days after the notice is given. R.S.O. 1990, c. F.31, s. 28 (8).

**Access to be given unless affected person appeals**

(9) Where, under subsection (7), the head decides to disclose the record or a part thereof, the head shall give the person who made the request access to the record or part thereof within thirty days after notice is given under subsection (7), unless the person to whom the information relates asks the Commissioner to review the decision. R.S.O. 1990, c. F.31, s. 28 (9).

**Personal information about deceased**

(10) In the case of a request by the spouse or a close relative of a deceased individual for disclosure of personal information about the deceased individual, the person making the request shall give the head all information that the person has regarding whether the deceased individual has a personal representative and how to contact the personal representative. 2006, c. 19, Sched. N, s. 1 (3).

**Deemed references**

(11) If, under subsection (10), the head is informed that the deceased individual has a personal representative and is given sufficient information as to how to contact the personal representative, and if the head has reason to believe that disclosure of personal information about the deceased individual might constitute an unjustified invasion of personal privacy unless, in the circumstances,

the disclosure is desirable for compassionate reasons, subsections (1) to (9) apply with the following modifications:

1. The expression “the person to whom the information relates” in subsections (1), (5), (7), (8) and (9) shall be deemed to be the expression “the personal representative”.
2. The expression “the person” in clauses (2) (a) and (b) shall be deemed to be the expression “the deceased individual” and the expression “the person” in clause (2) (c) shall be deemed to be the expression “the personal representative”. 2006, c. 19, Sched. N, s. 1 (3).



# The Third Party

## and Ontario's Freedom of Information and Protection of Privacy Acts

*Ontario's Freedom of Information and Protection of Privacy Act and Municipal Freedom of Information and Protection of Privacy Act give people the right to access most government-held information.*

*Sometimes individuals or businesses want access to government-held information that may contain trade secrets or scientific, technical, commercial, financial or labour relations information. If someone wants access to government-held information about your business or organization, your organization is a third party to that request and this publication will be of interest to you.*

The following are answers to questions most frequently asked about third party information - of a scientific, technical, commercial, financial or labour relations nature.

### **What kinds of third party information does the government have?**

Government organizations collect information as part of their role in providing services to the public. You give information about your business or organization when you fill out an application form for programs or services, such as registering a new business, applying for a grant or participating in a government-run program. You also provide information to the government when you bid on a government tender.

### **Why would someone want access to my third party information?**

There could be many reasons why someone might want access to your third party information. Here are a couple of examples:

- (a) A competitor provided a quotation on a government contract awarded to your company. The competitor would like details of the winning bid; or
- (b) An environmental group wants access to records on industrial waste to lobby the government for change. The study contains technical information about your company operations.

### **How would someone go about trying to access my information?**

First they would have to make an access request under one of the Acts. The government organization that receives the request will determine, according to the criteria listed below, whether your information can be released. However, before releasing the information, the government organization must first send you a *third party notice*.

### **What is a third party notice?**

A third party notice is a letter sent by a government organization to inform you of its intention to release information that may affect the interests of your business or organization. The notice must contain a description of the information to be released, as well as inform you of your right to respond within 20 days. At the same time, the requester will be notified by the government organization that he or she will have to wait 20 days while you are given an opportunity to respond.



### How do I respond to a third party notice?

When you receive a third party notice, you have two options:

1. You may consent, in writing, to the release of some or all of the information; or
2. If you feel the exemption (listed below) applies to your information, this is your opportunity to provide your reasons to the government organization. Your response is usually required in writing, unless the government organization allows you to state your reasons orally.

### How do I provide reasons?

Should you decide to respond, you must provide detailed evidence to support your claim to the exemption.

To be exempt from disclosure, the third party information must meet *all three* of the following criteria (as specified in section 17 of the provincial *Act* and in section 10 of the municipal *Act*):

1. The information must be a trade secret or scientific, technical, commercial, financial or labour relations information; *and*
2. The information must have been supplied to the government organization in confidence, either implicitly or explicitly; *and*
3. *One or more* of the following harms will occur if the information is released.

The release of the information will:

- prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons or organization;
- result in similar information no longer being supplied to the government organization where it is in the public interest that similar information continue to be supplied;
- result in undue loss or gain to any person, group, committee or financial institution or agency; or
- reveal information supplied to, or the report of, a conciliation officer, mediator, labour relations officer or other person appointed to resolve a labour relations dispute.

### What happens next?

After your 20-day response period is over, the government organization has a further 10 days to make a decision. You and the requester will be notified, in writing, of the government organization's decision.

### May I appeal a government organization's decision to allow access to my information?

Yes. Within 30 days of receiving a decision from the government organization, you have the right to appeal to the office of the Information and Privacy Commissioner. The office will investigate the matter for you.

Should you choose to file an appeal, please provide the Commissioner's office with a copy of the government organization's decision letter and any response you have made.



**What happens if I don't appeal?**

If no appeal is filed, access to the information will be provided to the requester after 30 days.

**I have more questions. Who can answer them?**

If you have any questions about third party information or about the freedom of information and protection of privacy Acts, contact the freedom of information and privacy Co-ordinator at the appropriate government organization *or* contact a Case Review Analyst at the Office of the Information and Privacy Commissioner/ Ontario at 1-800-387-0073 (in the Toronto area, dial 326-3333).



**Canadian Association of Financial Institutions (CAFI)**  
**2014 Executive Director Balanced Scorecard - May 22, 2014**

Objectives	Measures	Timing	Outcome
<b>Association Oversight and Management Metrics</b>			
Ensure that CAFII successfully and optimally "continues" under Canada Non-Profit Corporations Act (CNCA)	CAFII successfully files "Articles of Continuance" and Revised Bylaw with Industry Canada by October 17, 2014 deadline; and Certificate of Continuance is received thereafter	Q2 2014	
	CAFII's Revised By-law is optimally structured, within constraints imposed by CNCA, leading to no major operational or governance issues encountered	Q4 2014	
Ensure that Association adheres to good governance practices in Board, EOC, and committee appointments and other transitions; conduct of annual and special meetings of members; and that required policies and procedures are in place and followed	Smooth, successful, non-controversial conduct of Board and EOC succession appointments; and of annual meeting	Ongoing	
Completion of the "rebranding" of the Association, such that its new "look and feel" becomes synonymous with CAFII's name in the eyes of regulators, policy makers, and other key stakeholders including members	All print and collateral materials updated with agreed-upon new logo/tagline and communicated to all members, regulators and policy-makers, and other stakeholders/audiences	Q1 2014 and Ongoing	
Seek to become a "go-to" information source	ED plays lead role in agenda preparation for Board and EOC meetings, and attends all scheduled Board, EOC, and subcommittee meetings	Ongoing	
	Board and EOC members increasingly view ED as "go to" resource on governance and strategic decision matters	Ongoing	
Ensure that CAFII prepares an annual operating budget that is well-grounded in approved strategic and operational plans; funds are spent according to plan; and financial control policies and procedures are appropriate and adhered to	ED plays a leadership role in development, management, and tracking/monitoring of CAFII's annual operating budget, and committee and project budgets	Ongoing	
	Budget targets are met, except for explainable/approved variances	Ongoing	
With EOC Chair, oversee forming and activities of standing EOC subcommittees and adhoc working groups; and monitor and foster their progress	ED participates on all EOC subcommittees, helps in the determination of priorities and budgets, and works to support their activities and success in the achievement of objectives, ie.: Distribution and Market Conduct Committee; Comparative Value of Creditor's Group Insurance Subcommittee; IAIS Core Principles Matrix Subcommittee; Industry Complaint Statistics Subcommittee; Licensing Efficiency Issues Committee; Media and Communications Committee; and Networking and Events Committee	Ongoing	
Ensure that CAFII's daily operations and ongoing administration function smoothly	ED completes assessment of workload allocation and resourcing; tracking of his time allocations over a set period; and compilation of results. Pulls together insights/conclusions for EOC and Board review and approval	Q1/Q2 2014	
	ED engages with TO Corp and EOC Chair to identify opportunities to streamline processes and realign workloads to ensure smooth and timely completion of all deliverables	Q2 2014	
Efficient, effective CAFII meetings. Working with EOC Chair and standing committee Chairs, ensure that agendas are focused and goal-oriented; and meetings are managed accordingly	Agendas and meeting materials are distributed with appropriate lead time.	Ongoing	
	Committee members are engaged in meeting discussions and generally pleased with the conduct of meetings.	Ongoing	
	Meeting outcomes are productive and advance CAFII's objectives.	Ongoing	
Ensure that "CAFII Priorities By Committee" document is kept up-to-date and well-utilized as an operations plan for the Association	ED demonstrates engaged "ownership" of "CAFII Priorities By Committee" document	Ongoing	
	Document is updated for every EOC and Board meeting	Ongoing	
	ED monitors and ensures that CAFII committee activities remain focused and on track, using "CAFII Priorities By Committee" document as a map and guide	Ongoing	
Provide strategic and operational support to the EOC Chair in management of CAFII priorities and activities, and accountability reporting thereon	ED provides engaged strategic and operational support to EOC Chair which alleviates "human resources burden" on that volunteer leader	Ongoing	
	ED escalates appropriate matters to EOC Chair for review and decision-making	Ongoing	
<b>Media and Public Communications</b>			

Objectives	Measures	Timing	Outcome
Deliver on Strategy and Tactics within the Implementation Timelines set out in Board-approved Communications Strategy (appended)	Successful execution of tactics within specified timelines as itemized in Board-approved Communications Strategy (appended)	Q1 through Q4 2014	
<b>Regulatory &amp; Advocacy</b>			
Deliver on Regulator and Policy-Maker Strategy and Tactics within the timelines as set out in the Board-approved Communications Strategy (appended)	Successful execution of tactics within specified timelines as itemized in Board-approved Communications Strategy (appended)	Q1 through Q4 2014	
Ensure that Regulator and Policy-Maker Visit Plan is well-maintained, updated for every EOC and Board meeting, and executed/achieved	Face-to-face meetings are secured with regulators and policy-makers in accordance with plan, at least once every 18 months even for those receiving a "courtesy visit"; they are willing to take advocacy arguments into account; favourable legislative and regulatory action or inaction	Ongoing	
Produce an informative, "industry intelligence"-focused Regulatory Update for each EOC and Board meeting	Regulatory Update is produced for each EOC and Board meeting, containing outside-of-the-public-domain information on regulatory actions, pronouncements, trends and leading indicators		
Draft and deliver highly quality regulatory submissions	Regulatory submissions are well-written, comprehensive, and produced on time; all input is given due and equitable consideration across all CAFII members	Ongoing	
Obtain input from EOC and Board members in preparation of regulatory submissions; and ensure that they have sufficient time to respond to initial drafts		Ongoing	
Ensure that, where appropriate, CAFII regulatory submissions reflect prior consultation with allied industry Associations			
Maintain productive, collegial, mutually beneficial working relationships with allied industry Associations (egs. CLHIA, CBA)	Demonstrable collaboration and productive working relationships with allied Associations, particularly around regulatory submissions	Ongoing	
	Leadership in forming joint or pan-industry working groups, where appropriate	Ongoing	
<b>Personal Learning and Development</b>			
Polish communication style for three key audiences: Board/CAFII leaders/Regulators and Policy-Makers; and Media	Media and Communications Training with Patrick McGee	Q1 2014	
Continue strong focus on learning about Creditors Group Insurance industry and alternate distribution	ED becomes "Subject Matter Expert" and "go to" resource for Board and EOC members and other CAFII stakeholders	Q4 2014	
	ED remains fully engaged and becomes knowledgeable about all CAFII activities, decisions, and policies	Ongoing	
	ED demonstrates enhanced understanding of and judgment on CAFII positioning on contentious issues	Q4 2014	

***Agenda Item 4(g)(ii)***  
***May 27, 2014 EOC Meeting***

**Changes and Updates Made To**  
**CAFII External Communications Strategy: Communications Tactics and Implementation Timelines,**  
**dated May 22, 2014:**

- In the initial slides which set out Details of approved Communications Tactics for each of the three Key Audiences, each New/Enhanced Activity tactic has been assigned a priority of High, Medium, or Low; and the tactics have been re-ordered accordingly; and
- In the subsequent slides which outline quarter-by-quarter deliverables, each tactic/initiative has been labelled according to its priority; and updates have been entered to reflect the current status of each item.

# 2014 CAFII External Communications Strategy:

## Communications Tactics and Implementation Timelines

May 22, 2014

# Communications Tactics For Regulators and Policy-Makers

- ✓ Continued strong proactive focus on this key audience, broadened to include Policy-Makers in addition to Regulators
- ✓ Majority of activity is provincially focused, with selective activity directed towards federal authorities, i.e. Financial Consumer Agency of Canada (FCAC)
- ✓ Maximize use of face-to-face interaction opportunities, as the warmest and most effective channel to build relationships and deliver key messages
- ✓ Strategic use of all written contacts (submissions, regulatory newsletters, etc.) as an opportunity to reinforce communications objectives

Communication Tactics	Details
<b>Proactive Face-to-Face Interaction</b>	<p><b><i>Continued Activity, with enhanced focus:</i></b></p> <ul style="list-style-type: none"> <li>• Invitations to CAFII Speaker and Networking events</li> <li>• Pre-consultation and consultation meetings with regulators</li> <li>• Enhanced Regulator Visit Plan, focused on dedicated, face-to-face meetings with each provincial regulator at least once every 18 months, in Toronto or their location</li> <li>- Leverage regional meetings where common interest exists</li> <li>- Periodic liaison meetings with provincial regulator executive teams, as needs/issues arise</li> </ul> <p><b><i>New/Enhanced Activity:</i></b></p> <ul style="list-style-type: none"> <li>• <b>High Priority:</b> Identify key provincial and federal policy-makers and build them into expanded Regulator and Policy-Maker Visit Plan,</li> <li>• <b>Ongoing High Priority:</b> Meet with relevant provincial policy-makers, in conjunction with regulator meetings</li> <li>• <b>Medium Priority:</b> Attendance at industry conferences, symposia, and related events where regulators and policy-makers will be present</li> <li>• <b>Low Priority:</b> Assess options to engage and influence non-FI Creditor Insurance players around regulatory risk discussions and industry education, including targeting them as possible Associate Members of CAFII</li> </ul>
<b>Proactive Written Communications</b>	<p><b><i>Continued Activity, with enhanced focus:</i></b></p> <ul style="list-style-type: none"> <li>• Timely, high quality regulatory submissions emblazoned with new CAFII branding</li> <li>• Webinars for CCIR and the CISRO community (on annual basis at a minimum)</li> <li>• Regulatory Newsletter, distributed to regulators and policy-makers as an information resource</li> <li>• Regular phone contact by Executive Director to source newsworthy developments</li> <li>• Interaction with related Associations (i.e. CLHIA, CBA) to ensure Key Messages are aligned yet still tailored to reflect CAFII's perspective</li> </ul> <p><b><i>New/Enhanced Activity:</i></b></p> <ul style="list-style-type: none"> <li>• <b>High Priority:</b> Develop Regulator Kit of briefing documents focused on CAFII's key messages ( both electronic and paper distribution)</li> <li>• <b>Medium Priority:</b> Sponsor more frequent independent consumer research on key CAFII issues to provide content for submissions and proactive Releases . (i.e.. inclusion of two or three targeted questions on quarterly omnibus survey, eg. Pollara's syndicated "InsurPoll" )</li> <li>• <b>Medium Priority:</b> Strategically share results with regulators and policy-makers in timely, focused manner through both written Releases and educational webinars</li> <li>• <b>Medium Priority:</b> Leverage enhanced, regularly updated web site content which provides CAFII-branded regulator and policy-maker-focused resources</li> </ul>

# Communications Tactics For Media

- ✓ Focus on gradual transition to a “Prepared and Selectively Proactive” strategy, to begin earning credibility and bona fides with this Key Audience
- ✓ Focus on developing air-tight Key Messages to fuel confidence in being selectively proactive; and on using third party research to buttress messages
- ✓ Reassess strategy as part of 2015 communications planning

Communication Tactics	Details
<u><b>Prepared and Selectively Proactive</b></u>	<p><b>New /Enhanced Activity:</b></p> <ul style="list-style-type: none"> <li>•<b>High Priority:</b> Provide media training session for Executive Director and available EOC members</li> <li>•<b>High Priority:</b> Develop a broad inventory of Key Messages which can also be used with other Key Audiences and develop potential story scenarios with up-to-date scripted responses (share with CAFII members for their own use)</li> <li>•<b>High Priority:</b> Develop a series of short, non-provocative articles on various aspects of the case for Creditor Insurance and Alternate Distribution, written as much as possible from a Consumer Financial Literacy lens. Use this content for Media Kit, the website, and other applications</li> <li>•<b>High Priority:</b> Respond to media requests for information and interviews, in accordance with Board-approved Media Protocol</li> <li>•<b>High Priority:</b> Monitor media coverage and social media posts (English and French) re Creditor’s Insurance and related CAFII-relevant issues <ul style="list-style-type: none"> <li>–Strategically and selectively respond to published misinformation about Creditor’s Insurance products, using Key Messages and Stock Answers</li> </ul> </li> <li>•<b>Medium Priority:</b> Create “About Creditor Insurance” Media Kit from web-based resources, for ready dissemination when need arises <ul style="list-style-type: none"> <li>–some overlap with Regulator Kit content, so likely dual application of information pieces developed</li> <li>–Develop Media-focused section on CAFII web site</li> </ul> </li> <li>•<b>Medium Priority:</b> Leverage independent consumer research on targeted insurance topics to provide content for a program of feature-style Media Releases; and dissemination of findings to other audiences</li> <li>•<b>Medium Priority:</b> Identify “friendly” media representatives with a view to inviting them to Media Roundtable on Creditor Insurance</li> <li>•<b>Medium Priority:</b> Revisit and assess this Communications Strategy in Q4 2014 to determine if CAFII wishes to continue a “Prepared and Selectively Proactive” approach or transition to more proactive media communications tactics beginning in 2015</li> </ul>



# Communications Tactics For The Public and Consumer Interest Groups

- ✓ Focus on gradual transition to a “Prepared and Selectively Proactive” strategy, to begin earning credibility and bona fides with this Key Audience
- ✓ Focus on developing air-tight Key Messages to fuel confidence in being selectively proactive; and on using third party research to buttress messages
- ✓ Reassess strategy as part of 2015 communications planning

Communication Tactics	Details
<u>Prepared and Selectively Proactive</u>	<p><b>New/Enhanced Activity:</b></p> <ul style="list-style-type: none"> <li>•<b>High Priority:</b> Increase reliance on the recently enhanced website to communicate with this audience: <ul style="list-style-type: none"> <li>–Ensure Key Messages and FAQs are added to the website and easily accessible to the public</li> <li>–Source member company testimonial videos or short stories citing the positive impact of Creditor Insurance.</li> <li>–Enhance “Contact Us” section to facilitate consumer questions about Creditor Insurance, or about CAFII and its members. Ensure responses to questions are provided on a timely basis</li> <li>–Invest in Search Engine Optimization (SEO) services to drive consumers with “Creditor Insurance” and related queries to the site</li> </ul> </li> <li>•<b>High Priority:</b> Monitor the agendas and activities of key Consumer Interest Groups for environmental scanning purposes: <ul style="list-style-type: none"> <li>–i.e.. Consumers Council of Canada; Consumer’s Association of Canada; Public Interest Advocacy Centre, etc.</li> <li>–identify opportunities to provide value-added information (eg. “Creditors Insurance: Are Consumers Being Well Served?” report prepared by Consumers Council of Canada for Office of Consumer Affairs, Industry Canada, March 2009)</li> </ul> </li> <li>•<b>Medium Priority:</b> Leverage independent consumer research on key CAFII issues (developed primarily for use with Regulators /Policy-Makers and Media) to provide content for responding to Public and Consumer Interest Group information requests</li> <li>•<b>Low Priority:</b> When and if appropriate, engage proactively with the public and/or consumer interest groups around Consumer Financial Literacy or other targeted insurance topics</li> <li>•<b>Medium Priority:</b> Revisit and assess this Communications Strategy in Q4 2014 to determine if CAFII wishes to continue a “Prepared and Selectively Proactive” approach or transition to more proactive communications tactics beginning in 2015</li> </ul>

## Regulators and Policy-Makers: Engage effectively to position CAFII as “go to” resource for credible information and insights (1)

