



**CAFII EOC Meeting
Tuesday, October 29, 2013**

Location: CIBC

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

1:00 – 4:00 am

Conference call dial-in information:

416-764-8662 or 1.888-884-4534, participant pass code: 771017#, moderator pass code: 7661560#

Chair: J. Hines

Agenda

1. Call to Order J. Hines
 2. Approval of Agenda All
 3. Minutes All
 - a. EOC Minutes and Action Items of September 24, 2013
 - b. Board Minutes and Action Items of October 8, 2013
 4. CAFII Financial Statements as at September 30, 2013
 5. Policy Issues and Decision Items
 - a. Possible Relocation of April 2014 or June 2014 Board Meeting to Montreal or Quebec City to Facilitate Louis Morisset's Acceptance of Speaker Invitation P. Yeung
 - b. Customer Value Proposition of Creditor's Group Insurance Comparative Project S. Manson
 - c. CAFII External Communications Strategy J. Lewsen/S. Gelgor/B. Wycks
 6. Regulatory Update
 - a. CAFII Response to New Brunswick Position Paper on "Opportunities for Reforming the Licensing Framework for Other-than-Life Insurance Agents and Brokers" B. Wycks
 - b. Regulatory Visit Plan B. Wycks
 - i. Joint Visit to Atlantic Canada Regulators
 7. EOC Committee Updates
 - a. Distribution and Market Conduct Committee S. Manson
 - b. Licensing Efficiency Issues Committee M. Gill
 - c. Media and Advocacy Committee J. Lewsen/S. Gelgor
 - i. "Grand Launch" of New CAFII Logo on December 4, 2013
 - d. Events and Networking Committee
 - i. End-of-Year Reception, December 4 (BMO Insurance) P. Yeung/M. Sanchez-Chung
 - ii. 2014 Speaker Suggestions
 8. Other Business
 - a. Plan for CAFII Compliance with Canada Non-Profit Corporations Act (CNCA) B. Wycks
- Next EOC meeting is November 26, 2013, in Toronto.
 - Next Board Meeting/ Regulator Reception is December 4, 2013 hosted by BMO Insurance, in Toronto.
Location: TBA

CAFII EOC Meeting Minutes
Thursday, September 24, 2013
Action Items from the Meeting

Agenda Item	Action Item	Responsible	Deadline
5b. Proposed Revised Cheque Signing Authority	Brendan Wycks and Sara Gelgor to vet the Proposed Revised Cheque Signing Authority Policy with Board Chair Mark Cummings as part of the Board meeting script review and meeting preparation discussion.	B. Wycks; S. Gelgor	Before Oct 8 Board meeting
6. Regulatory Update	Brendan Wycks to provide a Regulatory Update Report for future EOC and Board meetings.	B. Wycks	Ongoing
7a. CAFII Priorities by Committee	Committee Chairs to identify their 2014 initiatives and budget requirements as soon as possible, as development of the 2014 Operating Budget will commence in late October.	Committee Chairs	ASAP
7d. Media and Advocacy Committee	Leya Duigu to provide an update on the posting of the consumer testimonials to the CAFII website at the next EOC meeting.	L. Duigu	October 29
7e. Events and Networking Committee	L. Duigu to forward the Draft Schedule of 2014 CAFII Meetings to the EOC.	L. Duigu	ASAP



CAFII EOC Meeting
Tuesday, September 24, 2013
Location: ScotiaLife Financial
100 Yonge Street, 4th Floor
Toronto, ON

Present:	Rose Beckford	ScotiaLife Financial
	Charles Blaquiere	Canadian Premier Life Insurance Co.
	Emily Brown	BMO Insurance
	Andre Duval	Desjardins Financial Security Life Assurance
	Sara Gelgor	ScotiaLife Financial
	Moirra Gill	TD Insurance
	Greg Grant	CIBC Insurance
	Jennifer Hines	RBC Insurance (<i>for part</i>)
	John Lewsen	BMO Insurance
	John Poolman	Assurant Solutions
	Maria Sanchez-Chung	MBNA Bank of Canada (<i>teleconference</i>)
	Paul Yeung	RBC Insurance

Regrets:	Sue Manson	CIBC Insurance
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Also Present:	Pamela Smith	T•O Corporate Services
	Brendan Wycks	CAFII Executive Director

1. Call to Order

The meeting was called to order at 1:05 p.m. Brendan Wycks acted as Chair during the initial absence of Jennifer Hines; and Pamela Smith acted as Recording Secretary. Upon her arrival at the meeting, Jennifer Hines assumed the role of Chair.

2. Approval of Agenda

The agenda was approved as circulated.

3. Minutes and Action Items

The minutes of the EOC meeting held August 22, 2013 were reviewed and approved as circulated. The Action Items from that meeting were reviewed.

4. CAFII Financials

a. Nominees for CAFII Treasurer

Brendan Wycks reported that Matthew Fabian, BMO Insurance, had resigned as CAFII Treasurer due to a change in his employment position at BMO. A new Treasurer is therefore being sought from a member Financial Institution other than BMO, RBC or ScotiaLife. This is an urgent need as the Treasurer needs to be appointed at the next Board meeting scheduled on October 8, 2013.