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Completion of rebranding of CAFII	Secure delivery of all electronic and printed stationery and templates with new CAFII logo and “look and feel”	Completed on time and within budget			
Draft and deliver high quality regulatory submissions: Ongoing High Priority	Response to Draft 2 of Manitoba’s Draft ISI Regulation (delivered January 10/14)	Completed on time, with input from EOC and in consultation with allied industry Associations	Submission in response to FSCO’s Draft 2014 Statement of Priorities, due May 30		
	CISRO-requested letter of support from CAFII for its LLQP modernization efforts (delivered February 21/14)	Completed and submitted within two weeks of request, with input from EOC			
	CAFII submission in response to Finance Canada’s proposed federal financial consumer code (delivered February 28/14)	Completed on time, with input from EOC and in consultation with allied industry Associations			
	Submission in response to CCIR’s call for input for its 2014-17 Strategic Plan (delivered February 14/14)	Completed on time, with input from EOC			

## Regulators and Policy-Makers: Engage effectively to position CAFII as “go to” resource for credible information and insights (2)

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Meet face-to-face with each relevant regulator and policy-maker at least once every 18 months: Ongoing High Priority	Arrange opportunity(ies) for Alberta Insurance Council to give demo presentation(s) of its new Canadian Insurance Participant Registry (CIPR)	Completed, twice: face-to-face presentation on January 8 in Toronto; and webinar presentation in March	Meet with FSCO on April 9 to provide feedback on Interim Report of Life Insurance Product Suitability Review. Completed successfully.	Presentation to CISRO on multi-jurisdictional licensing and other compliance challenges faced by national contact centres, at meeting in Fredericton, September 29-30	
	One-on-one stakeholder meeting with CISRO LLQP Committee	Completed on February 10, very successfully. Meeting resulted in request for a letter of support from CAFII.	One-on-one stakeholder meeting for CAFII with CISRO LLQP Committee on May 28		
	Liaison lunch with J. Abram and R. Gilbertson of Alberta Insurance Council on March 17	Productive discussion where regulator identified travel insurance issues as a growing concern	Liaison dinner with C. Rogers, CCIR Chair, in Ottawa on May 6. Completed successfully.		
			Liaison dinner with G. Matier, Insurance Council of BC, arranged for May 28		
Ensure that Regulator and Policy-Maker Visit Plan is updated for every EOC and Board meeting: Ongoing High Priority	-January update -February update -March update	Completed	Joint Liaison Meeting with Atlantic Canada Insurance Regulators in Halifax. Postponed to October 1/14 in Fredericton.		Joint Liaison Meeting with Atlantic Canada Insurance Regulators in Fredericton on October 1/14.
			Liaison Lunch Meeting with AMF in Montreal on April 8. Completed successfully		
			Meeting with Manitoba Minister of Finance on April 29. Completed successfully.		
5/26/2014		Draft for Discussion Purposes	Attend May 7-9/14 CLHIA Compliance Conference. Completed, including regulator		6

## Regulators and Policy-Makers: Effective Regulatory Advocacy

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Manitoba Draft ISI Regulation: High Priority	Secure desired amendments to draft ISI Regulation.	Completed, with high degree of success. Manitoba has confirmed in writing that it will be amending Regulation to address all concerns articulated by CAFII and other industry stakeholders, save for one that would require amendment to Insurance Act	Monitor to ensure that Regulation passed is as promised (ongoing)	Presentation to CISRO on multi-jurisdictional licensing and other compliance challenges faced by national contact centres, at meeting in Fredericton, September 29-30	
Pan-industry project group to address travel insurance Concerns Identified by Alberta Insurance Council and C. Rogers, CCIR Chair: High Priority			Play leadership role in formation and functioning of Pan-Industry Project Group on Travel Insurance. Underway with B. Wycks, J. Lewsen, and L. Duigu workin concert with CLHIA and THIA.		

## Regulators and Policy-Makers: Communicate benefits of Creditor Insurance; and positively influence perceptions, awareness, and understanding

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Regulator Kit: High Priority			Develop content and first draft design of materials for Regulator Kit	Polish and finalize content and design of materials for Regulator Kit	Disseminate Regulator Kit, including first Regulatory Newsletter, to Regulators and Policy-Makers
			Prepare first issue of quarterly Regulatory Newsletter, for inclusion with Regulator Kit		
Independent consumer research on insurance topics and issues: Medium Priority				Working with MAC, formulate plan and budget for increased use of independent consumer research, beginning in 2015, to provide communications content for Regulators/Policy-Makers and other audiences	Secure EOC and Board approval of plan and budget for increased use of independent consumer research
				Working with MAC, formulate plan and budget for engaging with non-FI Creditor Insurance Groups around regulatory risk and industry education	Secure EOC and Board approval of plan and budget for engaging with non-FI Creditor Insurance Groups
5/26/2014		Draft for Discussion Purposes			8

## Regulators and Policy-Makers: Keep EOC and Board Members Well-Informed of Regulatory Issues and Developments

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Deliver an “industry intelligence”-focused Regulatory Update for each EOC and Board Meeting: Ongoing High Priority	Update for January EOC Meeting	Completed	Ongoing	Ongoing	Ongoing
	Update for February EOC Meeting	Completed			
	Update for March EOC Meeting	Completed			
Keep EOC and Board members well-informed through other means: Ongoing High Priority	Communiques to EOC members on issues and developments, in between EOC and Board meetings	Direct communiques selectively sent to EOC members on time-sensitive issues; other news consolidated into weekly e-newsletter			

# Media: Improve, Consolidate, and Confirm “Readiness” to Respond to Media Requests (1)

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Media Training Refresher: High Priority	Media Training Session for Executive Director and CAFII volunteer leaders	Completed on March 26/14			
Key Messages/Story Scenarios/Stock Answers: High Priority				Complete Key Messages/Stock Answers/Story Scenarios utilizing feedback obtained in Media Training Session, with strong emphasis on “human touch” aspects of how CAFII members meet consumers’ needs	
Consumer Testimonials: High Priority			Secure additional consumer testimonials from CAFII members	Ensure that all consumer testimonials secured are posted to CAFII site and referred to in media response materials	
Short articles on case for Creditor Insurance and Alternate Distribution: Medium Priority				Develop series of short articles on Creditor Insurance and Alternate Distribution, with emphasis on human interest angle, for use on web site, in Media Kit, in “pen control” media opportunities, etc.	
5/26/2014		Draft for Discussion Purposes			10

## Media: Improve, Consolidate, and Confirm “Readiness” to Respond to Media Requests (2)

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Media Kit: Medium Priority					Develop an “About Creditor Insurance” Media Kit, using existing web site content and other resources
Media section on CAFII web site: Medium Priority					Develop a media-focused section on web site, using Media Kit materials and other content developed
Independent consumer research on insurance topics and issues: Medium Priority				Working with MAC, formulate plan and budget for increased use of independent consumer research, beginning in 2015, to provide communications content for Media and other audiences	Secure EOC and Board approval of plan and budget for increased use of independent consumer research



# Media: Selective Pro-active Engagement With Media

Initiative	Q1 2015 Deliverables	Q2 2015 Deliverables	Q3 2015 Deliverables	Q4 2015 Deliverables
Independent consumer research: Medium Priority	Launch approved plan for independent consumer research on insurance topics to fuel program of survey data-based Releases to selected media			
Roundtable Discussion meeting with "friendly media": Low Priority for 2014	Arrange Roundtable meeting with small group of "friendly media" to discuss and educate around Creditor's Group Insurance; the under-served market; and alternate distribution, at which Media Kit will be used as a discussion guide and distributed			

# The Public and Consumer Interest Groups: Enhanced Consumer-Friendly Web Presence

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Consumer Testimonials: High Priority			Secure additional Consumer Testimonials from CAFII members	Ensure that all consumer testimonials secured are posted to CAFII site, and regularly refreshed	
Enhance consumer-friendliness of CAFII's web presence: Medium Priority				Engage Search Engine Optimization services to improve CAFII's ranking in search results, and drive consumers with Creditor Insurance inquiries to site	Post Kit materials developed for other audiences to CAFII site, as information resource also directly relevant to consumers
				Revamp "Contact Us" section of site to welcome consumer questions about Creditor Insurance	Answer consumer queries about Creditor Insurance promptly, on an ongoing basis

# The Public and Consumer Interest Groups: Monitoring and Engagement

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
FAQs on Creditor Insurance for FCAC web site: High Priority	Draft FAQs using existing content on CAFII site	Completed in March. To be reviewed by MAC at April meeting.	After MAC and EOC review and approval, deliver FAQs on Creditor Insurance to FCAC for use on its site		
Financial Literacy Month: Medium Priority			Formulate plan and budget for CAFII to have some profile/involvement in Financial Literacy Month (November); use process as vehicle for engaging and raising CAFII's profile with FCAC and/or other regulators (egs. FSCO, AMF)	Secure EOC and Board approval for CAFII's involvement in Financial Literacy Month through an event, or Release/announcement; or social media campaign, etc.	Execute plan for CAFII involvement in Financial Literacy Month
Monitoring of Consumer Interest Groups: Ongoing High Priority	Include intelligence on Consumer Interest Groups' issues and activities in Regulatory Update for EOC and Board meetings	Intelligence included in two of three Regulatory Updates in Q1	Ongoing	Ongoing	Ongoing
Direct engagement with Consumer Interest Groups: Low Priority for 2014					Formulate plan and budget for CAFII to engage directly, beginning in 2015, with one or more key Consumer Interest Groups (eg. Seat on Advisory Board of Consumer's Council of Canada, as per CLHIA)

# 2014 CAFII External Communications Strategy:

## Communications Tactics and Implementation Timelines

May 22, 2014

# Communications Tactics For Regulators and Policy-Makers

- ✓ Continued strong proactive focus on this key audience, broadened to include Policy-Makers in addition to Regulators
- ✓ Majority of activity is provincially focused, with selective activity directed towards federal authorities, i.e. Financial Consumer Agency of Canada (FCAC)
- ✓ Maximize use of face-to-face interaction opportunities, as the warmest and most effective channel to build relationships and deliver key messages
- ✓ Strategic use of all written contacts (submissions, regulatory newsletters, etc.) as an opportunity to reinforce communications objectives

Communication Tactics	Details
<b>Proactive Face-to-Face Interaction</b>	<p><b><i>Continued Activity, with enhanced focus:</i></b></p> <ul style="list-style-type: none"> <li>• Invitations to CAFII Speaker and Networking events</li> <li>• Pre-consultation and consultation meetings with regulators</li> <li>• Enhanced Regulator Visit Plan, focused on dedicated, face-to-face meetings with each provincial regulator at least once every 18 months, in Toronto or their location</li> <li>- Leverage regional meetings where common interest exists</li> <li>- Periodic liaison meetings with provincial regulator executive teams, as needs/issues arise</li> </ul> <p><b><i>New/Enhanced Activity:</i></b></p> <ul style="list-style-type: none"> <li>• <b>High Priority:</b> Identify key provincial and federal policy-makers and build them into expanded Regulator and Policy-Maker Visit Plan,</li> <li>• <b>Ongoing High Priority:</b> Meet with relevant provincial policy-makers, in conjunction with regulator meetings</li> <li>• <b>Medium Priority:</b> Attendance at industry conferences, symposia, and related events where regulators and policy-makers will be present</li> <li>• <b>Low Priority:</b> Assess options to engage and influence non-FI Creditor Insurance players around regulatory risk discussions and industry education, including targeting them as possible Associate Members of CAFII</li> </ul>
<b>Proactive Written Communications</b>	<p><b><i>Continued Activity, with enhanced focus:</i></b></p> <ul style="list-style-type: none"> <li>• Timely, high quality regulatory submissions emblazoned with new CAFII branding</li> <li>• Webinars for CCIR and the CISRO community (on annual basis at a minimum)</li> <li>• Regulatory Newsletter, distributed to regulators and policy-makers as an information resource</li> <li>• Regular phone contact by Executive Director to source newsworthy developments</li> <li>• Interaction with related Associations (i.e. CLHIA, CBA) to ensure Key Messages are aligned yet still tailored to reflect CAFII's perspective</li> </ul> <p><b><i>New/Enhanced Activity:</i></b></p> <ul style="list-style-type: none"> <li>• <b>High Priority:</b> Develop Regulator Kit of briefing documents focused on CAFII's key messages ( both electronic and paper distribution)</li> <li>• <b>Medium Priority:</b> Sponsor more frequent independent consumer research on key CAFII issues to provide content for submissions and proactive Releases . (i.e.. inclusion of two or three targeted questions on quarterly omnibus survey, eg. Pollara's syndicated "InsurPoll" )</li> <li>• <b>Medium Priority:</b> Strategically share results with regulators and policy-makers in timely, focused manner through both written Releases and educational webinars</li> <li>• <b>Medium Priority:</b> Leverage enhanced, regularly updated web site content which provides CAFII-branded regulator and policy-maker-focused resources</li> </ul>

# Communications Tactics For Media

- ✓ Focus on gradual transition to a “Prepared and Selectively Proactive” strategy, to begin earning credibility and bona fides with this Key Audience
- ✓ Focus on developing air-tight Key Messages to fuel confidence in being selectively proactive; and on using third party research to buttress messages
- ✓ Reassess strategy as part of 2015 communications planning

Communication Tactics	Details
<u><b>Prepared and Selectively Proactive</b></u>	<p><b>New /Enhanced Activity:</b></p> <ul style="list-style-type: none"> <li>•<b>High Priority:</b> Provide media training session for Executive Director and available EOC members</li> <li>•<b>High Priority:</b> Develop a broad inventory of Key Messages which can also be used with other Key Audiences and develop potential story scenarios with up-to-date scripted responses (share with CAFII members for their own use)</li> <li>•<b>High Priority:</b> Develop a series of short, non-provocative articles on various aspects of the case for Creditor Insurance and Alternate Distribution, written as much as possible from a Consumer Financial Literacy lens. Use this content for Media Kit, the website, and other applications</li> <li>•<b>High Priority:</b> Respond to media requests for information and interviews, in accordance with Board-approved Media Protocol</li> <li>•<b>High Priority:</b> Monitor media coverage and social media posts (English and French) re Creditor’s Insurance and related CAFII-relevant issues <ul style="list-style-type: none"> <li>–Strategically and selectively respond to published misinformation about Creditor’s Insurance products, using Key Messages and Stock Answers</li> </ul> </li> <li>•<b>Medium Priority:</b> Create “About Creditor Insurance” Media Kit from web-based resources, for ready dissemination when need arises <ul style="list-style-type: none"> <li>–some overlap with Regulator Kit content, so likely dual application of information pieces developed</li> <li>–Develop Media-focused section on CAFII web site</li> </ul> </li> <li>•<b>Medium Priority:</b> Leverage independent consumer research on targeted insurance topics to provide content for a program of feature-style Media Releases; and dissemination of findings to other audiences</li> <li>•<b>Medium Priority:</b> Identify “friendly” media representatives with a view to inviting them to Media Roundtable on Creditor Insurance</li> <li>•<b>Medium Priority:</b> Revisit and assess this Communications Strategy in Q4 2014 to determine if CAFII wishes to continue a “Prepared and Selectively Proactive” approach or transition to more proactive media communications tactics beginning in 2015</li> </ul>

# Communications Tactics For The Public and Consumer Interest Groups

- ✓ Focus on gradual transition to a “Prepared and Selectively Proactive” strategy, to begin earning credibility and bona fides with this Key Audience
- ✓ Focus on developing air-tight Key Messages to fuel confidence in being selectively proactive; and on using third party research to buttress messages
- ✓ Reassess strategy as part of 2015 communications planning

Communication Tactics	Details
<u>Prepared and Selectively Proactive</u>	<p><b>New/Enhanced Activity:</b></p> <ul style="list-style-type: none"> <li>•<b>High Priority:</b> Increase reliance on the recently enhanced website to communicate with this audience: <ul style="list-style-type: none"> <li>–Ensure Key Messages and FAQs are added to the website and easily accessible to the public</li> <li>–Source member company testimonial videos or short stories citing the positive impact of Creditor Insurance.</li> <li>–Enhance “Contact Us” section to facilitate consumer questions about Creditor Insurance, or about CAFII and its members. Ensure responses to questions are provided on a timely basis</li> <li>–Invest in Search Engine Optimization (SEO) services to drive consumers with “Creditor Insurance” and related queries to the site</li> </ul> </li> <li>•<b>High Priority:</b> Monitor the agendas and activities of key Consumer Interest Groups for environmental scanning purposes: <ul style="list-style-type: none"> <li>–i.e.. Consumers Council of Canada; Consumer’s Association of Canada; Public Interest Advocacy Centre, etc.</li> <li>–identify opportunities to provide value-added information (eg. “Creditors Insurance: Are Consumers Being Well Served?” report prepared by Consumers Council of Canada for Office of Consumer Affairs, Industry Canada, March 2009)</li> </ul> </li> <li>•<b>Medium Priority:</b> Leverage independent consumer research on key CAFII issues (developed primarily for use with Regulators /Policy-Makers and Media) to provide content for responding to Public and Consumer Interest Group information requests</li> <li>•<b>Low Priority:</b> When and if appropriate, engage proactively with the public and/or consumer interest groups around Consumer Financial Literacy or other targeted insurance topics</li> <li>•<b>Medium Priority:</b> Revisit and assess this Communications Strategy in Q4 2014 to determine if CAFII wishes to continue a “Prepared and Selectively Proactive” approach or transition to more proactive communications tactics beginning in 2015</li> </ul>

## Regulators and Policy-Makers: Engage effectively to position CAFII as “go to” resource for credible information and insights (1)

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Completion of rebranding of CAFII	Secure delivery of all electronic and printed stationery and templates with new CAFII logo and “look and feel”	Completed on time and within budget			
Draft and deliver high quality regulatory submissions: Ongoing High Priority	Response to Draft 2 of Manitoba’s Draft ISI Regulation (delivered January 10/14)	Completed on time, with input from EOC and in consultation with allied industry Associations	Submission in response to FSCO’s Draft 2014 Statement of Priorities, due May 30		
	CISRO-requested letter of support from CAFII for its LLQP modernization efforts (delivered February 21/14)	Completed and submitted within two weeks of request, with input from EOC			
	CAFII submission in response to Finance Canada’s proposed federal financial consumer code (delivered February 28/14)	Completed on time, with input from EOC and in consultation with allied industry Associations			
	Submission in response to CCIR’s call for input for its 2014-17 Strategic Plan (delivered February 14/14)	Completed on time, with input from EOC			



## Regulators and Policy-Makers: Engage effectively to position CAFII as “go to” resource for credible information and insights (2)

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Meet face-to-face with each relevant regulator and policy-maker at least once every 18 months: Ongoing High Priority	Arrange opportunity(ies) for Alberta Insurance Council to give demo presentation(s) of its new Canadian Insurance Participant Registry (CIPR)	Completed, twice: face-to-face presentation on January 8 in Toronto; and webinar presentation in March	Meet with FSCO on April 9 to provide feedback on Interim Report of Life Insurance Product Suitability Review. Completed successfully.	Presentation to CISRO on multi-jurisdictional licensing and other compliance challenges faced by national contact centres, at meeting in Fredericton, September 29-30	
	One-on-one stakeholder meeting with CISRO LLQP Committee	Completed on February 10, very successfully. Meeting resulted in request for a letter of support from CAFII.	One-on-one stakeholder meeting for CAFII with CISRO LLQP Committee on May 28		
	Liaison lunch with J. Abram and R. Gilbertson of Alberta Insurance Council on March 17	Productive discussion where regulator identified travel insurance issues as a growing concern	Liaison dinner with C. Rogers, CCIR Chair, in Ottawa on May 6. Completed successfully.		
			Liaison dinner with G. Matier, Insurance Council of BC, arranged for May 28		
Ensure that Regulator and Policy-Maker Visit Plan is updated for every EOC and Board meeting: Ongoing High Priority	-January update -February update -March update	Completed	Joint Liaison Meeting with Atlantic Canada Insurance Regulators in Halifax. Postponed to October 1/14 in Fredericton.		Joint Liaison Meeting with Atlantic Canada Insurance Regulators in Fredericton on October 1/14.
			Liaison Lunch Meeting with AMF in Montreal on April 8. Completed successfully		
			Meeting with Manitoba Minister of Finance on April 29. Completed successfully.		
5/26/2014		Draft for Discussion Purposes	Attend May 7-9/14 CLHIA Compliance Conference. Completed, including regulator meetings		6

## Regulators and Policy-Makers: Effective Regulatory Advocacy

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Manitoba Draft ISI Regulation: High Priority	Secure desired amendments to draft ISI Regulation.	Completed, with high degree of success. Manitoba has confirmed in writing that it will be amending Regulation to address all concerns articulated by CAFII and other industry stakeholders, save for one that would require amendment to Insurance Act	Monitor to ensure that Regulation passed is as promised (ongoing)	Presentation to CISRO on multi-jurisdictional licensing and other compliance challenges faced by national contact centres, at meeting in Fredericton, September 29-30	
Pan-industry project group to address travel insurance Concerns Identified by Alberta Insurance Council and C. Rogers, CCIR Chair: High Priority			Play leadership role in formation and functioning of Pan-Industry Project Group on Travel Insurance. Underway with B. Wycks, J. Lewsen, and L. Duigu workin concert with CLHIA and THIA.		

## Regulators and Policy-Makers: Communicate benefits of Creditor Insurance; and positively influence perceptions, awareness, and understanding

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Regulator Kit: High Priority			Develop content and first draft design of materials for Regulator Kit	Polish and finalize content and design of materials for Regulator Kit	Disseminate Regulator Kit, including first Regulatory Newsletter, to Regulators and Policy-Makers
			Prepare first issue of quarterly Regulatory Newsletter, for inclusion with Regulator Kit		
Independent consumer research on insurance topics and issues: Medium Priority				Working with MAC, formulate plan and budget for increased use of independent consumer research, beginning in 2015, to provide communications content for Regulators/Policy-Makers and other audiences	Secure EOC and Board approval of plan and budget for increased use of independent consumer research
				Working with MAC, formulate plan and budget for engaging with non-FI Creditor Insurance Groups around regulatory risk and industry education	Secure EOC and Board approval of plan and budget for engaging with non-FI Creditor Insurance Groups
5/26/2014		Draft for Discussion Purposes			8

## Regulators and Policy-Makers: Keep EOC and Board Members Well-Informed of Regulatory Issues and Developments

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Deliver an “industry intelligence”-focused Regulatory Update for each EOC and Board Meeting: Ongoing High Priority	Update for January EOC Meeting	Completed	Ongoing	Ongoing	Ongoing
	Update for February EOC Meeting	Completed			
	Update for March EOC Meeting	Completed			
Keep EOC and Board members well-informed through other means: Ongoing High Priority	Communiques to EOC members on issues and developments, in between EOC and Board meetings	Direct communiques selectively sent to EOC members on time-sensitive issues; other news consolidated into weekly e-newsletter			

# Media: Improve, Consolidate, and Confirm “Readiness” to Respond to Media Requests (1)

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Media Training Refresher: High Priority	Media Training Session for Executive Director and CAFII volunteer leaders	Completed on March 26/14			
Key Messages/Story Scenarios/Stock Answers: High Priority				Complete Key Messages/Stock Answers/Story Scenarios utilizing feedback obtained in Media Training Session, with strong emphasis on “human touch” aspects of how CAFII members meet consumers’ needs	
Consumer Testimonials: High Priority			Secure additional consumer testimonials from CAFII members	Ensure that all consumer testimonials secured are posted to CAFII site and referred to in media response materials	
Short articles on case for Creditor Insurance and Alternate Distribution: Medium Priority				Develop series of short articles on Creditor Insurance and Alternate Distribution, with emphasis on human interest angle, for use on web site, in Media Kit, in “pen control” media opportunities, etc.	
5/26/2014		Draft for Discussion Purposes			10

## Media: Improve, Consolidate, and Confirm “Readiness” to Respond to Media Requests (2)

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Media Kit: Medium Priority					Develop an “About Creditor Insurance” Media Kit, using existing web site content and other resources
Media section on CAFII web site: Medium Priority					Develop a media-focused section on web site, using Media Kit materials and other content developed
Independent consumer research on insurance topics and issues: Medium Priority				Working with MAC, formulate plan and budget for increased use of independent consumer research, beginning in 2015, to provide communications content for Media and other audiences	Secure EOC and Board approval of plan and budget for increased use of independent consumer research

# Media: Selective Pro-active Engagement With Media

Initiative	Q1 2015 Deliverables	Q2 2015 Deliverables	Q3 2015 Deliverables	Q4 2015 Deliverables
Independent consumer research: Medium Priority	Launch approved plan for independent consumer research on insurance topics to fuel program of survey data-based Releases to selected media			
Roundtable Discussion meeting with "friendly media": Low Priority for 2014	Arrange Roundtable meeting with small group of "friendly media" to discuss and educate around Creditor's Group Insurance; the under-served market; and alternate distribution, at which Media Kit will be used as a discussion guide and distributed			

# The Public and Consumer Interest Groups: Enhanced Consumer-Friendly Web Presence

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
Consumer Testimonials: High Priority			Secure additional Consumer Testimonials from CAFII members	Ensure that all consumer testimonials secured are posted to CAFII site, and regularly refreshed	
Enhance consumer-friendliness of CAFII's web presence: Medium Priority				Engage Search Engine Optimization services to improve CAFII's ranking in search results, and drive consumers with Creditor Insurance inquiries to site	Post Kit materials developed for other audiences to CAFII site, as information resource also directly relevant to consumers
				Revamp "Contact Us" section of site to welcome consumer questions about Creditor Insurance	Answer consumer queries about Creditor Insurance promptly, on an ongoing basis



# The Public and Consumer Interest Groups: Monitoring and Engagement

Initiative	Q1 2014 Deliverables	Comments	Q2 2014 Deliverables	Q3 2014 Deliverables	Q4 2014 Deliverables
FAQs on Creditor Insurance for FCAC website: High Priority	Draft FAQs using existing content on CAFII site	Completed in March. To be reviewed by MAC at April meeting.	After MAC and EOC review and approval, deliver FAQs on Creditor Insurance to FCAC for use on its site		
Financial Literacy Month: Medium Priority			Formulate plan and budget for CAFII to have some profile/involvement in Financial Literacy Month (November); use process as vehicle for engaging and raising CAFII's profile with FCAC and/or other regulators (egs. FSCO, AMF)	Secure EOC and Board approval for CAFII's involvement in Financial Literacy Month through an event, or Release/announcement; or social media campaign, etc.	Execute plan for CAFII involvement in Financial Literacy Month
Monitoring of Consumer Interest Groups: Ongoing High Priority	Include intelligence on Consumer Interest Groups' issues and activities in Regulatory Update for EOC and Board meetings	Intelligence included in two of three Regulatory Updates in Q1	Ongoing	Ongoing	Ongoing
Direct engagement with Consumer Interest Groups: Low Priority for 2014					Formulate plan and budget for CAFII to engage directly, beginning in 2015, with one or more key Consumer Interest Groups (eg. Seat on Advisory Board of Consumer's Council of Canada, as per CLHIA)

## Competition Law Policy

<b>Document Owner:</b>	CAFII Board of Directors
<b>Practice Applies to:</b>	CAFII Members
<b>Process Responsibility:</b>	CAFII Secretary
<b>Final Accountability:</b>	Executive Operations Committee

**Commented [LD1]:** Policy was initially created by Fasken Martineau in 2007 and should be reviewed by them prior to approval by the Board.

### DEFINITION:

**"Competition Act"** means the *Competition Act*, R.S.C. 1985, c. C-34, as amended;

### COMPETITION LAW POLICY

#### 1. Competition Law Policy Statement

It is the Corporation's policy that it, and all of its members, fully comply with the Competition Act in respect of any activity undertaken for or on behalf of the Corporation. Responsibility for such compliance rests with the board and with each member.

#### 2. Guidelines for Competition Act Compliance

At each meeting of the members of the Corporation, each member shall be furnished with a document setting out the Corporation's guidelines for Competition Act compliance (the **"Guidelines"**). Each attending member shall acknowledge receipt of the Guidelines in writing and agree to adhere to the Guidelines in respect of any activity undertaken for or on behalf of the Corporation.

#### 3. Consequences for Failure to Comply with Policy and Guidelines

Failure by a member to comply with this policy or the Guidelines is grounds for removal of that member from the register of the Corporation in accordance with section 9.06.

#### 4. Annual Review of Guidelines

The Guidelines shall be reviewed annually by the Corporation and shall be amended from time to time, as necessary or considered desirable by the Board of Directors.

Any changes to the Competition Law Policy may not be ratified by electronic means.

If you have any questions, comments or suggestions regarding this document, contact the Executive Director, Brendan Wycks at [Brendan.wycks@cafii.com](mailto:Brendan.wycks@cafii.com).

## CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

### GUIDELINES FOR *COMPETITION ACT* COMPLIANCE

Trade association meetings present a risk of interactions among competitors that in and of themselves may contravene, or may lead to a contravention of, Canada's competition laws. Depending on the circumstances, an inference may be drawn by the Competition Bureau of an improper agreement among competitors resulting from such interactions. In addition to rules of general application to all industries, there are also specific provisions in the *Competition Act* (the "**Act**") dealing with agreements or arrangements between federal financial institutions.<sup>1</sup>

Consequently, the Canadian Association of Financial Institutions in Insurance ("**CAFII**"), and its members, should be cognizant of the importance of compliance with the Act and committed to such compliance. In fulfilling the mandate of CAFII, and working towards the achievement of its objectives, members of CAFII are expected to adhere to the guidelines that follow and CAFII's competition law policy to promote and respect the spirit and the letter of the law.

#### 1. **Prohibited Activities**<sup>2</sup>

##### (a) **Anti-competitive Agreements or Understandings**

Neither CAFII nor any committee or activity of CAFII shall be used for the purpose of bringing about or attempting to bring about any agreement, written or oral, formal or informal, express or implied, among competitors regarding:

- (i) the amount or kind of prices, premiums, service charges, interest rates, or other terms or conditions of any products or services to be offered for sale by insurance companies;
- (ii) the amount or kinds of products or services to be offered to customers or classes of customers;
- (iii) the customers or classes of customers to whom any insurance company product or service may be sold or withheld; or
- (iv) the territories in which an insurance company product or service may be sold.

##### (b) **Sharing Information Posing Anti-competitive Risk**

No CAFII activity, including any activity undertaken by a CAFII committee or group, shall involve discussion, exchange, collection or dissemination among competitors, for any purpose or in any fashion, information on those matters identified in subparagraphs (i) to (iv) in paragraph (a) above.

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<sup>1</sup> For the purposes of the relevant provisions of the Act, "federal financial institution" means a bank or authorized foreign bank within the meaning of section 2 of the *Bank Act*, a company to which the *Trust and Loan Companies Act* applies or a company or society to which the *Insurance Companies Act* applies.

<sup>2</sup> The activities captured by these guidelines include any activities undertaken for or on behalf of CAFII, including but not limited to, CAFII meetings, formal or informal CAFII-sponsored events, and advocacy and lobbying initiatives.

Where projects involve the collection of individual firm statistical data, such collection shall involve only aggregate data from past transactions and shall include effective steps to protect against disclosure of individual product-pricing or interest-payment information.

**(c) Exchange of Cost Information – Anti-competitive Purposes**

No CAFII activity shall include any discussion of costs or any exchange of cost information for the purpose or with the probable effect of:

- (i) increasing, maintaining, or stabilizing prices, premiums, service charges, interest rates, or other terms or conditions of insurance company products or services;
- (ii) reducing competition with respect to the range or quality of products or services offered by insurance companies; or
- (iii) promoting agreement among insurance companies with respect to their selection of products or services for purchase, their choice of suppliers, or the prices they will pay for such products or services, including commissions for the services of commissioned agents.

**(d) Published Papers**

Papers published by or on behalf of CAFII or presented in connection with CAFII programs should not discuss or refer to the amount or kind of prices, premiums, service charges, interest rates, or other financial terms or conditions of insurance products or services offered for sale by insurance companies. Additionally, reference to costs in such papers should not be accompanied by any suggestion, express or implied, that prices, premiums, interest rates, service charges or other terms or conditions of insurance company products or services should be raised, adjusted, or maintained in order to reflect such costs. To ensure compliance, authors of conference papers shall be informed of CAFII's Guidelines for Competition Act Compliance and CAFII's competition law policy and the need to comply with these rules in the preparation and presentation of their papers.

**(e) No Attempt at Product Standardization**

Neither CAFII nor any CAFII committee or group shall make any effort to bring about the standardization of any insurance product or service for the purpose or with the effect of preventing the development or sale of any product or service not conforming to a specified standard.

**(f) Independent Dealings with Suppliers**

No CAFII activity or communication shall include any agreement, or any discussion which might be construed as an agreement, to collectively refrain from purchasing any products or services from any supplier.

**(g) No Exclusion from CAFII Activities**

No person shall be arbitrarily or unreasonably excluded from participation in any CAFII committee or activity where such exclusion may impair such person's ability, or the ability of his or her employer, to compete effectively in the insurance industry or as a supplier to the insurance industry.

## 2. Permissible Activities

The Act expressly permits certain activities among competitors and, as a result, within trade associations. These permitted activities include:

- the exchange of statistics;
- the defining of service or product standards;
- the exchange of credit information;
- the definition of industry terminology;
- co-operation in research and development; and
- agreements on environmental protection measures.

However, the usefulness of these exemptions is **very limited**. These activities become illegal if the result is that competition is unduly decreased, or if entry into an industry or expansion of a business within that industry is unduly restricted. For example, although “the exchange of statistics” is permitted, that does not mean that any and all forms and kinds of statistics and numbers, such as price lists or market-share data, may be exchanged among trade association members. Likewise, the defining of service or product standards may become criminal conduct if there is an agreement that CAFII members will restrict the range of services or products they offer to certain specified customers, or they agree to standards in terms of quality, range or quantity of products or services they offer with the aim of eliminating low price competitors.

## 3. Efforts to Influence Governmental Action

In general, one has a right to meet and to make joint presentations with respect to governmental activities of common interest. However, this right should not be used jointly by competitors for an anti-competitive purpose such as, for example, the lobbying for a legislative or regulatory change having the objective of impeding entry of new competitors, increasing insurance premiums, or restricting insurance services to certain classes of customers or geographic regions. Caution should be exercised where a particular lobbying initiative pertains to subject-matter that has competitive overtones or may be perceived as a concerted effort to lessen or prevent competition. In such cases, legal advice should be sought before proceeding with the initiative.

**CONFIDENTIAL TO CAFII MEMBERS  
NOT FOR WIDER DISTRIBUTION**

**Regulatory Update – Executive Operations Committee, May 22, 2014**

Prepared By Brendan Wycks, CAFII Executive Director

**Executive Summary of this Issue**

- **CAFII Meeting With Manitoba Minister Of Finance Confirmed For April 29. Page 2:** April 29/14 meetings With Manitoba's Minister of Finance and Superintendent of Insurance gave CAFII a timely opportunity to deliver key messages about its support for the province's inter-provincially harmonized Incidental Sellers of Insurance Regulation and the critical need for sufficient lead time for implementation.
- **AMF Disseminates Questionnaire On Compliance With Sound Commercial Practices Guideline. Page 3:** In early May, the AMF sent its promised Questionnaire on Compliance With Sound Commercial Practices Guideline to all insurers and deposit-taking institutions operating in Quebec. At the CLHIA Compliance Conference, AMF staff executive Helene Samson commented on the questionnaire and characterized the Guideline as the AMF's bible on Fair Treatment of Customers.
- **CCIR's 2014-17 Strategic Plan Initiatives. Pages 3-4:** Carolyn Rogers, CCIR Chair, gave a high level overview of the Council's new Strategic Plan at the CLHIA Compliance Conference; and commented on related regulatory developments.
- **Financial Consumer Agency of Canada Outlines National Financial Literacy Strategy and Unveils New Three Year Business Plan. Pages 4-5:** Jane Rooney has been promoted into the role of Financial Literacy Leader, working within the Financial Consumer Agency of Canada (FCAC).
- **Borden Ladner Gervais Presentation on Market Conduct Issues: Trends in Industry and Self-Regulation. Page 6:** Jill McCutcheon gave some poll-based prognostications on market conduct regulation trends at the recent CLHIA Compliance Conference.

## **British Columbia**

### FICOM Awaiting Stragglers' Responses to Open Letter and Two Question Survey On "Creditor's Group Insurance Issue"

In late May, Brendan Wycks made a follow-up call to Harry James, FICOM's Director, Policy Initiatives, to find out if there was any news he could share based on responses to the Commission's open letter sent in early April to all entities licensed to offer creditor's group insurance in the province. The deadline for responses was May 9.

Harry advised that it was premature for him to respond, as there were still a number of straggler respondents who had yet to submit a response to the letter. He expected to be in a position to communicate FICOM's findings and next steps in early to mid-June.

As previously indicated, the open letter includes a questionnaire consisting of two high level filter questions intended to ascertain the prevalence in the market of CGI products which may contravene BC insurance legislation with respect to the "structuring and effecting" of creditor's group insurance.

Earlier, on March 12, Harry James had contacted Brendan Wycks to provide heads-up information about an issue related to creditor's group insurance which had led the Commission to impose a Consent Order and fines totaling \$150,000 on Manulife Financial and its subsidiary company Benesure Canada.

## **Manitoba**

### Meeting With Minister of Finance On April 29/14

On April 29, Moira Gill, Paul Yeung, and Brendan Wycks met in Winnipeg with Manitoba Minister of Finance Jennifer Howard, Deputy Minister Jim Hrichishen, Superintendent of Insurance Jim Scalena, and Deputy Superintendent Scott Moore.

And immediately prior to that meeting, the CAFII delegation had a pre-meeting with Jim Scalena, Scott Moore, and Erin Pearson, Executive Director of the Insurance Council of Manitoba.

In addition to face-to-face relationship-building, the meetings provided an opportunity for CAFII to communicate its support for Manitoba's ISI Regulation, given that its current form reflects a high degree of harmonization with the existing ISI regimes in Alberta and Saskatchewan. The delegation stressed the importance of providing – whenever such new Regulations are introduced – sufficient lead time to enable our member Financial Institutions to implement the required changes in an efficient, effective and consumer-friendly manner. We noted that significant regulatory changes inevitably become major projects within member organizations and it takes considerable time to ensure that necessary IT systems changes are made, forms revised, staff re-trained, and consumers notified of how the changes affect them.

Other highlights of the meetings are set out in a Regulatory Visit Report and thank you letters sent to Minister Howard and Superintendent Scalena.

## Quebec

### Compliance Questionnaire on Sound Commercial Practices Guideline

Helene Samson, Director, Prudential Oversight of Financial Institutions at the AMF, presented as part of CLHIA Conference panel on Fair Treatment of Customers, along with Moira Gill and John Lewsen.

In her remarks, Ms. Samson advised that the following through that week, by Friday, May 9, on its promise to issue a Questionnaire on Compliance with the AMF's Sound Commercial Practices Guideline, which came into force in June 2013. She indicated that the Guideline was inspired by best practices and ICP 19 in the IAIS' Insurance Core Principles, is outcomes-based, and is effectively the AMF's policy manual and bible on Fair Treatment of Customers.

She indicated that the questionnaire would be sent to all financial institutions operating in Quebec, both insurers and deposit-taking institutions. The survey is designed to give the AMF a "big picture assessment" of the current level of compliance, which will permit it to measure the degree of progress towards compliance with the Guideline. Insurers and DTIs doing business in Quebec will be given several months to complete and submit the Questionnaire on Compliance with the Sound Commercial Practices Guideline.

## Federal/National

### **Canadian Council of Insurance Regulators (CCIR)**

#### CCIR Update at CLHIA Compliance Conference, May 7-9/14 in Ottawa

Carolyn Rogers, CCIR Chair, gave a CCIR Update presentation on the opening morning of the recent CLHIA Conference. The key insights from her presentation were:

**-Review of Third Party Administrators.** Having concluded its pre-consultation and found no significant issues of concern, CCIR has decided to suspend further consultation on insurers' use of TPAs. However, this investigation has resulted in an issue related to White Labeling of Travel Insurance making its way into the 2014-17 CCIR Strategic Plan.

As well, CCIR is reminding insurers that their oversight of TPAs may be addressed by Conduct of Business Review in the future; and insurers are expected to ensure that their TPAs make information about the complaint and dispute resolution process clear to claimants who are denied for any reason.

**-Market Conduct Supervisory Framework:** CCIR is currently drafting a paper detailing the issues and options for the development of a common Supervisory Framework. The Council has reached agreement that the common Framework must be rooted in the following principles:

- comprehensive with respect to international standards;
- cost-effective for CCIR members;
- efficient in regard to administrative burden on the regulated industry; and
- shared and equitable distribution of responsibility among participating jurisdictions.