- b. CAFII Financial Statements as at August 31, 2013
Brendan Wycks referred members to the financial statements as at August 31, 2013, noting among other things:
- Concerning the Balance Sheet, the \$63,550 under accounts receivable reflects membership dues outstanding.
 - Concerning the Statement of Operations, Stikeman Elliott's invoice for its counsel on the Representation for Restricted Insurance Agent Licensees in Saskatchewan initiative has not yet been received; and to date, there has been no spending related to the Avalon Project in 2013. These pending expenses will reduce the current surplus in fiscal 2013.
 - Concerning membership dues, Oliver, Wyman Consulting Limited – in addition to Swiss Reinsurance Company – has advised that it will not be renewing as an Associate member for 2013.

5. Policy Issues and Decision Items

- a. **Project Proposal and Critical Path from Avalon Actuarial for 2013 Study**
Brendan Wycks provided a verbal update based on the proposal from Avalon Actuarial received September 16, 2013.

Sue Manson, Emily Brown and Brendan Wycks have served as a sub-committee overseeing CAFII's renewal of this important comparative research study that is carried out by an independent, third party actuarial firm. They have met with Avalon Actuarial several times and, overall, are not satisfied with the resulting proposal.

EOC members suggested that it may be prudent to shop around for competitive proposals for the project. Key to the awarding of this assignment will be the successful candidate firm's ability to access the Munich Re study for comparative data on individual insurance approvals and claims rates, it was noted.

Based on EOC input, it was agreed that the subcommittee should

- investigate whether there are other actuarial firms qualified for and interested in conducting this study for CAFII;
- go back to Avalon Actuarial and ask it to sharpen its pencil, so that the project can be completed within the \$42,000 budget previously approved by the CAFII Board, regardless of which actuarial firm is selected and regardless of whether critical illness insurance is included as a point of comparison within the study; and
- consult closely with the actuarial firm selected, so that data is gathered and analyzed only for years that are critical to the study; and an efficient method is identified for validating the data from previous iterations of this study.

b. Proposed Revised Cheque Signing Authority

Brendan Wycks explained the Proposed Revised Cheque Signing Authority Policy. He noted that cheques for amounts up to \$500.00 currently require only one signature and are generally signed by Lynn Beauregard, President of TO Corp.

It was suggested that consideration be given to adding the Chair of the Board of Directors to the group of CAFII Officers with signing authority under the new policy.

Action: Brendan Wycks and Sara Gelgor to vet the Proposed Revised Cheque Signing Authority Policy with Board Chair Mark Cummings as part of the Board meeting script review and meeting preparation discussion.

6. Regulatory Updates

It was noted that the Regulatory Update Report usually prepared for EOC meetings and Board meetings had not been provided for this particular meeting. Brendan Wycks agreed to resume providing a Regulatory Update Report for each EOC and Board meeting.

Action: Brendan Wycks to provide a Regulatory Update Report for future EOC and Board meetings.

a. CAFII Response to FSCO's Modernizing Disciplinary Hearings for Insurance Agents and Adjusters

Brendan Wycks briefly highlighted CAFII's recent participation in this FSCO initiative.

b. CCIR Review of Third Party Administrators

Brendan Wycks advised that at this time, Sara Gelgor, John Lewsen, and himself were scheduled to meet with Harry James, Chair of CCIR's Agencies Regulation Committee (ARC), and Carol Shevlin on the morning of September 26 for a pre-consultation discussion about the ARC's Review of Third Party Administrators.

c. Regulatory Visits

i. September 6, 2013 Follow-up Meeting with FSCO Re Life Insurance Product Suitability Review

John Lewsen and Brendan Wycks provided a verbal report on CAFII's recent participation in this FSCO regulatory initiative, noting that Sue Manson from CIBC Insurance, Fay Coleman from TD Insurance, and Jason Beauchamp from RBC Insurance had also been involved.

ii. September 9, 2013 Pre-Consultation Discussion with FSCO Re "Modernizing Disciplinary Hearings for Insurance Agents and Adjusters"

Brendan Wycks provided a verbal report on the pre-consultation meeting that he and Sandra Loughead from RBC Insurance had had with Grant Swanson and Jim Fox of FSCO on this initiative.

Mr. Wycks also highlighted from a draft CAFII submission to FSCO on this subject that was due by September 30. Following EOC discussion, it was agreed that Mr. Wycks would refine and forward the document to the EOC for a final opportunity for review and feedback, such that CAFII's submission would be sent by September 30.

iii. Regulatory Visit Plan

- Proposed CAFII Joint Visit to Atlantic Canada Insurance Regulators. Mr. Wycks advised that this meeting will likely occur in Spring 2014, based on feedback recently received from the office of the Nova Scotia Superintendent of Insurance.
- A CAFII delegation met with Saskatchewan Insurance Council Chair Ron Fullan on July 29 in Toronto, to discuss CAFII's imminent proposal for restricted licensee representation in Saskatchewan.
- A half-day FSCO symposium for the life insurance industry is scheduled for the morning of Friday, November 22.
- The agenda for the AMF's 8th Annual Rendez-vous event in November will be posted shortly on the AMF's website.

7. EOC Committee Updates

a. CAFII Priorities by Committee

Action: Committee Chairs to identify their 2014 initiatives and budget requirements as soon as possible, as development of the 2014 Operating Budget will commence in late October.

b. Distribution and Market Conduct Committee

i. CAFII Project Next Steps

John Poolman, Co-Chair of the CAFII Project, provided a verbal update on recent progress, including plans to bring the project to conclusion via resolutions to be approved by the CAFII Board at its October 8, 2013 meeting.

c. Licensing Efficiency Issues Committee

i. Update on CAFII Proposal to Saskatchewan Re Representation for Restricted Licensees

Discussed under Regulatory Visit Plan.

ii. New Brunswick's "Opportunities for Reforming the Licensing Framework for Other-than-Life Insurance Agents and Brokers"

It was noted that certain aspects of this discussion paper relate to life insurance agents. Therefore, New Brunswick is welcoming feedback from CAFII and other life insurance-focused industry Associations. Moira Gill will speak to this matter at the next CAFII Board meeting.

d. Media and Advocacy Committee

An update on the posting of the consumer testimonials to the CAFII website was requested for the next EOC meeting in October.

Action: Leya Duigu to provide an update on the posting of the consumer testimonials to the CAFII website at the October 29, 2013 EOC meeting.

i. Update on New CAFII Logo and Visual Identity Modernization

John Lewsen, Media and Advocacy Committee Co-Chair, advised that the new CAFII logo and visual identity modernization would be presented for approval at the October 8, 2013 Board meeting.

ii. Update on Draft 2014 CAFII External Communications Strategy

Brendan Wycks advised that based on detailed input and feedback from the Media and Advocacy Committee, the Draft 2014 External Communications Strategy was being refined, and would be previewed with Board Chair Mark Cummings for his feedback before going to the Board for approval at its October 8, 2013 meeting.

e. Events and Networking Committee

- The Speaker for the Regulator Reception immediately following the October 8 Board meeting will be former Ontario Cabinet Minister John Wilkinson. This event will be operated under the Chatham House Rule, which will be explained at the Board meeting and at the Speaker Event itself but will not be highlighted in the promotional communications for the event.
- The annual Festive Event (Christmas Party) has been scheduled for December 4, 2013, and will be hosted by BMO Insurance.
- New swag (i.e. pens, blackberry holders, etc.) emblazoned with the new CAFII logo will be ordered for distribution at the Holiday Season event. A budget of \$2,500 was approved for these items.
- P. Yeung and M. Sanchez-Chung requested speaker suggestions for CAFII's 2014 Regulator Receptions and the Annual Members' Luncheon in February.

Action: L. Duigu to forward the Draft Schedule of 2014 CAFII Meetings to the EOC.

8. Termination

There being no further business, the meeting terminated at 2:45 p.m. The next EOC meeting will be held on Tuesday, October 29, 2013 at 1:00 p.m. in Toronto.

Date

Chair

Recording Secretary

CAFII Board Meeting Minutes
Tuesday, October 8, 2013
Action Items from the Meeting

Agenda Item	Action Item	Responsible	Deadline
5.1. Financial Update	EOC to develop a recruitment and retention plan for Associate Members.	EOC	November 26, 2013 (?)
6.4 CAFII External Communications Strategy	Media and Advocacy Committee to review and revise communications strategies for media and for public/consumer interest group audiences, in light of Board feedback.	MAC	November 26, 2013 (?)
7.4.1. Regulatory Visit Plan	B. Wycks to request meeting with the Minister in Manitoba to discuss matters related to the draft ISI regulation and harmonization. Volunteers to include Board and EOC members.	B. Wycks	?
	B. Wycks to provide a one-page Executive Summary of the Regulatory Update for future board meetings.	B. Wycks	Ongoing
8.4.2. 2014 Speaker Suggestions	Networking and Events Committee to present a tentative speaker line-up at the next Board Meeting on December 4, 2013. Leya Duigu to facilitate.	L. Duigu	November 26, 2013

CAFII Board of Directors Meeting

Tuesday, October 8, 2013

**Location: St. Andrew's Club & Conference Centre, Sun Life Financial Tower
150 King Street West, 16th Floor, Garden Two Room
Toronto, ON**