**-2014-17 Strategic Plan:** The overriding feedback received from stakeholders with respect to CCIR's new plan was a desire for increased harmonization in



- laws and regulations;
- licensing requirements;
- implementation of CCIR recommendations; and
- guidance on the use of new technologies.

Therefore, CCIR's high level strategic priorities for the next three years are

- align supervision with international best practices to enhance consumer protection;
- work collaboratively with regulatory partners to increase regulatory capacity across all jurisdictions; and
- partner with industry stakeholders to identify opportunities to improve harmonization and reduce inter-jurisdictional barriers.

## **Canadian Insurance Services Regulatory Organizations (CISRO)**

### LLQP Modernization

On April 28, Ron Fullan, Chair of CISRO and its LLQP Committee, issued an open letter to LLQP Stakeholders on the subject of "LLQP Updating Project." The letter has been widely shared throughout the life insurance industry, including by FSCO and the AMF.

The main purpose of the three-page letter – which details the process followed by the LLQP Committee to date, plans and timelines for seeing the project through to completion, and the benefits of the modernization effort to all stakeholders, including consumers – is to address "misconceptions concerning some of the details of the project." The misconceptions referenced, no doubt, include those held by the industry stakeholder whose opposition to key aspects of the project caused the LLQP Committee to ask CAFII for a "letter of support," since delivered, which could be shared with Ministers across the country.

CAFII has another one-on-one stakeholder meeting with the LLQP Committee confirmed for May 28, 2014 from 10:15 to 11:00 a.m. Some of the focus of the meeting, at the committee's behest, will be on providing feedback on curriculum documents, as well as the criteria to be approved as a course provider.

## **Financial Consumer Agency of Canada**

### FCAC Outlines National Strategy On Financial Literacy

On April 15/14, Jane Rooney, a seasoned FCAC policy-maker in domestic and international financial literacy issues, was appointed Canada's first-ever Financial Literacy Leader. At the CLHIA Compliance Conference on May 9, Ms. Rooney presented as part of a panel on financial literacy. The title of her presentation was "Financial Literacy: A Powerful Market Force." The highlights of her remarks are as follows.

The goal of the National Strategy for Financial Literacy is to strengthen Canadians' knowledge, skills and confidence to make responsible financial decisions throughout their lives.

Phase 1 of the National Strategy will focus on Seniors and near-Seniors. Phase 2 will focus on other vulnerable groups such as low income Canadians, aboriginal people, and newcomers to Canada. Phase 3 will focus on children and youth.

A National Steering Committee on Financial Literacy comprised of sector leaders and champions of the National Strategy will be formed. There will be an online application process for the committee this Spring and she hopes to be in a position to select and name the members of the committee before the end of summer. She will be engaging with stakeholders to promote participation on the committee.

Financial Literacy Month, which will continue to be held every November. In 2014, a new element will be a National Financial Literacy Conference, to be held in Vancouver on November 6-7, to share knowledge and best practices.

#### FCAC Unveils New Three Year Business Plan

On April 30, 2014, FCAC Commissioner Lucie Tedesco unveiled the Agency's 2014-17 "Report on Plans and Priorities." The six priorities outlined in this business plan for the Agency for the next three years are:

- lead and co-ordinate the implementation of the National Strategy on Financial Literacy;
- increase the Agency's contribution to financial consumer policy discussions;
- expand efforts to promote public awareness of the obligations of federally regulated financial entities (FRFES);
- conduct proactive and transparent supervision;
- strengthen collaboration and engagement with internal and external stakeholders;
- leverage the Agency's resources and optimize its infrastructure to enhance efficiencies.

In a May 9/14 briefing/planning meeting with CAFII representatives Maria Sanchez-Chung, Moira Gill, Brendan Wycks, and Leya Duigu, Brigitte Goulard, recently appointed FCAC Deputy Commissioner who will be the speaker at CAFII's June 10 Reception event, Ms. Goulard advised that some of her remarks will focus on explaining the Agency's new business plan. She characterized the three-year plan as having five externally-focused priorities and one internally-focused priority. She noted that the CAFII speaking engagement presents an excellent opportunity for FCAC to address one of its external priorities, by connecting with a key industry stakeholder and improving the relationship.

#### Federal Financial Consumer Code To Proceed

In a briefing meeting with CAFII representatives on May 9/14, Brigitte Goulard, Deputy Commissioner of the FCAC, advised that the proposed Federal Financial Consumer Code, for which a consultation with industry was held between December 2013 and February 28, 2014, will definitely be proceeding ahead.

She advised that many industry stakeholders are not aware of just how much international issues impact domestic market regulatory policy and market conduct regulation. The consultation around the proposed Federal Financial Consumer Code, for example, was borne out of a commitment that Canada made at a G20 meeting. Many people don't realize how difficult it is to change the Government's mind, particularly when international commitments have been made, she advised.

#### **Office of the Superintendent of Financial Institutions (OSFI)**

##### OSFI Wins High Performance Marks In Qualitative Research Findings

In the Executive Summary of a qualitative research report published in March 2014 by public opinion research firm The Strategic Counsel, OSFI wins high marks for effectiveness in discharging its mandate.

Overall, satisfaction with OSFI is very strong which is attributed to perceptions of how it interacts with those it regulates. OSFI is perceived to

- be willing to engage in dialogue with both individual companies and the industry;
- have established good communications with the life insurance industry through consultation, regular meetings with some companies, and participation in presentations and seminars;
- be professional in its dealings with life insurance companies; and
- focus on appropriate areas of risk for the most part.

OSFI is viewed to be among best-in-class regulators worldwide for its efforts to consult with the industry on the development of guidance; principles-based approach to regulation; and generally, being seen as fair and reasonable to deal with.

### **Canadian Life and Health Insurance Association (CLHIA)**

#### **Highlights of 2014 CLHIA Compliance and Consumer Complaints Conference, May 7-9/14 In Ottawa**

##### **Market Conduct Issues: Trends in Industry and Self-Regulation**

Jill McCutcheon of Borden Ladner Gervais gave a presentation at the CLHIA Conference on this subject. She reported that she had recently conducted an informal poll of industry experts (both regulators and others) in which she posed this question: “What is the most important market conduct issue facing the life insurance industry today and in the near future?”

While this straw poll gave rise to a variety of answers and a remarkable lack of consensus, the following themes emerged:

- higher regulatory expectations rooted in the international mantra of “Fair Treatment of Customers” and related pressure points
- consumer protection standards are increasingly being driven by international views and/or adopted local views, and not by law-maker views
- increased regulator supervision of market conduct
- increased pressure for insurer supervision of the independent life agent/MGA channel
- increased use of Administrative Monetary Penalties as a sanction

**DRAFT ONLY**  
**NOT FOR DISTRIBUTION BEYOND CAFII MEMBERS**

May 29, 2014

Mr. Philip Howell  
Chief Executive Officer and  
Superintendent, Financial Services  
Financial Services Commission of Ontario  
5160 Yonge Street, Box 85  
Toronto, ON M2N 6L9

**RE: FSCO Statement of Priorities for 2014**

Dear Mr. Howell:

I am writing to you on behalf of the Canadian Association of Financial Institutions in Insurance (CAFII) with respect to FSCO's 2014 Statement of Priorities.

CAFII supports FSCO's over-arching emphasis on risk-based regulation and its four main strategies. Below we comment on initiatives to be undertaken that are of particular interest to CAFII; and thereafter we address some matters of general strategic focus.

*1) Conduct life insurance and mortgage broker product suitability reviews (Initiative 1.4)*

CAFII has appreciated its involvement as a key stakeholder in the continuing life insurance product suitability review initiative, launched in Spring 2013, including our April 9, 2014 meeting with the project team to provide feedback on the Interim Report stemming from the review.

We acknowledge FSCO's prudent decision, rooted in risk-based regulation, to narrow the scope of the review to include only face-to-face, across-the-kitchen-table sales of term life, whole life and universal life insurance. Thereby, the electronic commerce, contact centre, and incidental sales of insurance (ISI) alternate distribution channels through which CAFII members offer creditor's group insurance were excluded from the review.

In keeping with the comments we shared with the project team on April 9, CAFII offers a caution to take care to avoid unwarranted inferences and generalizations not justified by the data generated from the Life Agent Questionnaire completed by a random sample of captive and independent life insurance agents involved in face-to-face sales.

With respect to the non-face-to-face contact centre environment – the prime sales support mechanism for the alternate distribution channels which constitute the bulk of CAFII members' business -- the issues identified by the survey with respect to low levels of written documentation and failure to provide legally mandated disclosures are "not applicable." CAFII member contact centres are controlled, monitored environments where all required disclosures are set out in

scripts and where interactions with the consumer are recorded and thereby documented. The Contact Centre environment is distinctly different, and rules and regulations that are germane and applicable to licensed life agents should not be applied to incidental sales of insurance.

2) *Develop and implement an information technology Enterprise Development Program (Initiative 2.2)*

CAFII supports this initiative and commends FSCO for the business case and project plan progress it has made on this system, intended to create one window access to check or renew licenses, submit filings, pay fees, and do other related tasks. We support ongoing improvements to electronic licensing systems.

In keeping with the priority of fostering a co-ordinated, national approach to licensing and regulation, we recommend that FSCO pursue compatibility of its electronic systems with those of other jurisdictions. That focus on co-ordination and integration should include the Canadian Insurance Participant Registry (CIPR) currently being rolled out by the Alberta Insurance Council, given its breakthrough potential as a platform for a nationally harmonized licensing system.

3) *Implement fraud awareness stakeholder engagement strategy (Initiative 3.1)*

CAFII congratulates FSCO for undertaking to work with insurance stakeholders and consumers to implement an anti-fraud awareness strategy, and provide information to consumers on fraud in the insurance sector. Should FSCO decide to pursue an industry partnerships approach to this initiative, our Association stands ready to co-operate and assist.

4) *Promote consumer access to financial literacy information (Initiative 3.3)*

CAFII supports FSCO's intention to promote consumer access to educational materials that can strengthen financial literacy in all regulated sectors. Our Association has recently increased its strategic focus on Consumer Financial Literacy as a win-win goal that is good for consumers, for business, the economy, and our society. Should FSCO decide to pursue an industry partnerships approach to this initiative, CAFII stands ready to co-operate and assist.

5) *Develop harmonized life agent licence qualification national standard (Initiative 4.1)*

CAFII supports this initiative and commends FSCO for its participation in CISRO's Life Licence Qualification Program (LLQP) project. This critically important initiative will develop a national qualification standard that aligns with the Agreement on Internal Trade, the Ontario Labour Mobility Act, and the Ontario-Quebec Trade and Cooperation Agreement. We continue to participate with keen interest in the LLQP Committee's Industry Stakeholder Consultation meetings and processes.

As you may know, in response to a request from the Chair of CISRO's LLQP Committee, CAFII recently provided a formal letter of support for the LLQP modernization effort.

## 6) General Matters

### Improved Disciplinary Model to Regulate Insurance Agents and Adjusters

CAFII commends FSCO for the transparent, thorough, and effective consultation process it conducted in 2013 around modernizing the disciplinary process for insurance agents and adjusters, which led to the introduction of legislation in March 2014. We trust that that legislation – which died on the Order Paper with the calling of a provincial election – will be re-introduced soon after a new government takes office.

In a similar vein, CAFII also supports the proposed legislation that would see authority for the dispute resolution system related to FSCO moved from FSCO itself to the Ministry of the Attorney General's Licence Appeal Tribunal. The proper home for a dispute resolution mechanism is with an independent, third party and this change will support increased transparency, efficiency and effectiveness.

### International Insurance Core Principles

CAFII congratulates FSCO for achieving recognition from the International Monetary Fund in 2013 for a high level of adherence to the International Association of Insurance Supervisors' Insurance Core Principles. Our Association strongly supports this work to ensure adequate levels of consumer protection and a financially sound insurance sector. Should any follow-up be required as a result of the IMF's assessment, we stand ready to co-operate and assist FSCO and other members of the Canadian Council of Insurance Regulators.

### Regulatory Co-ordination and Harmonization

CAFII extends kudos to FSCO for playing a leadership role in the development and launch of the Canadian Insurance Regulators Disciplinary Actions (CIRDA) database. In this and other initiatives, CAFII appreciates FSCO's continued leadership in fostering a coordinated national approach to regulation.

As you know, CAFII members offer insurance coverages in multiple jurisdictions and it is very important that regulations are as similar as possible across all jurisdictions. Co-ordination of regulations is also important for ensuring that consumers have consistent satisfactory experiences in each jurisdiction.

We are looking forward to an anticipated opportunity to make a presentation to CISRO in September 2014 on Multi-Jurisdictional Licensing Issues and Compliance Challenges.

### Risk-Based Regulation

Risk-based regulation involves monitoring, identifying, focusing and allocating resources toward the highest risks in each regulated sector. One important tool of risk-based regulation is the self-evaluative questionnaire. Industry is increasingly being asked to supply information in response to such questionnaires. We believe that necessary protection for respondent companies related to such questionnaires will be provided if the information they submit is protected by "self-evaluative privilege." This was a position recommended by the Canadian Council of Insurance Regulators and adopted by Alberta and Manitoba in their recent *Insurance Act* reviews. Given Ontario's leadership focus on both

risk-based regulation and harmonization, we recommend that self-evaluative privilege be adopted in Canada's most populous province.

CAFII also recommends that a risk-based perspective be extended to any market conduct regulatory changes under consideration, such that contemplated changes are measured against the risk to consumers. For example, distribution of insurance over the internet achieves broad demographic and geographic access to Canadians. As such, electronic channels can help ensure that insurance is made available to uninsured and underinsured consumers and we therefore recommend that regulations should support electronic distribution.

#### Auto Insurance; and Voluntary Usage-Based Programs

We note that FSCO has ongoing focus on auto insurance reforms and insurance fraud. Using risk-based regulation principles, where regulation should focus on areas with greatest impact on consumers, we concur that these are important priorities for FSCO to continue to pursue.

In that connection, CAFII supports innovation in all sectors of the insurance market. We therefore commend FSCO for the foresight and leadership demonstrated in supporting telematics-based innovation in auto insurance, while ensuring that consumers are fairly treated (Initiative 3.4).

FSCO has publicly acknowledged that "Government and regulators need to meet the increasing service expectations of consumers." This is equally true with respect to market conduct regulation, and CAFII congratulates FSCO for its leadership and the risk-based regulatory approach deployed in assessing innovation and supporting the introduction of usage-based insurance.

Finally, we continue to stress how vitally important it is that the remaining recommendations from the package of Auto Insurance Reforms, announced by the Minister of Finance in November 2009, be fully addressed. Additional challenges arose following the implementation of the 2010 reforms -- such as capacity and process issues within the FSCO Dispute Resolution System -- which added costs to the accident benefit system for both claimants and insurers. So while we extend congratulations to FSCO for eliminating the mediation backlog in August 2013, we must underscore that maintaining a laser-like focus on cost containment remains critically important to the availability and affordability of the auto insurance product in Ontario.

CAFII appreciates the opportunity to comment on FSCO's priorities and looks forward to continued communication and input on policy matters.

Yours truly,

A handwritten signature in black ink, appearing to read 'J. Hines', with a stylized flourish extending from the end.

Jennifer Hines  
CAFII Secretary and Chair, Executive Operations Committee



Financial Services  
Commission  
of Ontario

# **2014 STATEMENT OF PRIORITIES**

## **FINANCIAL SERVICES COMMISSION OF ONTARIO**



## Message from the Chair and the Chief Executive Officer

Established under the [Financial Services Commission of Ontario Act, 1997](#) (FSCO Act), FSCO regulates insurance companies and agents; pension plans; loan and trust companies; credit unions and caisses populaires; mortgage brokerages and administrators; and co-operative corporations in Ontario. FSCO is accountable to the Minister of Finance.

FSCO's legislative mandate is to provide regulatory services that protect the public interest and enhance public confidence in the sectors it regulates. As an organization, FSCO is committed to being a progressive and fair regulator, working with stakeholders to support a strong financial services industry, and protecting the interests of financial services consumers.

FSCO is comprised of a five-member Commission, the Superintendent of Financial Services and staff, and the Financial Services Tribunal. The [Financial Services Tribunal](#) is an expert adjudicative tribunal established under the FSCO Act. The Tribunal hears applications and appeals on regulatory decisions made or proposed by the Superintendent.

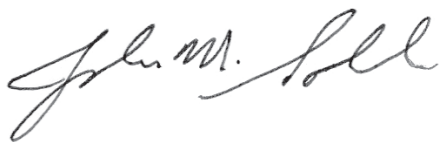
Section 11 of the FSCO Act requires that FSCO publish in the Ontario Gazette and deliver to the Minister of Finance by June 30 of each year a statement setting out FSCO's proposed priorities and the reasons for adopting these priorities.

This is FSCO's 17th Statement of Priorities. It outlines FSCO's and the Tribunal's priorities and planned initiatives for the coming year, and highlights FSCO's key accomplishments in the previous year.

FSCO values the input of stakeholders in developing its Statement of Priorities. FSCO aims to consult in an open and transparent process, and has invited stakeholders to provide comments on the 2014 Statement of Priorities.



Philip Howell  
Chief Executive Officer &  
Superintendent of Financial Services



John M. Solursh  
Chair  
Financial Services Commission of Ontario  
Financial Services Tribunal

## Introduction

FSCO is required to release a Statement of Priorities each year outlining its proposed activities. Following is this year's statement, along with highlighted accomplishments from last year. FSCO's approach to fulfilling its legislated regulatory responsibilities is outlined in greater detail in our [Regulatory Framework document](#) which is posted on the FSCO website. FSCO also reports back on its core activities through its [annual report](#). In conducting its business, FSCO always seeks to protect consumer interests and enhance public confidence in the sectors it regulates.

## FSCO's Core Activities

### Regulatory Policy

FSCO advises the government on existing or potential risks and policy issues in the regulated sectors. All areas within FSCO work together to identify and define policy issues. Policy development is integral to public protection, determines resource allocation, and results from a collaborative effort that includes external consultations with stakeholders and the public.

### Regulatory Coordination

FSCO promotes and plays an important role in coordinating regulatory efforts at a national level. Canadian regulators work together to coordinate activities, share information, proactively identify emerging trends and risks, look for harmonized approaches, reach consensus around solutions for common problems, and provide solutions and guidance applicable to multiple jurisdictions across the country. Coordination minimizes unnecessary duplication, potential delays related to regulatory processes, and regulatory costs through joint projects and resource sharing. FSCO works closely with other regulators, as needed, in order to achieve its legislative mandate.

### Licensing and Registration

By law, individuals and businesses require licences from FSCO in order to conduct certain activities within the regulated sectors. Licensing ensures that only qualified and appropriate licensees conduct business with the public. Similarly, pension plans are required to be registered with FSCO. Licensing and registration allow for the supervision of the sectors in order to protect the public.

### Filings and Applications

Once licensed or registered, regulated entities are required by law to submit information to FSCO on a regular basis. Certain transactions in the regulated sectors require FSCO's approval, and regulated entities must follow filing and application procedures to obtain approval. FSCO's ability to request information is a fundamental power and key regulatory tool. The information FSCO gathers at both the entity level and on an aggregate, systemic basis is used to develop proactive supervisory strategies and plans, including monitoring and compliance activities.

### Monitoring and Compliance

Monitoring and compliance are important, ongoing supervisory activities. FSCO assesses whether regulated entities follow the law through compliance reviews. In addition to addressing specific cases of non-compliance, FSCO's focus is also on monitoring the degree of compliance in the regulated sectors as a whole. FSCO takes a risk-based approach to regulation, and is concerned with the overall potential negative impact that non-compliance cases have on regulatory outcomes.

## Enforcement and Intervention

FSCO influences conduct in the regulated sectors through different strategies including, for example, education, moral suasion, partnering with stakeholders, compliance reviews, intervention, and ultimately enforcement. FSCO will employ the most appropriate enforcement action for entities that fail to comply with the law.

## Alignment with Insurance Core Principles

The International Association of Insurance Supervisors' Insurance Core Principles prescribe the essential elements of a supervisory regime that provide an adequate level of policyholder protection and promote a financially sound insurance sector. FSCO aligns its insurance regulatory activities with the insurance core principles. In a review released earlier this year, the International Monetary Fund assessed FSCO as having a high level of observance with the insurance core principles. The International Monetary Fund also noted that FSCO has robust accountability frameworks in place, FSCO's licensing processes are in line with international best practices, and FSCO has a well-developed framework to combat fraud.

## Strategies and Initiatives

To deliver its core regulatory services, FSCO sets high-level goals that are aligned with four broad strategies focused on effective delivery of its regulatory services to meet its regulatory responsibilities:

- Review and recommend changes to better mitigate risk
- Increase efficiency, effectiveness and transparency
- Communicate, share knowledge, and engage stakeholders
- Coordinate with other Canadian regulators in the financial services industry

With these strategies, FSCO aims to improve the ways in which it regulates and delivers services to foster consumer protection in the financial services

sectors. FSCO's 2014 strategies and initiatives provide a snapshot of the work that FSCO is focusing on over the next year. FSCO recognizes that the financial services sector is a dynamic and fast-paced environment, and in addition to this year's priorities, FSCO will be ready to address any emerging regulatory needs in the future.

## Strategy 1: Review and recommend changes to better mitigate risk

FSCO's risk-based regulatory approach allows it to allocate resources towards matters that pose the highest risks to consumers. FSCO will continue to strengthen its regulatory approach with a number of initiatives to mitigate risks in the financial services sector.

### 1.1 Licensing Business Systems and Business Practices of Service Providers

In the 2013 Ontario budget, the government committed to take further action to tackle fraud in the auto insurance sector. Among other measures, the government expanded FSCO's mandate to include the licensing and regulation of the business systems and business practices of healthcare service providers that directly invoice auto insurers for statutory accident benefits. In 2014, FSCO plans to launch a [licensing regime](#) to reduce fraudulent billing practices in the sector.

### 1.2 Develop Minor Injury Treatment Protocol

FSCO has contracted scientists and medical experts to develop an evidence-based protocol to treat auto accident claimants who sustain minor injuries.

The protocol will inform the Superintendent when developing a revised Minor Injury Guideline. The revised Minor Injury Guideline will be consistent with current and scientifically proven treatment for common injuries resulting from motor vehicle accidents. This will reduce disputes about benefits, and improve care provided to claimants.

### 1.3 Support the Ministry of Finance in the implementation of a Cost and Rate Reduction Strategy for auto insurance

FSCO will support the government's implementation of the auto insurance Cost and Rate Reduction Strategy, utilizing the powers provided to the Superintendent in existing legislation.

### 1.4 Conduct life insurance and mortgage broker product suitability reviews

FSCO will undertake product suitability reviews of life insurance and mortgage broker products. FSCO plans to assess how agents/brokers respond to the financial literacy needs of their clients, and evaluate the processes used by agents/brokers to provide advice to consumers.

## Strategy 2: Increase efficiency, effectiveness & transparency

As part of FSCO's commitment to modernizing its regulatory services, FSCO is undertaking a number of reviews and service delivery improvements to keep pace with the changing financial services environment, and to promote cost-effective and efficient regulation.

### 2.1 Work with Ministry of Finance on statutory and system reviews

In 2013, FSCO commenced a consolidated three-year review of Part VI (Auto Insurance) of the Insurance Act, and related regulations. Once the review is complete, FSCO will submit a report to the Minister of Finance in Fall 2014. FSCO will also work with the Ministry of Finance to implement the recommendations from last year's five-year review of the Mortgage Brokerages, Lenders and Administrators Act, 2006. FSCO will assist the ministry by supporting the Minister of Finance's appointee with the five-year statutory review of the Credit Unions and Caisses Populaires Act, 1994. Additionally, FSCO will work with the Ministry of Finance as required to review insurance company solvency regulation.

### 2.2 Design and implement an information technology Enterprise Development Program

A new web-based information management platform will provide FSCO with the required tools to effectively regulate in an increasingly challenging financial marketplace, while providing stakeholders with centralized access to the services they expect. The new system will also provide FSCO with comprehensive and centralized information on its regulatory activities and the regulated sectors. The web-based service will provide more accurate information to help FSCO undertake its risk-based approach, leading to increased efficiency and effectiveness. This is a multi-year initiative. The first phase will be launched in Spring 2014 to complement licensing of the healthcare service providers sector.

### 2.3 Work with the Ministry of Finance on the Dispute Resolution System Review implementation

In 2013, the government appointed the Honourable J. Douglas Cunningham to review the FSCO dispute resolution system. Mr. Cunningham delivered the final report to the Minister with 28 recommendations on how best to deliver dispute resolution services in early 2014. The government introduced legislation on March 4, 2014, to transform the system based on Mr. Cunningham's recommendations. The proposed legislation includes provisions that would move authority for the dispute resolution system from FSCO to the Ministry of the Attorney General's Licence Appeal Tribunal. If required, FSCO will work with the Ministry of Finance to assist in implementing proposed changes to the dispute resolution system.

### 2.4 Enhance auto insurance information and analysis

FSCO will enhance the use of automobile insurance data to simplify its regulatory process and collect data to forecast future trends, including:

- Examining factors contributing to cost changes in third-party liability bodily injury, and releasing a final report on the findings in 2014.

- Reviewing actuarial data to gauge the effect of the automobile insurance reforms, and studying the effect of the reforms on automobile insurance rate levels.
- Working with the [General Insurance Statistical Agency](#) to collect Ontario's 2013 auto insurance statistical data, and analyzing the data to monitor automobile insurance cost changes and to review the reasonableness of automobile insurance rates.
- Reviewing the Health Claims for Auto Insurance system to determine reports necessary to provide additional information on statutory accident benefits treatment trends.

## 2.5 Work with the Ministry of Finance on initiatives in the pension sector

The government has taken steps to introduce new products and innovations in the pensions sector. It recently completed a consultation with the public on how to implement Pooled Registered Pension Plans; it has also committed to changing pension plans in the electricity sector to ensure they are more affordable for consumers. In addition, the government is examining how to make pension plans in the broader public sector more sustainable. The government is also considering the establishment of an Ontario Pension Plan. FSCO will advise and support the ministry, as required, on the implementation of these new initiatives.

## Strategy 3: Communicate, share knowledge, and engage stakeholders

To better communicate and share knowledge in the area of consumer protection, FSCO will implement an anti-fraud stakeholder engagement strategy, and engage consumers in the areas of financial literacy and fraud prevention.

### 3.1 Implement fraud awareness stakeholder engagement strategy

FSCO will work with insurance stakeholders and consumers to implement an anti-fraud awareness

strategy, and provide important information to consumers on fraud in the insurance sector.

### 3.2 Provide information to consumers about fraud prevention

FSCO will provide valuable information to consumers about their rights and responsibilities when it comes to fraud prevention in the regulated sectors. FSCO aims to educate consumers about how they can help reduce fraud. FSCO will use a variety of tools including the use of [social media](#) to keep consumers better informed about anti-fraud activities.

### 3.3 Promote consumer access to financial literacy information

FSCO will promote access to educational materials for consumers, pension plan members, and youth to provide valuable information on how to increase their financial literacy when purchasing financial services products in the regulated sectors.

### 3.4 Review and implement requirements for usage-based auto insurance

FSCO will continue to work with the auto insurance sector to ensure consumers are fairly treated as more companies implement voluntary usage-based auto insurance programs.

## Strategy 4: Coordinate with other Canadian regulators in the financial services industry

Coordination with other Canadian regulators in the financial services industry is a hallmark of FSCO's regulatory approach. FSCO will work with other regulators to proactively identify emerging trends and risks, look for harmonized approaches, and provide solutions and guidance applicable to multiple jurisdictions across Canada.

### 4.1 Develop a harmonized national life agent licence qualification standard

FSCO will support a [Canadian Insurance Services Regulatory Organizations'](#) and [Canadian Council of Insurance Regulators'](#) initiative to develop harmonized standards for life insurance licence



qualification. Implementation of the program is anticipated to be in January 2016.

#### **4.2 Provide access to information on mortgage broker disciplinary action**

FSCO will work with the [Mortgage Broker Regulators' Council of Canada](#) to publish information on disciplinary actions taken against mortgage brokers and agents across Canada in one online database.

#### **4.3 Provide access to information on mortgage broker licensing requirements**

FSCO will work with the Mortgage Broker Regulators' Council of Canada to support the development of an online platform to share information on mortgage licensing requirements in multiple provinces.

#### **4.4 Work with other regulators on common regulatory approaches to pensions issues**

FSCO will participate in a number of initiatives undertaken by the [Canadian Association of Pension Supervisory Authorities](#):

- Develop options to address current risks to the defined benefits pension plan sector that can be used by members to engage policy makers in their jurisdictions; and develop standards for the treatment of new regimes and pension plan designs.
- Manage and coordinate the implementation of a new agreement to establish clear rules for the administration and regulation of multi-jurisdictional pension plans.
- Determine if revisions are necessary to the association's Pension Plan Governance Guidelines and Self-Assessment Questionnaire.
- Coordinate efforts related to the implementation of the framework for Pooled Registered Pension Plans across Canada.

## **Highlights from 2013-14**

### *FSCO's Initiatives in the Past Year*

#### **Auto Insurance Cost and Rate Reduction Strategy Implemented**

FSCO assisted the Ministry of Finance in developing the legislation and regulations that shape the government's auto insurance Cost and Rate Reduction Strategy.

#### **Improved Disciplinary Model to Regulate Insurance Agents/Adjusters**

FSCO undertook [stakeholder consultations](#) and marshalled stakeholder support for a new insurance agents/adjusters disciplinary model aligned with modern regulatory practices in other sectors. The government introduced legislation on March 4, 2014 for a new disciplinary model, and FSCO will now work with the Ministry of Finance to support implementation.

#### **High Level of Observance of International Insurance Core Principles Achieved**

In 2013, the International Monetary Fund assessed Canada's capacity to adhere to the International Association of Insurance Supervisors' Insurance Core Principles. In its 2014 Financial Sector Assessment Program reports, the International Monetary Fund's assessment demonstrated FSCO's compliance with, and a high level of observance of, the principles.

#### **Financial Hardship Unlocking Process Streamlined**

In 2014, legislative changes moved financial hardship unlocking program administration, to access locked-in retirements funds, from FSCO to financial institutions. FSCO and the Ministry of Finance worked with institutions to ensure a smooth transition.

#### **One-Window Access Provided to National Insurance Enforcement Data**

Canadian consumers and insurance industry participants now have access through the [Canadian](#)

[Insurance Regulators Disciplinary Actions](#) database to the names of agents and firms disciplined by insurance regulators across Canada. The new database is designed to be a single point of access for enforcement decisions taken by multiple Canadian insurance regulators. FSCO played a leadership role in this joint initiative of the Canadian Insurance Services Regulatory Organizations and the Canadian Council of Insurance Regulators, which provides centralized and timely information on enforcement actions across multiple jurisdictions.

### **New Anti-Fraud Resources Disseminated to Consumers**

In June 2013, FSCO launched the [Auto Insurance Fraud Hotline and Web Portal](#), where Ontarians can report auto insurance fraud. FSCO also partnered with the Toronto Police Service to launch a series of Public Service Announcements that raise consumer awareness about automobile insurance fraud.

### **Dispute Resolution System**

FSCO used the services of a private dispute resolution service provider to address the mediation backlog for Statutory Accident Benefits Schedule disputes. As well, various administrative changes were implemented within FSCO's mediation process to increase the volume of mediations undertaken. The mediation backlog was eliminated in August 2013.

### **Return on Equity Benchmark Established**

FSCO contracted two academics from the York University Schulich School of Business to review the Return on Equity (ROE) benchmark used in Ontario's auto insurance rate approval process. FSCO reviewed their recommendations and implemented a [new ROE benchmark](#) setting process that aligns the rate with the cost of capital trends in the marketplace.

### **Mortgage Broker Legislation Reviewed**

In 2013, FSCO and the Ministry of Finance assisted the Parliamentary Assistant to the Ministry of Finance, Steven Del Duca in conducting a review of the Mortgage Brokerages, Lenders and

Administrators Act, 2006. The review included public consultations and stakeholder roundtables on ways to strengthen the act.

## **Financial Services Tribunal**

The Financial Services Tribunal is an expert adjudicative tribunal established under the FSCO Act. It is comprised of members appointed to it on a part-time basis. The Tribunal is charged with hearing applications and appeals from certain decisions made or proposed by the Superintendent, or other authorized persons or entities, under a range of Ontario statutes governing financial services matters including:

- the Credit Unions and Caisses Populaires Act, 1994
- the Insurance Act
- the Loan and Trust Corporations Act
- the Mortgage Brokerages, Lenders and Administrators Act, 2006
- the Pension Benefits Act

The Tribunal's 2014 strategies and initiatives are as follows:

### **Strategy 1: Maintain a pool of qualified members to adjudicate hearings**

#### **Ensure appropriate expertise is available and allocated to staff panels appointed to hear Tribunal matters**

The scope of matters qualifying for an application or appeal to the Tribunal continues to expand, resulting in an increasingly diverse workload for the Tribunal. The Tribunal Chair will work with the Ministry of Finance and the Public Appointments Secretariat towards the appointment of additional members to ensure appropriate expertise is available and allocated to staff panels appointed to hear Tribunal matters.

#### **Arrange for supplementary training as required**

The Tribunal will focus its training on the legislative changes in the Insurance Act dealing with the licensing of service providers and regulation of their business practices. There are also other changes

which have been proposed but not yet enacted, and that may affect the need for additional training.

## **Strategy 2: Expand dialogue with members of the legal profession**

### **Continue consultations with the Tribunal's Legal Advisory Committee**

The Tribunal will continue its consultations with the Legal Advisory Committee on matters affecting hearing processes.

## **Strategy 3: Update Tribunal practices and procedures**

### **Publish results against service standards**

The Tribunal will issue its first report on its service standards in Spring 2014.

### **Review and update practices and procedures which may require revisions as a result of legislative changes for the licensing of service providers and regulation of their business practices**

The Tribunal is reviewing new legislation and related regulations to determine how those may impact the Tribunal's practices. Its rules, forms and procedures will be reviewed for any necessary revisions.

### **Develop an in-house orientation program for new members**

In-house training focusing on specific Tribunal practices will be provided to new members. The training supplements the mandatory adjudicator program provided by the Society of Ontario Adjudicators and Regulators, where new appointees learn the goals and principles of the administrative justice system and practical adjudication skills.

## **Send us your comments**

In keeping with the FSCO Act and FSCO's goal of furthering transparency in the regulatory process, FSCO invites interested parties to make written submissions about the matters that should be identified as FSCO's priorities. FSCO determines

its priorities while considering stakeholder feedback and today's constrained fiscal environment.

Interested parties may send submissions by May 30, 2014. FSCO's 2014 Statement of Priorities will be submitted to the Minister of Finance in June 2014 and will be published in The Ontario Gazette shortly thereafter.

### **To send submissions or request paper copies of the Statement of Priorities, please contact:**

Chief Executive Officer  
and Superintendent of Financial Services

Financial Services Commission of Ontario  
5160 Yonge Street, Box 85  
Toronto ON M2N 6L9

Telephone: (416) 250-7298

Toll-free: 1-800-668-0128

Fax: (416) 590-7070

Email: [priorities@fSCO.gov.on.ca](mailto:priorities@fSCO.gov.on.ca)

## **For more information about FSCO**

Visit the [Subscription Centre](#) on our website to sign up FSCO's various publications and RSS feeds. You'll be able to stay up-to-date on the latest information concerning FSCO's regulated sectors; you'll also get important sector updates, information and tips sent directly to your preferred email or RSS account.

For more information about FSCO, contact us at:

Telephone: (416) 250-7250

Toll-free: 1-800-668-0128

TTY toll-free: 1-800-387-0584

Email: [contactcentre@fSCO.gov.on.ca](mailto:contactcentre@fSCO.gov.on.ca)

Website: [www.fSCO.gov.on.ca](http://www.fSCO.gov.on.ca)

Twitter: @FSCOTweets

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*Ce document est aussi disponible en français.*



## **Summary of CAFII Regulator and Policy-Maker Meetings in Winnipeg, Manitoba on April 29, 2014**

### Superintendent of Insurance and Insurance Council of Manitoba (1:00 to 2:15 p.m.)

CAFII representatives Moira Gill, TD Insurance; Paul Yeung, RBC Insurance; and Brendan Wycks, Executive Director, met with Jim Scalena, Superintendent of Insurance; Scott Moore, Deputy Superintendent of Insurance; and Erin Pearson, Executive Director of the Insurance Council of Manitoba.

Discussion focused on Manitoba's Incidental Sellers of Insurance (ISI) Regulation. Jim Scalena advised that he had just had his first briefing meeting with new Minister of Finance Jennifer Howard the previous week. The Minister, appointed to the Finance portfolio in October 2013, was a quick study, but indicated that she wanted to meet with Jim two or three more times to gain a fuller understanding of the ISI Regulation, so that she would feel completely comfortable bringing it forward to her Cabinet colleagues for approval via an Order-in-Council. The likely timing of the ISI package going forward for approval was July 2014.

CAFII representatives raised the following issues related to the ISI Regulation:

- definition of ISI and exclusion of personal accident insurance: importance of addressing this deficiency in the Regulation as soon as an opportunity to amend the Insurance Act emerges; and
- timing and implementation: adequate lead time required by the industry; importance of coordination and cooperation, especially in the development of application forms.

CAFII also obtained an update on tangential insurance regulations that would be brought forward with the ISI Regulation, as part of the same package.

Further details of the discussion at this meeting are found in CAFII's thank you letter to Superintendent of Insurance Jim Scalena.

### Minister of Finance (3:00 to 3:50 p.m.)

CAFII representatives Moira Gill, TD Insurance; Paul Yeung, RBC Insurance; and Brendan Wycks, Executive Director, met with Jennifer Howard, Minister of Finance; Jim Hrichishen, Deputy Minister of Finance; Jim Scalena, Superintendent of Insurance; and Scott Moore, Deputy Superintendent of Insurance.

Discussion focused on the following issues on CAFII's agenda, with 95% of the dialogue on these topics being with Minister Howard herself:

- introduction to CAFII, its mission and mandate; and the focus and positioning of CAFII members in the insurance marketplace;
- CAFII's focus on access for consumers and meeting the insurance needs of the under-served lower and middle income market;

- CAFII's cooperation and collaboration with regulators and policy-makers; appreciation of open dialogue and discussion with Manitoba;
- importance of harmonization of financial services regimes across the country, for consumers and for industry;
- CAFII's support for Manitoba's ISI Regulation; credit to the Superintendent of Insurance and the Insurance Council for thorough consultation with the industry and ending up with a Regulation that achieves a high degree of harmonization with the existing ISI regimes in Alberta and Saskatchewan; and
- importance of providing a reasonable implementation timeline for the industry, following the Regulation's proclamation. (Minister Howard volunteered/acknowledged that inadequate lead time had been provided when the previous Manitoba Finance Minister levied a sales tax on insurance).

Further details of the discussion at this meeting are found in CAFII's thank you letter to Minister of Finance Jennifer Howard.

May 20, 2014

Ms. Jennifer Howard  
Minister of Finance, Manitoba  
103 Legislative Building  
450 Broadway  
Winnipeg, Manitoba R3C 0V8

**RE: April 29, 2014 Meeting With Canadian Association of Financial Institutions In Insurance**

Dear Minister:

Thank you for taking time out of your busy schedule to meet with representatives of our Association on April 29. Moira Gill of TD Insurance, Paul Yeung of RBC, and I very much appreciated the opportunity to make your acquaintance and discuss some industry issues of major importance to CAFII.

Thank you also for arranging to have Deputy Minister Jim Hrichishen, Superintendent of Insurance Jim Scalena, and Deputy Superintendent of Insurance Scott Moore attend the meeting.

As you will recall, CAFII is an industry Association dedicated to the development of an open and flexible insurance marketplace. We believe consumers are best served when they have meaningful choice. Our members therefore provide insurance through a variety of distribution channels including telephone contact centres, online e-commerce, direct mail, branches of financial institutions, and agents and brokers. Central to our Association's mandate is improving access for the vast under-served lower and middle income market of Canadians to simple, straightforward insurance products. Creditor's group insurance and travel insurance are the products of primary focus for our members.

CAFII is therefore particularly appreciative of the diligence being employed by your Ministry in reviewing the Regulation being brought forward by the Superintendent of Insurance, after thorough industry consultation, to establish an Incidental Sellers of Insurance (ISI) regime in Manitoba.