Draft Minutes

Present:	Julia Barker-Merz	BMO Insurance
	Mark Cummings	ScotiaLife Financial <i>Chair</i>
	Dave Minor	TD Insurance
	Rick Lancaster	CIBC Insurance
	Isaac Sananes	Canadian Premier Life Insurance Co.
	Linda Fiset	Desjardins Financial Security Life Assurance
	Vivianne Gauci	AMEX Bank of Canada
	Richard Hebert	National Bank Insurance Co. (teleconference)
	Rino D'Onofrio	RBC Insurance (teleconference)
	Bob Zanussi	Assurant Solutions
EOC Present:	John Poolman	Assurant Solutions
	Emily Brown	BMO Insurance
	Andre Duval	Desjardins Financial Security Life Assurance
	Maria Sanchez-Chung	TD Insurance
	Charles Blaquiére	Canadian Premier Life Insurance Co.
	Paul Yeung	RBC
	Greg Grant	CIBC Insurance
	Sue Manson	CIBC Insurance
	Jennifer Hines	RBC Insurance <i>Secretary</i>
	Sara Gelgor	ScotiaLife Financial
	John Lewsen	BMO Insurance
	Matthew Fabian	BMO Insurance <i>Treasurer</i>
	Eleanor Fang	TD Insurance
	Moira Gill	TD Insurance
Also Present:	Brendan Wycks	CAFII <i>Executive Director</i>
	Leya Duigu	T•O Corporate Services <i>Recording Secretary</i>
Regrets:	Rose Beckford	ScotiaLife Financial

1. Welcome and Call to Order

The meeting was called to order at 2:05 p.m. M. Cummings acted as Chair; J. Hines acted as Secretary; and L. Duigu acted as Recording Secretary.

2. Review of CAFII Competition Guidelines

M. Cummings reminded members that the Competition Guidelines provided in the package were adopted at the April 3, 2008 Board of Directors meeting. The practice of reviewing the guidelines at the beginning of meetings was adopted to ensure that the CAFII Board's deliberations conform to its principles, which were briefly summarized.

3. Approval of Agenda

On a motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

The Revised Agenda be approved as circulated.

3.1. Appointment of New Director

On a motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

Vivianne Gauci of AMEX Bank of Canada be appointed to the CAFII Board of Directors until the next Annual General Meeting in 2014.

4. Minutes

4.1. Adoption of June 11, 2013 Board Meeting Minutes

On motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

The minutes of the meeting of the Board held on June 11, 2013 be adopted in the form presented, and that a copy of these minutes be signed and placed in the Minute Book of the Corporation.

J. Hines provided a verbal update on the status of Action Items from the Board meeting held June 11, 2013, noting that all items had been addressed.

5. Financial Update

5.1. Financial Statements as at August 31, 2013

M. Fabian, Treasurer, reported on the CAFII financial statements as at August 31, 2013, a copy of which was included in the meeting materials.

With respect to the Balance Sheet, the bank balance is up due to the collection of the second instalment of 2013 membership dues.

With respect to the Statement of Operations, we are currently at 47% of budgeted operating expenses for the year and anticipate this will increase once we receive some outstanding invoices.

The Association's financial reserves are currently at 14 months of operating expenses, supporting a healthy and stable position for the Association.

At this time all 2013 membership dues have been paid, with the exception of Swiss Re and Oliver Wyman Consulting who have decided not to renew their Associate Membership with CAFII.

Given that the Association has lost two Associate Members in 2013, D. Minor asked that the EOC develop a plan for the recruitment of new Associate Members and the retention of current Associate Members.

The process of developing the 2014 operating budget will begin shortly, Mr. Fabian advised. The EOC will be reviewing this over the next few meetings, with the goal of presenting a draft for approval at the December 4, 2013 Board meeting.

Action: EOC to develop a recruitment and retention plan for Associate Members.

5.2. New Treasurer – Nominees

M. Cummings recalled that Directors were notified in September that M. Fabian, CAFII Treasurer, would be stepping down from the position soon. He has served as Treasurer since December 11, 2007, providing oversight of the financial portfolio, developing the annual operating budget, and the Association's reserves policy.

On behalf of the Board and the Executive Operations Committee, J. Hines presented M. Fabian with a card and gift in recognition of his many contributions as Treasurer.

As a result of M. Fabian's resignation, a Call for Nominees led to member CIBC Insurance's nomination of Raja Rajaram, Controller at CIBC Insurance, for the position of CAFII Treasurer. At this time, however, his appointment can only be made conditionally, as his assuming this external volunteer leadership role still required an internal compliance approval at CIBC.

M. Fabian advised that he would be in a position to continue to provide support and act as a resource for the new Treasurer for the next few months.

On motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

Raja Rajaram is appointed Treasurer of the Canadian Association of Financial Institutions in Insurance for a two-year term ending in October 2015, subject to his appointment receiving internal clearance at CIBC.

5.3. Cheque Signing Authority Policy – Proposed Revisions

Executive Director B. Wycks provided an overview of the proposed policy included in the meeting materials, noting that it would add rigour and control to the existing process without imposing an onerous administrative burden.

On motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

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

6. Policy Issues and Decision Items

6.1. Independent Actuarial Study on Customer Value Proposition of Creditor's Group Insurance for Mortgages

S. Manson, Chair of the Distribution and Market Conduct Committee, provided a verbal update on the plan to re-commission a study comparing the Customer Value Proposition of Creditor's Group Insurance for Mortgages (life, disability and potentially critical illness) with Individual Insurance (life, disability and potentially critical illness).