With respect to this initiative of vital importance to our members, CAFII

- supports the ISI Regulation and is pleased that its current form reflects a high degree of harmonization with the existing ISI regimes in Alberta and Saskatchewan;
- stresses the importance of providing – whenever such new Regulations are introduced – sufficient lead time to enable our member Financial Institutions to implement the required changes in an efficient, effective and consumer-friendly manner. Significant regulatory changes inevitably become major projects within our member organizations and it takes considerable time to ensure that necessary IT systems changes are made, forms revised, staff re-trained, and consumers notified of how the changes affect them;

- requests that, ideally, lead time of 12 to 18 months be provided for implementation, with nine months being the absolute minimum. As we noted in the meeting, risk management and investment decision protocols within Financial Institutions dictate that IT work stemming from regulatory change cannot be initiated until the Regulation comes into force; and
- looks forward to learning of the timelines that will be followed for securing approval of the ISI Regulation; the date of its proclamation and coming into force; and the period of time to be provided for implementation.

Thank you again, Minister, for the opportunity to meet and to dialogue with you on several industry issues of critical importance to CAFII members. Please do not hesitate contact me at any time you may have questions related to our Association or insurance industry issues.

Yours sincerely,



Brendan Wycks  
Executive Director  
brendan.wycks@cafii.com

c.c. Jim Hrichishen, Deputy Minister of Finance  
Jim Scalena, Superintendent of Financial Institutions Regulations Branch  
J. Scott Moore, Deputy Superintendent of Financial Institutions – Insurance

May 20, 2014

Mr. Jim Scalena  
Superintendent of Financial Institutions - Insurance  
Financial Institutions Regulation Branch, Manitoba Finance  
1115-405 Broadway  
Winnipeg, MB R3C 3L6

Dear Jim:

**Re: Follow-up On April 29, 2014 Meetings In Winnipeg**

Thank you to you, Scott Moore, and Erin Pearson for taking time out of your busy schedules to meet with Moira Gill of TD Insurance, Paul Yeung of RBC, and me on April 29. We appreciated the opportunity to discuss some industry issues of importance to CAFII with you, prior to our meeting with Minister of Finance Jennifer Howard later that afternoon.

Thank you also to you and Scott for attending the meeting with Minister Howard.

We found the dialogue and candid discussion in both meetings to be very beneficial, and trust that you would have the same assessment.

We have written to the Minister to thank her and to reiterate some of the key points covered in the meeting, and we've copied you on that letter. We trust that our official declaration of support for the ISI Regulation to the Minister and our emphasis on the importance of its expeditious approval and proclamation into force will help in the shepherding process around the Regulation that your office is currently leading.

You won't be surprised to learn that our letter to the Minister stresses the importance of providing – whenever such new Regulations are introduced – sufficient lead time to enable CAFII member Financial Institutions to implement the required changes in an efficient, effective and consumer-friendly manner. Significant regulatory changes inevitably become major projects within our member organizations and it takes considerable time to ensure that necessary IT systems changes are made, forms revised, staff re-trained, and consumers notified of how the changes affect them.

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In this same regulatory vein, as briefly discussed with you, Scott, and Erin, we look forward to learning more about the ancillary regulations for which you are seeking approval in conjunction with the ISI Regulation, including the authority to come forward subsequently with a Regulation on credit scoring.

Finally, once the ISI Regulation is fully operational, we look forward to ensuing discussions about Insurance Council-level "Representation For Restricted Licence Holders in Manitoba."

As we mentioned, we are expecting to receive shortly, from Ron Fullan, specific implementation feedback on the proposals he has in-hand from CAFII and CLHIA on Representation for Restricted Licence Holders in Saskatchewan. And Joanne Abram is also very amenable to moving forward with a model for Representation for Restricted Licensees in Alberta, but wants to be able to use Saskatchewan as a benchmark before proceeding.

Thanks again, Jim, for the opportunity to meet and to dialogue with you, Scott, and Erin on issues of importance to CAFII members. CAFII looks forward to maintaining the open, productive and mutually beneficial working relationship that we have with the Superintendent's Office and the Insurance Council of Manitoba. Please don't hesitate to contact me anytime you may have questions related to CAFII or insurance industry issues you would like to discuss with our Association.

Yours sincerely,



Brendan Wycks  
Executive Director  
brendan.wycks@cafii.com  
Cell: 647-218-8243

c.c. J. Scott Moore, Deputy Superintendent of Financial Institutions – Insurance  
Erin Pearson, Executive Director, Insurance Council of Manitoba

May 20, 2014

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Minister of Finance, Manitoba  
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c.c. Jim Hrichishen, Deputy Minister of Finance  
Jim Scalena, Superintendent of Financial Institutions Regulations Branch  
J. Scott Moore, Deputy Superintendent of Financial Institutions – Insurance



May 20, 2014

Mr. Jim Scalena  
Superintendent of Financial Institutions - Insurance  
Financial Institutions Regulation Branch, Manitoba Finance  
1115-405 Broadway  
Winnipeg, MB R3C 3L6

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Executive Director  
brendan.wycks@cafii.com  
Cell: 647-218-8243

c.c. J. Scott Moore, Deputy Superintendent of Financial Institutions – Insurance  
Erin Pearson, Executive Director, Insurance Council of Manitoba

**Agenda Item 5(c)**  
**May 27, 2014 EOC Meeting**

**Regulator Visit Report**  
**Confidential: Not For Distribution**

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**Regulator:** Financial Institutions Commission of BC (FICOM) and Canadian Council of Insurance Regulators (CCIR)

**Date:** May 6, 2014

**Location:** Grill 41 Restaurant, Lord Elgin Hotel, Ottawa

**Purpose:** Liaison Meeting requested by CAFII

**Attendees:**

FICOM: Carolyn Rogers, BC Superintendent of Insurance, and Chair, CCIR

CAFII: Chris Knight, TD Insurance; Moira Gill, TD Insurance; Maria Sanchez-Chung, TD Insurance; John Lewsen, BMO Insurance; Jason Beauchamp, BMO Insurance; Greg Grant, CIBC Insurance; and Brendan Wycks, Executive Director

The following are highlights of the industry issues discussed in this dinner liaison meeting:

Progress Report on CAFII-initiated “Pan-Industry Project Group On Travel Insurance Application Forms and Medical Questionnaires”

Brendan Wycks shared with Carolyn Rogers a brief update about the prospect of the industry Associations forming a pan-industry project group on travel insurance application forms and medical questionnaires. He had recently reached out to CLHIA with a proposal, on behalf of CAFII. CLHIA had readily accepted, and those two Associations had an initial planning teleconference arranged with THIA on May 13.

Carolyn Rogers said she was very pleased by that news, and thanked CAFII for taking the initiative. She said that if the industry working group ends up including regulator representatives from CCIR and/or CISRO, then the group could end up being the forum/vehicle through which CCIR addresses the initiative/priority related to travel insurance in its 2014-17 Strategic Plan.

Update on CCIR’s “Review of Third Party Administrators”

Carolyn Rogers advised that having found nothing of concern during the pre-consultation phase of its Review of Third Party Administrators, CCIR had agreed to wind down and terminate this initiative at this time.

However, one outgrowth of the Review was the inclusion of a concern related to the white labelling of travel insurance as an issue in CCIR’s 2014-17 Strategic Plan.

CCIR’s 2014-17 Strategic Plan

Carolyn Rogers provided an overview of the strategic priorities that will be found in CCIR’s soon-to-be published 2014-17 Strategic Plan. A detailed summary of this overview is found in the Brendan Wycks’ Regulatory Update dated May 22, 2014.

Consumer Financial Literacy initiatives in BC: any particular initiatives underway or planned by FICOM and/or the Insurance Council?

Carolyn Rogers advised that FICOM and the Insurance Council of BC “have not yet dipped our toe in the water” with respect to Consumer Financial Literacy, mainly due to limited staffing and resources.

CAFII has an updated presentation on “The Underserved Insurance Market,” which provides a lot of new insights about consumer households and their insurance purchase behaviours, derived from very recent Canadian research by LIMRA, Ipsos Reid, and Investment Executive. Would this make for an appealing webinar for CCIR and CISRO members?

Carolyn Rogers agreed the new research content would make this topic worthy of a follow-up CAFII webinar presentation for CCIR and/or CISRO. She encouraged CAFII to discuss that opportunity and scheduling possibilities with Carol Shevlin, CCIR’s Policy Manager.

Carolyn, we want to invite you to be the guest speaker at our CAFII Speaker Reception Event in Toronto on Tuesday, October 7, 2014: on any industry-related topic of your choice. (Presentation/Remarks for 20 to 30 minutes; followed by Q&A for 10 to 15 minutes.) Would you be able to fit this into your calendar this year?

Carolyn Rogers accepted CAFII’s invitation to be the guest speaker at the Association’s Reception Event on Tuesday, October 7/14 in Toronto.

She qualified her acceptance with a small caveat, noting that the BC government has been known, from time to time, to issue a sudden and arbitrary ban on travel by all provincial government employees. (She recounted a situation where she was booked to speak at a conference in California, as a quid pro quo return favour for her counterpart having spoken at a BC conference previously, when the government imposed a travel ban. She ended up having to take vacation time and pay the travel expenses out of her own pocket to be able to keep the speaking engagement promise made to her counterpart.)

She put the CAFII speaking engagement into the calendar on her Blackberry as a commitment, and promised to try her best not to put the Association in a late/sudden cancellation situation.

She indicated that a formal speaker invitation letter to her, in due course, would be appropriate. While describing in the letter the audience that she would be speaking to and the fact that other insurance regulators would be present would not be all that helpful in terms of her “powers that be,” what could be more helpful would be if the letter included a few carefully turned phrases about how CAFII expects and appreciates that Carolyn, as Superintendent of Insurance, makes herself available to speak to and liaise with industry stakeholder group audiences, given that it is industry that pays for and underwrites FICOM’s operating costs.

(She also shared some information and perspectives about the challenges and difficulties that FICOM, as a government body/regulator on the west coast, encounters in trying to attract and hire talented, experienced people into staff positions. The Commission has a sizeable number of vacancies at present.)

### CAFII Regulator Visit Plan 2014

updated May 22, 2014

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
British Columbia	<b>Insurance Council of BC:</b> Gerry Matier, Executive Director	X	-Update on Council priorities -Maintain and strengthen relationship	M. Gill G. Grant D. Blake B. Wycks  S. Gelgor J. Lewsen R. Beckford T. VanMeggen B. Wycks	Invite when in Toronto	<p><b>-B. Wycks has arranged dinner meeting for small CAFII group with G. Matier on May 28/14, while he is in Toronto for CISRO LLQP stakeholder meetings.</b></p> <p>-Five CAFII reps had liaison lunch meeting with G. Matier in Toronto on May 15/13; covered range of topics in CAFII Briefing document.</p> <p>-G. Matier is member of CISRO LLQP Committee, which had engaging discussion with CAFII reps. in one-on-one stakeholder meeting on February 10/14 meeting.</p> <p><b>-CAFII LEIC decided not to make submission in response to Insurance Council of BC's 2014 consultation on "Conflict of Interest Guidelines" (due date: March 9/14) as it was not high among competing priorities</b></p>

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	<p><b>Financial Institutions Commission(FICOM):</b> Carolyn Rogers , CEO, FICOM &amp; Superintendent of Insurance (CCIR chair);</p> <p>Doug McLean, Deputy Superintendent</p> <p>Harry James, Director, Policy Initiatives</p>	X	<p>-update on FICOM priorities -Maintain and strengthen relationship</p> <p>(-CAFII decided not to submit a formal response to FICOM’s summer 2013 Consultation on Use of Managing General Agents, as that is not CAFII members’ distribution channel.)</p>		Surrey, BC When Carolyn is in Toronto; or CAFII Board member in Vancouver	<p>-CAFII group of C. Knight, M. Gill, M. Sanchez-Chung, J. Lewsen, J. Beauchamp, G. Grant, and B. Wycks had liaison dinner with C. Rogers in Ottawa on May 6/14. C. Rogers accepted invitation to be speaker at October 7/14 CAFII event.</p> <p>-Harry James phoned B. Wycks on March 12/14 with heads-up about “Creditor’s Group Insurance” issue involving large life insurer that led to Consent Order and \$150,000 in fines (see March and April 2014 Regulatory Updates)</p> <p>-J. Lewsen and B. Wycks met with Harry James, Director, Policy Initiatives, FICOM and Chair of CCIR’s Agencies Regulation Committee, and Carol Shevlin of CCIR on September 26, 2013 around CCIR’s TPA Review initiative. Presented opportunity to have brief side meeting with Harry around BC/FICOM regulatory issues</p> <p>-Targeted networking with C. Rogers occurred during CAFII 15<sup>th</sup> Anniversary event on April 10, 2013; at CLHIA Compliance Conference in Vancouver in May 2013; and at CAFII/CCIR Industry Stakeholder Meeting on October 30, 2013.</p>

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
Alberta	<b>Alberta Insurance Council :</b> Joanne Abram, CEO; Tom Hampton, Chief Operating Officer; Ron Gilbertson, Chair (2012-15)	X	-Update on Council priorities -Council Representation for Restricted Licence Holders -Licensing for 3 <sup>rd</sup> party providers -Business number registration system -Maintain and strengthen relationship	S. Gelgor M. Gill J. Lewsen R. Beckford T. VanMeggelen	When Joanne or Tom is in Toronto; or CAFII Board member in Edmonton	<p><b>-M. Gill, J. Lewsen, and B. Wycks had lunch liaison meeting with J. Abram and R. Gilbertson on March 17/14 (see March 2014 Regulatory Update)</b></p> <p>-J. Abram and W. Martinson of AIC are members of CISRO LLQP Committee, which had engaging discussion with CAFII reps. in one-on-one stakeholder meeting on February 10/14 meeting -CAFII arranged opportunity for two AIC staff execs. to give demo presentation of new “Canadian Insurance Participant Registry” (CIPR) to CAFII member audience on January 8/14. Highlights captured in Regulatory Update. CAFII arranged follow-up opportunity for electronic demo presentation of CIPR for CAFII and CADRI members which occurred on March 17/14</p> <p>-M. Gill, J. Lewsen, B. Wycks and L. Duigu met with J. Abram and S. Boyetchko on December 12/13 around AIC’s interest in Representation for Restricted Licence Holders in Alberta. Discussion captured in Regulatory Report. <b>CAFII to submit formal proposal on two viable options to J. Abram</b></p> <p>-B. Wycks met with J. Abram over lunch at the CLHIA Consumer Complaints Officers Section Fall Seminar on November 21/13; insights captured in ED’s Report -Five CAFII reps met with J. Abram and R. Gilbertson in Vancouver on May 7/13; discussion captured in Regulatory Visit Report</p>

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	<b>Ministry of Finance:</b> Mark Prefontaine, Superintendent of Insurance  Brad Geddes, Deputy Superintendent of Insurance  Laurie Balfour, Acting Deputy Superintendent of Insurance		-Update on Superintendent's priorities -Maintain and strengthen relationship		When Mark is in Toronto; or CAFII Board member in Edmonton	Targeted networking with M. Prefontaine and B. Geddes occurred during CAFII 15 <sup>th</sup> Anniversary event on April 10/13  Effective June 27/13 Laurie Balfour became Deputy Superintendent of Insurance - Alberta. Brad Geddes has been seconded to the Government of Alberta's Flood Recovery Task Force as the Director of Stakeholder Engagement. This is for an indefinite period of time, likely for at least 6 months. Briefing networking with L. Balfour occurred during CAFII/CCIR Industry Stakeholder Meeting on October 30/13
	<b>New President of Treasury Board and Minister of Finance</b> Doug Horner					



Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
Saskatchewan	<b>Insurance Councils of Saskatchewan:</b> Ron Fullan, Executive Director; and Chair, CISRO	X	-Update on Council priorities -Council Representation -Maintain and strengthen relationship		Invite when Ron is in Toronto	<p>-R. Fullan is Chair of CISRO LLQP Committee, which had engaging discussion with CAFII reps. in one-on-one stakeholder meeting on February 10/14 meeting. <b>CAFII has further one-on-one stakeholder meeting with LLQP Committee booked for May 28/14.</b></p> <p>-B. Wycks had Get Acquainted discussions with April Stadnek, Director of Compliance, Saskatchewan Insurance Councils, around CLHIA CCOS Fall Seminar and FSCO Life &amp; Health Sector Symposium, November 21-22/13; insights captured in Executive Director's Report.</p> <p>-CAFII reps met with R. Fullan on July 29/13 to discuss main themes in CAFII's Proposal For Restricted Licensee Representation in Sask. Proposal submitted to R. Fullan on October 10/13. <b>Favourable feedback on CAFII proposal received from R. Fullan in April 2014.</b></p> <p>-Targeted networking with R. Fullan occurred during CAFII 15<sup>th</sup> Anniversary Event on April 10/13, and during CLHIA Compliance Conference in May 2013.</p>

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	<b>Financial and Consumer Affairs Authority</b> , David Wild, Chairperson and Superintendent of Insurance;  Ian McIntosh, Deputy Superintendent of Insurance		-Courtesy visit, Introduction of CAFII -Insurance Act Review, ISI; Council Representation for Restricted Licence Holders -Maintain and strengthen relationship		When David or Ian is in Toronto; or CAFII Board member in Regina	
	<b>Consultant (ex Superintendent)</b> Jim Hall		-Update on Insurance Act review -Maintain and strengthen relationship		When Jim is in Toronto; or CAFII Board member in Regina	

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
Manitoba	<b>Ministry of Finance:</b> Jim Scalena, Superintendent  (Targeted networking with J. Scalena, Superintendent, occurred during CAFII 15 <sup>th</sup> Anniversary Event on April 10, 2013)	X	-Update of Insurance Act review and ISI regime -Maintain and strengthen relationship		Winnipeg	<b>-CAFII delegation of M. Gill, P. Yeung, and B. Wycks met with Minister of Finance J. Howard, Deputy Minister J. Hrichishen, Superintendent of Insurance J. Scalena, and Deputy Superintendent S. Moore on April 29/14. That meeting was immediately preceded by meeting with J. Scalena, S. Moore, and E. Pearson, Executive Director of Insurance Council. (See Meetings Summary and CAFII thank you letters.)</b> -Manitoba released Draft ISI Regulation in early June 2013. CAFII responded with detailed submission. -On January 10/14, CAFII responded to Draft 2 of ISI Regulation with detailed submission. CAFII requested meeting with Minister of Finance re imperative of harmonization of Manitoba ISI Regime with other provinces, as directed by Board on October 8/13. -In late February 2014, S. Moore communicated with B. Wycks by e-mail and phone to advise that Manitoba's Draft ISI Regulation would be amended to address nearly all of the concerns expressed by CAFII and other industry stakeholders (see Regulatory Update).

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	<b>Insurance Council of Manitoba:</b> Erin Pearson, Executive Director	X	-Update on Council priorities -Representation for Restricted Licence Holders -Maintain and strengthen relationship		When Erin is in Toronto; or CAFII Board or EOC member or Executive Director is in Winnipeg	<b>CAFII delegation of M. Gill, P. Yeung, and B. Wycks met with E. Pearson in Winnipeg on April 29/14 as part of pre-meeting with her, J. Scalena, and S. Moore immediately prior to meeting with Minister of Finance J. Howard.</b>
	<b>Ministry of Finance</b> Minister Jennifer Howard		Letter of introduction sent to predecessor Finance Minister Stan Struthers; include on a visit of CAFII Chair or other reps to Manitoba. Letter requesting meeting with new Finance Minister Jennifer Howard re Draft ISI Regime Regulation and other CAFII issues sent on January 15/14, on heels of response submission on Draft 2 of ISI Regulation			<b>-CAFII delegation of M. Gill, P. Yeung, and B. Wycks met with Minister of Finance J. Howard, Deputy Minister J. Hrichishen, Superintendent of Insurance J. Scalena, and Deputy Superintendent S. Moore on April 29/14. (See Meetings Summary and CAFII thank you letters.)</b>
Ontario	<b>FSCO:</b> Phil Howell, CEO & Superintendent	X	-Update on FSCO priorities -Maintain and strengthen relationship		Toronto	<b>-B. Wycks had catch-up/courtesy visit discussion with P. Howell at luncheon table during CLHIA Compliance Conference on May 7/14.</b> -B. Wycks had Get Acquainted lunch meeting with P. Howell, at his request, on July 5/13. Insights gained captured in Regulatory Visit Report. -Targeted networking with P. Howell occurred during CAFII 15 <sup>th</sup> Anniversary event on April 10/13.