A quote had been received from Avalon Actuarial that was much higher than the amount previously paid by CAFII. The Board had approved a budget of \$42,000 for this project at the June 11, 2013 meeting, and it was expected that total expenses for the project could exceed this amount under the quote provided by Avalon Actuarial.

In discussion, the Board expressed support for reducing the number of years of data to be included in the scope of the survey for this project, as this was one of the drivers of the cost increase; and approaching other actuarial services providers for competitive quotes, recognizing Avalon Actuarial's success in completing previous iterations of this project.

6.2. CAFII Project Next Steps

S. Manson, co-chair of the CAFII project, provided a verbal update on related developments since the previous Board meeting.

On motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

- 1. The CAFII Board of Directors may, from time to time, approve a delegation of authority to the Executive Operations Committee (EOC) to retain legal counsel and solicit legal opinions on matters relevant to CAFII's interest and affairs;***
- 2. In such circumstances, no waiver of CAFII's solicitor and client privilege or release of any written legal opinion may be made without the unanimous written agreement of the CAFII Board of Directors; and***
- 3. This "no waiver of privilege policy" may not be altered or amended without the unanimous written agreement of the CAFII Board of Directors.***

6.3. New CAFII Logo and Visual Identity Modernization

J. Lewsen, co-chair of the Media and Advocacy Committee, provided a verbal update on the new CAFII logo and visual identity modernization project, based on the materials in the meeting package.

He indicated that upon approval by the Board, additional applications with the new logo would be finalized including a Powerpoint presentation template, newsletter templates, and other materials.

In Board discussion, several Directors indicated that they were satisfied with the new logo and congratulated the Media and Advocacy Committee for seeing this project through to successful completion.

On motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

The new CAFII Logo and Visual Identity Modernization applications, as recommended by the Media and Advocacy Committee, be approved as presented.

6.4. CAFII External Communications Strategy

Executive Director B. Wycks presented highlights from the CAFII Draft External Communications Strategy. The document had been developed in collaboration with the EOC and, in particular, members of the Media and Advocacy Committee.

In Board discussion following Mr. Wycks' summary presentation, the following feedback was provided:

- consideration should be given to separating “the public” and “consumer interest groups” into two audiences, each with its own strategy;
- the issue of consumer financial literacy provides a great opportunity to get our message out to the public; and
- CAFII should continue to invest in its website, as it is a very useful vehicle for presenting CAFII members as leaders on key topics, by making our site the “go to” place for information.

On motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

The CAFII External Communications Strategy pertaining to regulators and policy-makers be approved as presented, and the media and the public/consumer interest group audience strategies be amended as discussed.

Action: Media and Advocacy Committee to review and revise communications strategies for media and for public/consumer interest group audiences in light of Board feedback.

7. Regulatory Update

7.1. CCIR Review of Third Party Administrators

J. Lewsen reported that he and B. Wycks had represented CAFII in a September 26 pre-consultation meeting about this CCIR initiative with Harry James, chair of its Agencies Regulation Committee, and Carol Shevlin, CCIR Policy Manager.

In the meeting, we were able to communicate key CAFII messages about creditor insurance, in particular the kind of controls that exist in large financial institutions and their compliance with OSFI guidelines. We also learned of regulator concerns regarding the segment of the creditor industry that is using third party administrators in a manner that is not in line with the regulatory guidelines.

7.2. FSCO's Consultation "Modernizing Disciplinary Hearings for Insurance Agents and Adjusters"

Executive Director B. Wycks reported that FSCO had recognized and thanked CAFII for its participation in face-to-face consultation meetings on this issue and for the Association's recent written submission, which has since been posted on the FSCO website.

7.3. FSCO's "Life Insurance Product Suitability Review"

As a written report was included in the meeting package, this agenda item was treated as a consent item and did not give rise to discussion.

7.4. Regulator Visits

7.4.1. Regulatory Visit Plan

Executive Director B. Wycks reported that CAFII has engaged with regulators a number of times since the last meeting in June -- in particular with FSCO, Manitoba and Saskatchewan.

A joint visit to the Atlantic Canada regulators (Nova Scotia, New Brunswick, Newfoundland, and PEI), at their suggestion, was also being planned for the spring of 2014.

Manitoba: M. Gill provided an update on the draft ISI regulation, noting a troubling new direction with respect to requirements around education. The Board was supportive of her recommendation that this issue be raised at the political level via an in-person meeting with the relevant Minister, of which the regulators would also be notified. Harmonizing with other jurisdictions such as Alberta is the key message that we want to deliver.

Action: A meeting with the Minister in Manitoba to be requested to discuss matters related to the draft ISI regulation and harmonization. Volunteer leader attendees could include both Board and EOC members.

Action: B. Wycks to provide a one-page Executive Summary of the Regulatory Update for future board meetings.

7.5. Regulator Newsletter

As a written Regulatory Update had been provided in meeting materials, this item was treated as consent item and did not give rise to discussion.

8. Committee Reports on Addressing CAFII Priorities

8.1. Distribution and Market Conduct Committee

It was noted that the Distribution and Market Conduct Committee's projects had been discussed previously under Policy Issues and Decision Items.