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	<p><b>FSCO:</b> Grant Swanson, Executive Director, Licensing &amp; Market Conduct Division</p> <p>Jim Fox, Senior Policy Advisor (leader of Modernizing Disciplinary Hearings for Insurance Agents and Adjusters initiative)</p> <p><b>FSCO:</b> Anatol Monid, Director, Market Regulation Branch</p> <p>Adrienne Warner, leader of Life Insurance Product Suitability Review initiative</p> <p>Shonna Neil, Senior Manager, Licensing; member of CISRO LLQP Committee</p>		<p>Consultation Proposal on “Modernizing Disciplinary Hearings for Insurance Agents and Adjusters”</p> <p>Industry consultation on “Life Insurance &amp; Mortgage Broker Product Suitability Review”</p>			<p><b>-J. Fox e-mailed B. Wycks in early March 2014 to advise that implementing amendments to Insurance Act had been introduced in the legislature (legislation died on Order Paper with calling of provincial election for June 12/14).</b> On February 14/13, B. Wycks and Rosemary Troiani, RBC Insurance, met with G. Swanson, Isobel Scovino and Jim Fox around FSCO’s plans for Modernizing Disciplinary Procedures For Life Insurance Agents and Independent Adjusters.</p> <p><b>-CAFII reps met with FSCO team on April 9/14 and provided feedback on of analysis of data from life agent questionnaire and resulting Interim Report of Life Insurance Product Suitability Review.</b></p> <p>-CAFII made written submission in September 2013. Adrienne Warner of A. Monid’s team is “point person” for FSCO’s “Life Insurance &amp; Mortgage Broker Product Suitability Review,” scope of which was narrowed to cover just term life, whole life, and universal life sales. CAFII reps participated in focus group discussion with A. Monid, A. Warner, and other FSCO reps on this matter on July 18/13. Follow-up discussion on draft survey of insurance agents occurred on September 6/13. FSCO issued two follow-up requests of CAFII member on Sept. 30/13 re removing Call Centre agents from universe for random sample for online survey; and recommending “paragon of best practices” agents for focused meetings.</p>

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	FSCO: Annual Symposium for Life and Health Insurance Sector			-individual FI member reps. -CAFII Executive Director	Toronto November	FSCO's 6 <sup>th</sup> Annual Symposium for the Life and Health Insurance Sector took place on November 22/13. Networking by B. Wycks and several CAFII volunteer leaders in attendance occurred with G. Swanson, A. Monid, S. Neil, A. Warner, L. Miclescu, and other FSCO senior staff

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
Quebec	New AMF CEO effective July 2/13: Louis Morisset		-Update on AMF priorities -Maintain and strengthen relationship		When Louis is in Toronto; or CAFII Board member in Quebec City	<p><b>-Louis Morisset and four members of AMF staff executive team (P. Dery, E. Stevenson, J. Reid, S. Langlois) had candid discussion on industry issues with CAFII Board and EOC group on April 8/14.</b></p> <p>R. Hebert, M. Gill, R. Beckford, I. Choquette, and B. Wycks met with Mario Albert, CEO; Eric Stevenson; Julien Reid; and Louise Gauthier in Quebec City on June 7/13 for a productive and informative liaison meeting.</p>
	<p><b>AMF:</b> Superintendent, Client Services and Distribution Oversight: Eric Stevenson</p> <p><b>AMF:</b> Superintendent of Solvency, Patrick Dery</p>	X				Targeted networking with E. Stevenson and P. Dery occurred during CAFII 15 <sup>th</sup> Anniversary event on April 10/13

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	<b>AMF:</b> Stephane Langlois, Senior Director, Distribution Practices				Fall	B. Wycks had networking discussions with S. Langlois at CLHIA CCOS seminar and FSCO symposium on November 21-22/13.



New Brunswick	<p>Angela Mazerolle, Superintendent of Insurance</p> <p>David Weir, Deputy Superintendent of Insurance</p> <p>Adam Mitton, Attractiveness Executive, Invest New Brunswick</p>		<p>-Update on Superintendent's priorities</p> <p>-Discuss/educate on creditor's group insurance (CGI) and Avalon Study;</p> <p>-Licensing issues, electronic licensing; Insurance Act Review Status; including consultation on "Opportunities for Reforming the Licensing Framework for Other-than-Life Agents and Brokers" announced in late August 2013</p> <p>-Maintain and strengthen relationship</p> <p>-David Weir is Chair of Atlantic Taskforce on ISI (dormant)</p>		<p>TBD</p> <p>Fredericton</p>	<p><b>-B. Wycks had brief get-reacquainted discussion with A. Mazerolle during CLHIA Conference in Ottawa on May 7/14. Discussion confirmed that morning of October 1/14 in Fredericton is highly viable option for rescheduling of CAFII Joint Visit with Atlantic Canada Regulators, postponed from May 15/14 due to Regulator attendance constraints, and she would be able to attend.</b></p> <p>-Targeted networking with A. Mazerolle and D. Weir, Deputy Superintendent of Insurance, occurred during CAFII 15<sup>th</sup> Anniversary Event on April 10/13.</p> <p>-D. Weir is member of CISRO LLQP Committee, which had engaging discussion with CAFII reps. in one-on-one stakeholder meeting on February 10/14 meeting.</p> <p><b>-CAFII has meeting with Adam Mitton of Invest New Brunswick on June 3/14 in Toronto re insurance licensing inefficiency and related constraints to business investment in the province.</b></p>
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	Consumer Advocate For Insurance, Ronald Godin		<ul style="list-style-type: none"> <li>-Update on Consumer Advocate's priorities</li> <li>-Discuss /educate on creditor's group insurance (CGI) and Avalon</li> <li>-Build relationship</li> </ul>		When Ronald Godin is in Toronto; or CAFII Board member in Fredericton	<b>In April 2014, New Brunswick government announced that role of Consumer Advocate For Insurance will be eliminated, and responsibilities transferred to provincial ombudsman.</b>
Nova Scotia	Superintendent Doug Murphy		<ul style="list-style-type: none"> <li>-Update on Superintendent's priorities</li> <li>-Discuss/educate on creditor's group insurance (CGI) and Avalon Study;</li> <li>-Atlantic Taskforce on ISI</li> <li>-Build relationship</li> </ul>		TBD Halifax	<b>-D. Murphy has confirmed that he can attend CAFII Joint Meeting with Atlantic Canada Regulators if rescheduled for morning of October 1/14 in Fredericton.</b> -Brief networking with D. Murphy occurred following CAFII/CCIR Industry Stakeholder Meeting on October 30/13. -Targeted networking with D. Murphy occurred during CAFII 15 <sup>th</sup> Anniversary event on April 10/13.

PEI	Superintendent Robert Bradley		Courtesy- Low priority for 2013 (only if CAFII Board member in Charlottetown) -Update on Superintendent's priorities -Build relationship		Charlottetown	- <b>R. Bradley has confirmed that he can attend CAFII Joint Meeting with Atlantic Canada Regulators if rescheduled for morning of October 1/14 in Fredericton.</b> -Targeted networking with R. Bradley occurred during CAFII 15 <sup>th</sup> Anniversary event on April 10/13.
Newfoundland	Superintendent Douglas Connolly ( <b>retired effective early 2014; successor expected to be appointed prior to May 15/14</b> )  Craig Whalen, Deputy Superintendent		-Update on Superintendent's priorities -Discuss/educate on creditor's group insurance (CGI) and Avalon -Build relationship		St John's	-Targeted networking with D. Connolly occurred during CAFII 15 <sup>th</sup> Anniversary event on April 10, 2013  - <b>C. Whalen has confirmed that he can attend CAFII Joint Meeting with Atlantic Canada Regulators if rescheduled for morning of October 1/14 in Fredericton.</b> -Brief networking with C. Whalen occurred immediately following CAFII/CCIR Industry Stakeholder meeting on October 30, 2013.

Atlantic Canada	Joint Forum of Insurance Regulators		<ul style="list-style-type: none"> <li>- Update on Superintendents' priorities</li> <li>-Discuss/educate on creditor's group insurance (CGI) and Avalon</li> <li>-Build relationships</li> </ul>			<p><b>- CAFII Joint Meeting with all Atlantic Canada insurance regulators to be rescheduled for morning of October 1/14 in Fredericton.</b></p> <p>-Such a joint visit to Atlantic Canada regulators was strongly encouraged by Phil Howell of FSCO.</p>
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CCIR	Carol Shevlin, Policy Manager	X	<p>-Annual lunch. Discuss priorities</p> <p>-Maintain and strengthen relationship</p>		Toronto	<p><b>-B. Wycks had productive discussion with C. Shevlin at CLHIA Conference in Ottawa on May 7/14, in which she confirmed that she would not schedule any CCIR activity for the morning of October 1/14 in Fredericton, which will thereby allow for rescheduling of postponed CAFII Joint Meeting with Atlantic Canada Insurance Regulators to that slot. CISRO is meeting there on September 29-30; and CCIR on October 2-3.</b></p> <p>-in spirit of open communication, B. Wycks shared CAFII's submission in response to proposed federal financial consumer code with CCIR in early March 2014, to which C. Shevlin replied with a note of appreciation.</p> <p>-J. Lewsen and B. Wycks had meeting with Carol Shevlin and Harry James, ARC Chair, on September 26/13 around CCIR's TPA Review initiative.</p> <p>-B. Wycks had a Get Acquainted Lunch with C. Shevlin in January 2013; and is in regular contact with her.</p>
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	CCIR Executive		Meet when pressing issues or opportunistic meeting occasions arise.		October 30, 2013 in Toronto	CAFII Board members, EOC members, and B. Wycks had “industry stakeholder meeting” with CCIR Executive on October 30/13. Discussion captured in Regulatory Update.
CISRO	Ron Fullan Chair		-Update on CISRO priorities -Maintain and strengthen relationship -LLQP Modernization -Multi-jurisdictional licensing and related contact centre compliance issues		-invite when in Toronto	- <b>CAFII has one-on-one stakeholder meeting booked with CISRO LLQP Committee for morning of May 28/14.</b> -CAFII representatives (3) had engaging one-on-one stakeholder meeting discussion with CISRO LLQP Committee on February 10/14 -B. Wycks interacted and had private liaison conversations with CISRO LLQP Chair Ron Fullan and other LLQP Committee members during each of four Stakeholder Information Sessions held in Toronto in 2013. - <b>Based on suggestion made by J. Abram at March 17/14 liaison lunch, B. Wycks contacted R. Fullan, Chair of CISRO. As a result, CAFII likely to be offered opportunity to make a presentation to CISRO on multi-jurisdictional licensing and other compliance challenges faced by national contact centres, at meeting in Fredericton on September 29-30/14.</b>
Federal	<b>Federal Finance Dept.</b>		Educational – marketing of CGI			
	<b>OSFI:</b> Julie Dickson, Superintendent					
	<b>OBSI:</b> Doug Melville Ombudsman		Educational – marketing of CGI			

	Financial Consumer Agency of Canada (FCAC)		Financial Literacy re insurance			<p><b>-M. Sanchez-Chung, M. Gill, and B. Wycks had get acquainted and briefing/orientation meeting with newly appointed Deputy Commissioner Brigitte Goulard and Kevin Thomas, Senior Compliance Officer, re Goulard's presentation at CAFII speaker event on June 10/14.</b></p> <p>-M. Gill and B. Wycks had Get Acquainted/Refresh meeting with Karen Morgan and other FCAC contacts on January 9/14. Discussion captured in Regulatory Update.</p> <p>-On April 15/14, Jane Rooney was promoted from Director position to spotlight role of "Financial Literacy Leader" for Canada.</p> <p>-CAFII participated in federal government consultation, being led by FCAC, around a proposed new federal financial consumer code. Submission sent February 28/14 and is now posted on Finance Canada site.</p>
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***Agenda Item 5(d)(i)  
May 27, 2014 EOC Meeting***

**From:** Brendan Wycks [mailto:brendan.wycks@cafii.com]

**Sent:** Tuesday, May 13, 2014 5:22 PM

**Subject: Opportunity For CAFII Representatives To Meet With "Invest New Brunswick"  
Representative Re Business Operations/Expansion Attractiveness**

**EOC Members:**

CAFII has a meeting lined up with Adam Mitton, Investment Attraction Executive with Invest New Brunswick, on Tuesday, June 3 from 11:00 a.m. to 12 Noon in Toronto. While the meeting location remains to be confirmed, it will be in the financial district.

**The purpose of this message is to canvas for EOC or other CAFII member representatives who may be interested in attending this meeting, based on their member FI's existing business operations in New Brunswick and/or plans to start up or expand operations in the province.**

Adam's meeting request to CAFII arises from our submission last October in response to the New Brunswick insurance regulator's consultation on "Opportunities for Reforming the New Brunswick Licensing Framework for Other-than-Life Agents and Brokers" (attached), which he has read.

From background chats with CAFII members who are close to the current insurance licensing situation in New Brunswick and a phone conversation with Adam, I've learned that

- the paper-based insurance licensing system in place in New Brunswick can't keep up with current growth nor the potential for future growth. There are long delays after application before licenses are issued. No business is going to commit to a growth investment in New Brunswick if new agents can't be licensed promptly and therefore must sit idle and not interact with clients for a long period of time.
- CAFII members need an electronic licensing system now! The other issues articulated by our Association in response to the consultation paper pale in comparison to the imperative for an electronic licensing system.
- Mark Haines-Lacy, a VP with Invest New Brunswick, had a meeting last week with Angela Mazerolle, Superintendent of Insurance, around the licensing bottleneck and came back quite encouraged. "She committed that positive change is in the works and is going to happen."

**Please consider this June 3 meeting opportunity, directly related to CAFII regulatory advocacy, and let me know by Wednesday, May 28 if your member FI would like to have a representative attend. Moira Gill will be attending on behalf of TD Insurance. It would be great to expand our delegation beyond Moira and myself. So if your FI has a contact centre and/or other business operations in NB and/or may be considering starting up or expanding operations there in the foreseeable future, do consider sending a representative to this meeting.**

Thanks,  
Brendan Wycks



# CAFII Priorities by Committee – May 22, 2014

## Executive Operations Committee

**Membership:** As per CAFII Bylaw 6.01. Sub-committees may strike taskforces drawing on expertise of other individuals associated with member companies.

Mandate	Activities	Issues of Interest
Recommend budget and priorities to Board	Draft and review <b>Financial Reports</b>  <b>Develop, monitor and report on performance against Balanced Scorecard</b>	
Keep environment open to key products	Be aware of current and emerging issues ( <b>Regulatory Update</b> ).  Develop responses to regulatory initiatives. Forward to board for approval as necessary. Oversight of <b>Distribution and Market Conduct Policy Committee (DMC)</b>	Regulation of ISI International regulation of creditor products Market Conduct Regulation Electronic Commerce Provincial Insurance Act Reviews
Keep environment flexible /efficient	Identify barriers to efficient operations. Oversight of <b>Licensing Efficiency Issues Committee (LEIC)</b>	Quebec Distribution Guide Licensing Irritants Provincial Insurance Councils and CISRO issues, including LLQP Electronic licensing Multi-jurisdictional licensing/mutual recognition
Develop communication plans and tools	Oversight of <b>Media and Communications Strategy Committee (MAC)</b>	Communications strategy, CAFII Branding Advocacy Strategy Website
Build relationships with key stakeholders	Connect with regulators and policy-makers. Manage and conduct regulator visits. (Manage <b>Regulator and Policy-Maker Visit Plan</b> ) Approve attendees at regulator and policy-maker meetings, review meeting notes and manage follow-up actions  Oversight of <b>Networking and Events committee</b>	
Other items	Continuance under new Canada Not for Profit Corporations Act Changes to CAFII Management structure – development of Executive Director role	Articles of Continuance to be filed by October 17, 2014 Executive Director hired effective December 2012; oversight of establishment of ED's role, its evolution and effectiveness

**Distribution and Market Conduct Policy Committee (DMC)**

**Membership:** The committee will have 4 permanent members including 2 co-chairs all of whom are members of the EOC.

1) Sue Manson, CIBC, Chair 2) Eleanore Fang, TD 3) Emily Brown, BMO 4) Brian Wise, Assurant Solutions

5) Andre Duval, DFS 6) Rose Beckford, ScotiaLife Financial 7) Ex Officio: Jennifer Hines, RBC; Brendan Wycks, Executive Director **Mandate:** Oversee development of CAFII policy positions as directed by EOC. Oversee taskforces as required. Activities: Draft CAFII submissions; Manage and interpret industry research projects as approved by EOC. **DMC priorities closely linked with Balanced Scorecard; progress/update reports on both to be provided at EOC and Board meetings.**

Item	Description	Activities Completed/Industry Developments	Status/Next Steps
<b>Regulation of ISI</b>	Quebec <ul style="list-style-type: none"> <li>DWR (review of Insurance Act)</li> </ul>	<ul style="list-style-type: none"> <li>CAFII members met with Eric Stevenson November 15/12 and with AMF staff executives on June 7/13</li> <li>Insurance Act Overhaul/Re-write formally announced by Quebec Government on April 30,/13</li> <li><b>New government elected in Quebec on April 7/14. AMF advised on April 8/14 that overhaul of Insurance Act and Distribution Act will proceed ahead in due course</b></li> </ul>	<ul style="list-style-type: none"> <li>Active/Monitor ongoing</li> </ul>
	Quebec <ul style="list-style-type: none"> <li>Review of Distribution Guide</li> <li>Sound Commercial Practices Guideline</li> </ul>	<ul style="list-style-type: none"> <li>CAFII input provided on Guide (e.g. signature, remuneration) through letter sent to AMF June 2012, meeting with Eric Stevenson on November 15/12 and follow-up letter sent to AMF in Dec 2012</li> <li><b>AMF advised on April 8/14 that a new iteration of draft DG will be released for consultation in due course, in conjunction with Distribution Act overhaul</b></li> <li><b>AMF advised on April 8/14 that a self-assessment questionnaire re compliance with Guideline, released in June/13, would be sent in May 2014 to entities licensed in Quebec, with several months provided for completing and submitting it</b></li> </ul>	<ul style="list-style-type: none"> <li>Active</li> <li>EOC involvement and oversight</li> <li>Met with AMF in Quebec City on June 7/13</li> <li>DMC proposes information session on the Guide, for CAFII member staff, once Guide is finalized</li> </ul>
<b>International Regulation of Creditor Insurance</b>	PPI	<ul style="list-style-type: none"> <li>B. Wycks reported on US and UK developments</li> </ul>	<ul style="list-style-type: none"> <li>Active/Monitor ongoing</li> </ul>
	IAIS Core Principles	<ul style="list-style-type: none"> <li>CAFII Project</li> </ul>	<ul style="list-style-type: none"> <li>Board approval received on June 11/13 to secure draft communication of project outcomes</li> <li>Post-Implementation Review</li> </ul>

CAFII Priorities by Committee – May 22, 2014

Item	Description	Activities Completed/Industry Developments	Status/Next Steps
			<ul style="list-style-type: none"> <li>▪ Presentation by Chrys Lemon on latest developments in US, at Annual Members' Luncheon in February 2014</li> </ul>
		<ul style="list-style-type: none"> <li>▪ Subcommittee working on matrix of impact of Insurance Core Principles (ICPs) and international regulations</li> </ul>	<ul style="list-style-type: none"> <li>▪ EOC Input obtained</li> <li>▪ Active</li> </ul>
<b>Industry Complaint Statistics</b>		<ul style="list-style-type: none"> <li>▪ Subcommittee working on compilation of Industry Complaint Statistics</li> </ul>	<ul style="list-style-type: none"> <li>▪ EOC Input obtained</li> <li>▪ DMC Subctte. met on June 4 and 25/13</li> <li>▪ To be reactivated</li> </ul>
<b>Consultations</b>	FSCO life insurance product suitability review	<ul style="list-style-type: none"> <li>▪ FSCO has held consultation meetings with CAFII on this initiative in July and September 2013</li> </ul>	<ul style="list-style-type: none"> <li>▪ Having provided significant input through two meetings, CAFII was consulted on final draft of survey of life agents, and on final report from Suitability Review. <b>CAFII had follow-up meeting with FSCO on April 9/13 to discuss Interim Report of product suitability review, based on results of life agent survey</b></li> </ul>
	E-commerce	<ul style="list-style-type: none"> <li>▪ CCIR and AMF – upcoming consultations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Active with Release of CCIR E-Commerce Position Paper on May 23/13</li> <li>▪ CAFII submitted detailed response to CCIR E-Commerce Position Paper in July 2013</li> <li>▪ CCIR Final E-Commerce Position Paper released November 15/13; CAFII analysis indicates that final CCIR recommendations in harmony with CAFII positions, as stated in submission</li> </ul>

CAFII Priorities by Committee – May 22, 2014

Item	Description	Activities Completed/Industry Developments	Status/Next Steps
	Provincial Insurance Acts	<ul style="list-style-type: none"> <li>Manitoba</li> <li>Saskatchewan</li> <li>Ontario</li> </ul>	<ul style="list-style-type: none"> <li>Draft ISI Regulations released on June 3/13; Licensing Committee is dealing with this matter.</li> <li>Watch</li> <li>Watch</li> </ul>
<b>Comparison of creditor insurance on mortgages with term life and individual disability insurance project</b>	Survey member companies, update analysis and research	<ul style="list-style-type: none"> <li>Comparison of creditor insurance on mortgages with term life and individual disability insurance: pricing, approval rates, claim approval rates, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Active</li> <li>Last conducted in late 2009/early 2010 on 2008 data</li> <li>DMC secured Board approval for refresh of this study, using 2013 data; to be conducted in 2014. Avalon proposal and draft survey brought to EOC at September 24, 2013 meeting. Due to concerns, committee advised to negotiate with Avalon for better terms and also to “shop” the Study</li> <li><b>Board approved the engagement of Towers Watson as actuarial consultant to this project in early March 2014. Survey of CAFII members to be distributed in late May or early June 2014. Ongoing progress monitoring meetings being held every two weeks.</b></li> </ul>

**AMF Distribution Guide Task Force**

(Task Force of Distribution and Market Conduct Policy Committee)

**Members:** Emily Brown, Brian Wise, Rose Beckford, Moira Gill, Sue Manson, Brendan Wycks

**Purpose:** Recommend changes to the AMF Distribution Guide based on the Mutual Fund Guide, customized for exclusion disclosure

**Licensing Efficiency Issues Committee (LEIC)**

**Membership** – 1 Chair who is a member of EOC and three members from representative companies.

Chair: Moira Gill, TD 2) Rose Beckford, ScotiaLife Financial 3) Brian Wise, Assurant Solutions 4) Greg Grant, CIBC 5) Ex Officio: Jennifer Hines, RBC; Brendan Wycks, Executive Director

**Mandate:** Identify and manage licensing efficiency issues for restricted and individual licensing processes. **LEIC priorities closely linked with Balanced Scorecard; progress/update reports on both to be provided at EOC and Board meetings.**

Priorities	Issues	Currently active issues	Status
<b>Licensing operation issues</b> Streamlining and harmonizing licensing requirements (training, CE, other)	Request for restricted certificates for third parties in Alberta	v	CAFII letter to the Council (2011). Council responded that they did not support the request. Committee decision to address the issue with the Council again when time was opportune. J. Abram indicated to B. Wycks on November 21/13 that AIC is interested in creating a forum for Representation for Restricted Licence Holders in Alberta. Window of opportunity for this in 2014, in conjunction with plans to fold near-dormant Adjusters Council into General Council. CAFII had preliminary consultation meeting with J. Abram about this on December 12/13 and further discussion during liaison lunch on March 17/14. This development may present a tandem opportunity to push for restricted certificates for third parties.
	CISRO project to redesign LLQP – project completion target date is early 2015		CAFII attended CISRO's quarterly LLQP Stakeholder Information Sessions on January 17/13, April 9/13, and October 30/13; <b>and had one-on-one meeting with LLQP Committee on February 10/14.</b> Thereafter, CISRO requested a letter of support from CAFII for its LLQP modernization initiative, which CAFII delivered on February 21/14. CAFII has further meeting booked with LLQP Committee for May 28/14 in Toronto.

CAFIL Priorities by Committee – May 22, 2014

	Licensing process -streamlining and harmonization		Identification of issues ongoing
<b>ISI regime implementation</b>	Manitoba – issues to be resolved with implementing regulations		<p>-Included in Insurance Act Spring 2012 Letter sent in August 2012 -CAFIL response to draft ISI Regulation sent in early July 2013. On October 8/13, Board supported recommendation that CAFIL seek a meeting with the Minister re imperative of harmonization of Manitoba's ISI Regime with other provinces -CAFIL response submission on second draft of ISI Regulation sent on January 10, 2014 -In late February 2014, S. Moore, Deputy Superintendent, communicated to CAFIL that Manitoba's Draft ISI Regulation would be amended to address nearly all of the concerns expressed by CAFIL and other industry stakeholders; and he subsequently confirmed that in writing -S. Moore advised in February 2014 that Draft ISI Regulation will be amended to address nearly all of concerns expressed by CAFIL and other industry stakeholders; and confirmed same in writing. <b>-CAFIL met with Superintendent of Insurance and with Finance Minister Jennifer Howard on April 29/14. Imperatives of harmonization of provincial ISI regimes and of providing adequate lead time for implementation stressed in productive meeting; and in immediately prior pre-meeting with Superintendent of Insurance and Executive Director of Insurance Council.</b></p>

CAFII Priorities by Committee – May 22, 2014

<b>Provincial Insurance Councils and CISRO issues</b>	Opportunities to have restricted licensees represented or otherwise participate on Council discussed with Saskatchewan and Alberta. Committee identified a need for an analysis of options for BC, Alberta & Saskatchewan. Council representation needed.		<p>Legal assistance engaged and analysis of options underway. Meeting with AIC Jan 2012. Meetings with Sask. held Meeting with Manitoba held</p> <p>Active: CAFII Concept Proposal For A Saskatchewan Insurance Councils' Restricted Insurance Agents Advisory Committee submitted to R. Fullan on October 10/13.</p> <p>Active: In a meeting with B. Wycks on November 21/13, J. Abram, CEO, indicated that AIC would be open to a CAFII proposal re representation for restricted licence holders.</p> <p>2014 is opportune for discussions re establishing a "Restricted Licence Holder Council." <b>CAFII advanced discussion with AIC on this issue on December 12/13 and March 17/14. CAFII to provide submission to AIC based on updated options analysis developed by Stikeman Elliott</b></p>
<b>Electronic licensing</b>	Promote use of electronic licensing systems by provincial regulators; possible use of "business numbers" to link		<p>-Letter of support sent to CISRO May 2012 -Alberta Insurance Council readying to launch Canadian Insurance Participant Registry (CIPR) later in 2014; will be a significant leap forward towards a national electronic licensing system</p>
<b>Multi-jurisdictional licensing/ mutual recognition</b>	Trade Agreements - promote mutual recognition ( Ontario – Quebec, New West Partnership )		<p>-Attended trade agreement update meeting May 2012 -CAFII viewpoints on licensing and harmonization communicated, as related relevant commentary, in February 2014 letter of support for CISRO's LLQP modernization initiative -Based on suggestion made by J. Abram at March 17/14 liaison lunch, B. Wycks contacted R. Fullan, Chair of CISRO. As a</p>

CAFII Priorities by Committee – May 22, 2014

			result, CAFII likely to be offered opportunity to make a presentation to CISRO on multi-jurisdictional licensing and other compliance challenges faced by national contact centres, at meeting in Fredericton on September 29-30/14
<b>Regulatory concerns about travel Insurance</b>	<p>-Consumer confusion around coverage; complex application forms and medical questionnaires</p> <p>-redundancy of coverage (employer-sponsored benefits plans; through a credit card; and privately purchased) and sales agents not informing consumers of possible duplication</p>		<p><b>B. Wycks reached out to relevant industry Associations with proposal to form a pan-industry project group on travel insurance application forms – with representation from CAFII, THIA, and CLHIA – as per wish expressed by J. Abram, Alberta Insurance Council CEO, on March 17/14; and earlier by C. Rogers, CCIR Chair, in CAFII/CCIR liaison meeting on October 30/13; and as endorsed by CAFII Board of Directors on April 8/14. B. Wycks and J. Lewsen liaising with CLHIA and THIA, and providing regular progress reports to EOC.</b></p>



**Media and Communications Strategy Committee (MAC)**

**Membership:** The committee will have 4 permanent members including 2 co-chairs, all of whom are members of EOC. EOC Chair is ex-officio member.

**Co-Chairs:** 1) John Lewsen, BMO 2) Moira Gill, TD

**Members:** 3) Paul Yeung, RBC 4) Greg Grant, CIBC 5) Charles Blaquiere, Canadian Premier 6) Ex Officio: Jennifer Hines, RBC

**Resources:** Leya Duigu, Brendan Wycks

**Mandate:** Identify key stakeholders and develop, recommend and implement communications strategy. Oversee CAFII branding. Oversight of Media Response Task Force.

**Areas of Interest:** Underserved Market: Creditor Insurance (value proposition, disclosure); Counter broker lobby messages. **MAC priorities closely linked with Balanced Scorecard; progress/update reports on both to be provided at EOC and Board meetings.**

Initiatives	Status/Explanation	Resp	Next steps
-Develop a Communications Strategy	-Update Communications Strategy: CAFII-branded “Regulatory Value Added Strategy” for website and regulator communication. Most materials exist but materials should be reviewed and recommendations made as to how to package and brand materials. Include concept of sending targeted messages to regulators when an issue is in the media.	ED	-2014 External Communications Strategy approved by Board on October 8/13 and December 4/13. <b>Completed.</b> -Communications Strategy Tactical Implementation Plan approved by Board on April 8/14, with suggestions for minor tweaks in presentation only. <b>Completed.</b>
<u>Website</u> -collect testimonials, post on site  -Refresh CAFII mission statement  -expand tabs to include other products & regulators/industry	-Testimonial ( written or video)- 1 per member, have 7 or 8 available and determine how to rotate through ( value –add to members)  -review mission statement to ensure it is in line with branding,  -incorporate alternate distribution ( underserved market)	ED  ED  ED	-Email reminder sent w/o Oct 22, 2012; One written and three video testimonials received to date. B. Wycks to follow-up with direct request to all Members -Removed from MAC Priorities, as Mission Statement is solely within Board purview and typically is reviewed as part of Strategic Plan renewal. -Underserved market material drafted, to be approved for website. In process with ED B. Wycks as part of Communications Strategy implementation

CAFII Priorities by Committee – May 22, 2014

Initiatives	Status/Explanation	Resp	Next steps
<u>CAFII Branding</u> -develop marketing tagline  -CAFII newsletter for regulators  -CAFII “look”  -Acquire soft marketing tools (pads, pens etc),	several tagline options sent to Board -identify differentiating factor, eg advocating for insurance access , choice, all Canadians - include tagline on all submissions, website, swag, and letters to regulators -Insurance regulatory news to be collected and shared with regulators as a value-added service  -Develop a font and layout unique to CAFII to be used in letters, submissions and newsletter; assess if new logo needed  -Coasters suggested– include tagline and web address on next re-order	J Lewsen  ED  ED  ED	Completed  -Completed  -Completed and ongoing  -Completed  -Completed
<u>Media Protocol</u> -Develop and manage protocol for handling media requests -media training for ED	-Protocol revised with arrival of ED	ED	-Completed; revised Media Protocol approved by MAC on January 17/13 <b>-Media Training for ED B. Wycks with Patrick McGee completed on March 26/14, with EOC members J. Lewsen and P. Yeung also participating</b>
-Monitor Media		ED	Ongoing
-Develop List of Friendly media			Paul & Moira have completed list
-Notify communications departments of member firms	-To be done when messaging is reviewed		
-News Release	-Send out notification re new ED		-Completed. Notice sent to all CAFII members. Included in first issue of Regulators’ newsletter and added to web site.
Develop 2-3 likely media response scenarios	-In process in conjunction with Key Message development and media training/media preparedness work	ED	-B. Wycks reviewing material drafted by G. Grant.
Key Message Development - identify issues and develop key messages	-Key message document: develop and review stock messages to be used in communication opportunities	ED	-In process. Key Messages being reviewed and refined by B. Wycks <b>as part of Communications Strategy implementation</b>
-Regulator Kit  -develop booklet /brochure	For new regulators. Compile package of information for regulators which can include: -booklet	ED	-Some content developed by RBC intern -To be completed <b>as part of Communications Strategy implementation</b>

CAFII Priorities by Committee – May 22, 2014

Initiatives	Status/Explanation	Resp	Next steps
-Key Facts sheet	<ul style="list-style-type: none"> <li>- past submissions,</li> <li>-testimonials and</li> <li>-key fact sheet.</li> </ul> <p>Booklet - take images from website, testimonials, designed to highlight major issues. Small 10 page booklet that can be given out with business cards.</p> <p>-develop a “Key Facts” sheet to be part of regulator package</p>	<p>ED</p> <p>ED</p> <p>ED</p>	<p>-To be completed <b>as part of Communications Strategy implementation</b></p> <p>-To be completed <b>as part of Communications Strategy implementation</b></p>
<p>Manage research to support message (eg. Pollara)</p> <ul style="list-style-type: none"> <li>- develop key messages</li> <li>- manage plan of use of research</li> <li>- determine when and what research must be undertaken or renewed</li> </ul>	<p>-Pollara plan of use available, but in need of review and update</p>	MAC	<p>-Research is a key component of Communications Strategy. Plan of use to be reviewed by ED in light of now approved Communications Strategy</p>
-Industry Statistics	-identify and keep current statistics from LIMRA and CAFII research	ED	-overlapping responsibility with DMC. Referred/delegated to DMC.
<p>Webinars:</p> <ul style="list-style-type: none"> <li>-Develop and offer webinar education</li> <li>-Determine distribution of webinar material</li> </ul>	<ul style="list-style-type: none"> <li>-develop / oversee development of new webinars</li> <li>-review and keep webinars current</li> <li>-track who has seen which webinars</li> <li>-plan number of webinars per year, have list of upcoming webinars</li> <li>-deliver webinars</li> </ul>	ED	<p>-Digital commerce and social media webinar, developed by Davis Yoo and Debbie Dimoff of PwC, delivered to CCIR audience on May 30, 2013.</p> <p><b>-S. Manson has modernized CAFII presentation on Under-Served Market, with compelling new insights from several independent research sources; will be used for CAFII presentations for CCIR and/or CISRO audiences.</b></p>

**Media Response Taskforce**

**Membership:** Taskforce consists of any two members of the Media and Advocacy Strategy committee plus Executive Director Brendan Wycks.

**Purpose:** Deal with media issues as they arise. Make recommendation to Board communications committee (Members: Mark Cummings, Scotialife Financial; Dave Minor, TD; Rick Lancaster, CIBC; Julie Barker-Merz, BMO)

# CAFII Priorities by Committee – May 22, 2014

## Networking and Events Committee

**Membership:** 1 Chair - 2 members; EOC Chair is an ex-officio member

Chair: Paul Yeung, RBC 2) Maria Sanchez –Chung, TD 3) Ex-Officio: Jennifer Hines, RBC Resources: Leya Duigu, Brendan Wycks

**Mandate :** Operate CAFII events and receptions to maintain contact with regulators, associate members and other key stakeholders.

Priority	Activities	Status
<b>Plan Quarterly Speaker and reception events, and member-only event</b>	-February 2014 Speaker Event (members only)	-Annual Members' Luncheon moved to February 11, 2014, with Chrys Lemon, Partner, McIntyre & Lemon, PLLC, Washington, DC, speaking on "Update On Credit Card Insurance Market In The U.S. Since 2012."
	-April 8, 2014	-Louis Morriset, CEO, and four AMF staff executives spoke informally with CAFII Board/EOC at liaison meeting in Montreal on April 8/14
	-June 2014 AGM/Regulator Reception Event	- <b>Maria Sanchez-Chung has secured Brigitte Goulard, newly appointed FCAC Deputy Commissioner, who is a former CAFII EOC member, having formerly worked for TD Meloche Monnex</b>
	October 2014 Speaker Event	- <b>Carolyn Rogers, CCIR Chair, has accepted CAFII's invitation to be speaker at CAFII's October 7/14 Reception Event</b>
	December 2014 Reception	
<b>Keep current lists of key contacts</b>		
<b>Christmas cards to key contacts?</b>		
<b>Seek out other opportunities to meet with contacts (eg. corporate table)</b>		

# Alberta Insurance Council Errors & Omissions Reporting Form

Agent, Adjuster or Agency/Firm

* CIPR#	* Last Name	* First Name
Agency or Insurer (if applicable)		

## Errors & Omissions Policy Information

* Policy #	
Certificate #	
* Carrier	
Broker	
Plan Sponsor	
* Effective Date	
* Expiry Date	

\* Denotes Mandatory Information Fields

This policy covers the following Classes of Certificate applied for or held:

Adjuster	<input type="checkbox"/>
Accident and Sickness Insurance	<input type="checkbox"/>
General Insurance	<input type="checkbox"/>
Life Insurance	<input type="checkbox"/>
General Insurance limited to: Hail	<input type="checkbox"/>
Livestock	<input type="checkbox"/>
Other	<input type="text"/>

I confirm that the information contained on this Reporting Form is true and correct and that the coverage described is valid in force insurance. I further acknowledge that my Certificate(s) of Authority will be automatically suspended pursuant to section 478 of the Act in the event this coverage expires or is terminated in accordance with the Act and the Insurance Agents and Adjusters Regulation unless valid replacement coverage is provided.

Date

Signature

This information is required and collected pursuant to section 467 of the Act and applications will not be processed if the information has not been provided.

## CORPORATE INFORMATION

1.) Legal Name: \_\_\_\_\_

2.) Trade Name: \_\_\_\_\_

3.) Business Address: \_\_\_\_\_ Street \_\_\_\_\_

City: \_\_\_\_\_ Province: \_\_\_\_\_ Postal Code: \_\_\_\_\_

Bus. Telephone \_\_\_\_\_ Fax Number \_\_\_\_\_ Email: \_\_\_\_\_

4.) Applicants Designated Individual: \_\_\_\_\_

5.) Type of Organization: Partnership ☐ Sole Proprietorship ☒ Corporation ☐

Where incorporated? \_\_\_\_\_ Corporate Access Number: \_\_\_\_\_

**6.) Type of Certificate applied for: (Only One Class/Type per application)**

		Equipment Warranty	Credit Related	Personal Accident Type	Funeral Services	Travel	Group Travel	Cargo
<input type="checkbox"/>	Auto Dealership	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	No	No	No	No	No
<input type="checkbox"/>	Equipment Dealer	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	No	No	No	No	No
<input type="checkbox"/>	Funeral Services Business	No	No	No	<input type="checkbox"/> Yes	No	No	No
<input type="checkbox"/>	Travel Agency	No	No	No	No	<input type="checkbox"/> Yes	No	No
<input type="checkbox"/>	Transportation Company	No	No	No	No	<input type="checkbox"/> Yes	No	<input type="checkbox"/> Yes
<input type="checkbox"/>	Deposit Taking Institution	No	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	No	No	<input type="checkbox"/> Yes	No
<input type="checkbox"/>	Sales Finance Company	No	<input type="checkbox"/> Yes	No	No	No	No	No
<input type="checkbox"/>	Freight Forwarder	No	No	No	No	No	No	<input type="checkbox"/> Yes
<input type="checkbox"/>	Customs Broker	No	No	No	No	No	No	<input type="checkbox"/> Yes

**7.) Errors & Omissions Insurance** (You must attach a copy of the policy or certificate issued by the insurer)

Name of Errors &amp; Omissions Insurer: \_\_\_\_\_

Broker (optional): \_\_\_\_\_

Effective Date: \_\_\_\_\_ Expiry Date (if applicable): \_\_\_\_\_

Policy Number: \_\_\_\_\_ Mmm,dd,yyyy Certificate Number (if applicable): \_\_\_\_\_ Mmm,dd,yyyy

8.) **Declaration:** I certify that I am authorized to sign for this company and that the foregoing information is true and complete.

Designated Individual

Signature \_\_\_\_\_

Date \_\_\_\_\_

9.) FEE SCHEDULE Please indicate the number of employees \_\_\_\_\_ and the applicable fee \$ \_\_\_\_\_.00

Please review the fees from the web site as we are in a transitional period and fees vary depending on the certificate you are applying for.

10.) **RECOMMENDATION OF INSURER.** I recommend that the applicant be granted a certificate of authority to act as an insurance agent for (Name Insurer): \_\_\_\_\_. It is understood that this recommendation will remain in effect until cancelled in writing and that the Alberta Insurance Council will be advised of the reasons for the termination.

Date \_\_\_\_\_

---

Name (please print)

Signature \_\_\_\_\_

Official Capacity

**FILE**

DO NOT WRITE IN THIS SPACE  
DATE APPROVED \_\_\_\_\_

FEE APPLIED

[illegible]

DATE APPROVED	
11/10/00	11/10/00

\$ \_\_\_\_\_