8.2. Licensing Efficiency Issues Committee

8.2.1. Saskatchewan Representation for Restricted Licensees

M. Gill reported that the committee had been working with the regulator on a proposal regarding representation for restricted licence holders, which was now complete and ready to be sent.

8.2.2. New Brunswick's "Opportunities for Reforming the Licensing Framework for Other-than-Life Agents and Brokers"

M. Gill reported that CAFII has made submissions on this issue in the past. Regulators have been open to our feedback in this area; but the recently released New Brunswick paper regarding Opportunities to Reform the Licensing Framework for Other-than-Life Agents and Brokers lacks vision. CAFII will therefore be submitting a response that will be more holistic in its approach.

8.3. Media and Advocacy Strategy Committee

J. Lewsen, Media and Advocacy Strategy Committee Co-Chair, advised that the committee's key updates had been addressed earlier in the agenda.

8.4. Networking & Event Hosting Committee

8.4.1. October 8, 2013 Speaker and Reception

Board Chair M. Cummings thanked Assurant Solutions Canada for hosting today's meeting and events.

He noted that the speaker tonight was former Ontario Cabinet Minister John Wilkinson and the audience would include CAFII members and industry contacts. In addition, members of the regulator community had been invited to the reception to follow.

8.4.2. 2014 Speaker Suggestions

Action: Networking and Events Committee to present a tentative speaker line-up at the next Board Meeting on December 4, 2013.

9. Termination

On motion duly made, seconded and unanimously carried

IT WAS RESOLVED that:

The meeting be terminated at 4:15 p.m.; and that the next meeting of the Board be held on Wednesday, December 4, 2013 in Toronto, hosted by BMO Insurance.

CAFI

55 St Clair Ave West, Suite 255

Toronto, ON M4V 2Y7

Balance Sheet

As at September 30, 2013

ASSETS	Current 2013
Current Assets	
Bank Balance	\$309,828
Investments ^A	\$52,852
Accounts Receivable	\$0
Interest Receivable	\$211
Prepaid Expenses	\$3,509
Computer/Office Equipment	\$2,334
Accumulated Depreciation -Comp/Equip	(\$389)
Intangible Assets-Trademarks	\$0
Accumulated Amortization-Trademark	\$0
Total Current Assets	\$368,344
TOTAL ASSETS	\$368,344
LIABILITIES	
Current Liabilities	
Account Payable ^B	\$298
Deferred Revenue	\$100,125
Total Current liabilities	\$100,423
TOTAL LIABILITIES	\$100,423
UNRESTRICTED NET ASSETS	
Unrestricted Net Assets, beginning of year	\$179,424
Excess of revenue over expenses	\$88,497
Total Unrestricted Net Assets	\$267,921
Total Unrestricted Net Assets	\$267,921
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$368,344

Minimum Reserve = Greater of:

Reserve at 25% of Annual Operating Expense =	\$ 61,383
Reserve at 6 months of Operating Expense =	\$ 121,759

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 September 30, 2013

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
Total		\$52,852.40		\$528.52	

Item B

Accounts Payable

	Total
	33.29
	42.00
	222.90
Total outstand	298.19

CAFII

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

Statement of Operations

As at September 30, 2013

REVENUE	Current Month	Current YTD	Budget 2013	% Used	YTD 2012 Balance	% Used YTD 2012
Membership Fees	\$30,175	\$300,375	\$410,100	73%	\$307,575	80%
Interest Revenue	\$43	\$474	\$750	63%	\$518	518%
TOTAL REVENUE	\$30,218	\$300,849	\$410,850	73%	\$308,093	79%
EXPENSE						
Association Operating Expenses						
Management Fees	\$17,879	\$164,188	209,150	79%	\$52,963	77%
Lawrie Savage Fees	\$0	\$0	-		\$132,113	79%
CAFII Legal Fees/Corporate Governance	\$0	\$0	10,500	0%	\$0	0%
Audit Fees	\$0	\$1,617	13,250	12%	\$347	4%
Insurance	\$439	\$2,331	5,368	43%	\$2,059	48%
Website (incl translation)	\$28	\$361	540	67%	\$2,707	501%
Telephone/Fax/Internet	\$137	\$2,321	750	310%	\$438	20%
Postage/Courier	\$12	\$185	500	37%	\$231	21%
Office Expenses	\$45	\$1,784	4,500	40%	\$642	24%
Bank Charges	\$0	\$70	-	0%	\$38	1%
Miscellaneous Expenses	\$0	\$0	-	0%	\$0	0%
Amortization Expense	\$0	\$0	-	0%	\$0	0%
Depreciation Computer/Office Equipm ¹	\$39	\$350	640	0%	\$0	0%
CCIR Research for Sup.model support	\$0	\$0			\$111	
Sub Total Association Operating Expenses	\$18,579	\$173,207	\$245,198	71%	\$191,649	
Distribution & Market Conduct Committee						
Provincial Regulatory Review	\$0	\$2,861	35,000	8%	\$10,723	20%
Research/Studies	\$0	\$4,996	42,000	12%	\$5,085	12%
Sub Total Distribution & Market Conduct Committee	\$0	\$7,857	\$77,000	10%	\$15,808	
Licensing Efficiency Issues Committee						
Regulatory Model (s)	\$0	\$244	12,000	2%	\$0	0%
Federal Financial Reform	\$0	\$0	-		\$0	0%
Sub Total Licensing Efficiency Issues Committee	\$0	\$244	\$12,000	2%	\$0	
Media & Advocacy Strategy Committee						
Tactical Communications Strategy	\$0	\$72	25,000	0%	\$1,911	8%
Association Branding	\$0	\$2,802	7,000	40%	\$0	0%
Sub Total Media & Advocacy Strategy Committee	\$0	\$2,874	\$32,000	9%	\$1,911	
Networking & Events Committee						
Board/EOC/AGM Expense ²	\$75	\$12,604	10,000	126%	\$11,682	56%
Networking Events	\$0	\$0	3,500	0%	\$0	0%
15th Anniversary Event	\$0	\$15,566	30,000	52%	\$0	0%
Sub Total Networking & Events Committee	\$75	\$28,170	\$43,500	65%	\$11,682	
Media Relations, CAFII Consultant						
Media Relations, CAFII Consultant	\$0	\$0	-		\$8,170	68%
Sub Total Media Relations, CAFII Consultant	\$0	\$0			\$8,170	
TOTAL EXPENSE	\$18,655	\$212,352	409,698	1	\$229,219	49%
EXCESS OF REVENUE OVER EXPENSES	\$11,564	\$88,497	\$1,152		78,874.47	

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 September 30, 2013

	<u>Jan-13</u>		<u>Jul-13</u>	
	<u>Billed</u>	<u>Received</u>	<u>Billed</u>	<u>Received</u>
TD Insurance	\$23,500.00	8-Mar-13	\$23,500.00	23-Aug-13
Assurant Solutions	\$11,750.00	22-Feb-13	\$11,750.00	23-Aug-13
BMO Insurance	\$23,500.00	31-May-13	\$23,500.00	19-Jul-13
Canadian Premier Life Insurance Company	\$11,750.00	1-Mar-13	\$11,750.00	23-Aug-13
CIBC Insurance	\$23,500.00	8-Mar-13	\$23,500.00	30-Aug-13
National Bank Insurance Company	\$11,750.00	8-Mar-13	\$11,750.00	16-Sep-13
RBC Insurance	\$23,500.00	7-Mar-13	\$23,500.00	3-Sep-13
ScotiaLife Financial	\$23,500.00	12-Apr-13	\$23,500.00	23-Aug-13
Desjardins Financial Security Life Assurance Company	\$11,750.00	8-Mar-13	\$11,750.00	20-Sep-13
AMEX Bank of Canada	\$11,750.00	15-Mar-13	\$11,750.00	23-Sep-13
Avalon Actuarial	\$4,800.00	26-Apr-13		
CSI Brokers Inc.	\$4,800.00	28-Mar-13		
Dion, Durrell & Associates Inc.	\$4,800.00	15-Mar-13		
KPMG	\$4,800.00	12-Apr-13		
Laurentian Bank of Canada	\$4,800.00	15-Mar-13		
Oliver, Wyman Consulting Limited	\$4,800.00	Will not be renewing 2013 membership		
Optima Communications	\$4,800.00	12-Apr-13		
RGA Life Reinsurance Company of Canada	\$4,800.00	1-Mar-13		
Swiss Reinsurance Company Ltd	\$4,800.00	Will not be renewing 2013 membership		
Munich Re	\$4,800.00	8-Mar-13		
Aimia	\$4,800.00	15-Mar-13		
The Canada Life Assurance Company	\$4,800.00	1-Mar-13		
January Invoices	\$233,850		\$176,250	
July Invoices	\$176,250			
Total Membership Fees	\$410,100			

CAFII

2014 External Communications Strategy

Revised October 28, 2013



Executive Summary

Overall Communications Strategy

- Support achievement of CAFII's strategic objectives by communicating and effectively engaging with key external audiences
- Demonstrate the value of the insurance solutions and channels offered by CAFII members by creating greater awareness and understanding
- Gain control of the "communications agenda" and change perceptions among key audiences

2014 External Communications Objectives

- Build on CAFII's current proactive communications strategy with regulators, while broadening audience focus and resource allocation to include policy-makers
- Ensure all audiences are well-informed about both the benefits of Creditor Insurance and alternate distribution channels
- CAFII and its members are seen to be advocates for alternate distribution channels and easy access to insurance solutions
- Be better prepared and positioned to respond strategically and effectively to the media and consumers

	Regulators and Policy-Makers	Media	Public and Consumer Interest Groups
Current State	<ul style="list-style-type: none"> •CAFII has strong relationships, a good reputation and regular interaction with regulators. •Inconsistent relationships with policy-makers 	<ul style="list-style-type: none"> •Little or no interaction with media and varying views amongst members about 'how far should we go?' •Selectively reactive with media 	<ul style="list-style-type: none"> •Enhanced CAFII web site serves a passive communications vehicle for Key Messages about Creditor Insurance and alternate distribution
	Short to mid-term objectives Proactive Advocacy	Mid to long-term objectives Reactive But Prepared	Mid to long-term objectives Prepared And Responsive
Future Vision	<ul style="list-style-type: none"> •CAFII interacts even more frequently with regulators and regularly with policy-makers, through a variety of approaches. •They are fully aware of the needs of Canadians regarding Creditor Insurance and the role CAFII members play in providing ease of access to valuable products. 	<ul style="list-style-type: none"> •The benefits of Creditor Insurance are clearer. •Myths regarding Creditor Insurance are dispelled. •CAFII is seen to be a consumer advocate related to easy, convenient access to a straightforward product. •CAFII is regarded as a "go to" resource for credible information on Creditor Insurance 	<ul style="list-style-type: none"> •CAFII Members are proud to serve Canadians with products that meet their needs in terms of both protection and availability. •CAFII Members are seen as proponents of consumer access to simple, convenient insurance products; and of Consumer Financial Literacy •CAFII is regarded as a "go to" resource for credible information on Creditor Insurance

Contents

- Overall Strategy and 2014 External Communications Objectives
- Current Situation and SWOT Analysis
- External Communications Objectives and Future Vision
- Future State
- Measures of Success

APPENDICES

(Samples for illustration purposes – to be updated once Communications Strategy approved)

A: 2014 Communications Tactics

B: Implementation Timelines For New Tactics – Regulators and Policy-Makers

C: Key Message Map : Benefits/Value of Creditor's Insurance

Objectives

Overall Communications Strategy

- Support achievement of CAFII's strategic objectives
- Communicate and effectively engage with key external audiences
- Demonstrate the value of the insurance solutions and channels offered by CAFII members:
 - Creditor insurance
 - Alternate distribution channels (non-broker driven)
- Create greater awareness and understanding
- Gain control of the “communications agenda” and change perceptions among key audiences

2014 External Communications Objectives

- Build on past strengths by enhancing CAFII's current proactive communications strategy with regulators, while broadening the audience focus and resource allocation to include policy-makers
- Ensure all audiences are well-informed about the benefits of Creditor Insurance and alternate distribution channels
- Enhance the perception of CAFII among key audiences so that:
 - CAFII begins to be regarded as the “go to” resource for credible information related to Creditor Insurance
 - CAFII and its members are seen to be advocates for alternate distribution channels, easy access to insurance solutions, and Consumer Financial Literacy
- Be better prepared and positioned to respond strategically and effectively to the media and consumers re mis-information about Creditor Insurance products and alternate distribution channels
- Assess opportunities and tactics to begin outreach to and to influence non-FI Creditor Insurance players whose practices could give rise to PPI-type regulations, around adopting industry best practices

Current Situation:

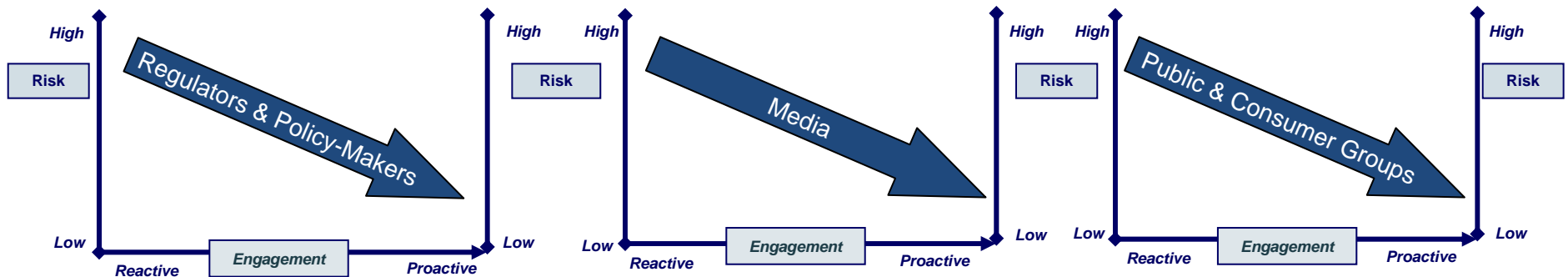
External Communications SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> • Respect from most regulators. • CAFII is a “go to” resource for regulators on issues related to Creditor Insurance and, in many cases, insurance distribution. 	<ul style="list-style-type: none"> • Limited profile with all audiences except Regulators. • CAFII is not a “go to” resource for the media, the public, consumer interest groups, or other industry players when issues arise related to Creditor Insurance. 	<ul style="list-style-type: none"> • Strengthening relationships with policy-makers on a consistent basis. • Developing relationships with some consumer interest groups and media. • Both actions would better protect CAFII members for the future. 	<ul style="list-style-type: none"> • Lack of more visible messaging may make CAFII a target for opponents. • But by responding to negative press and mis-information, run the risk of making things worse.
<ul style="list-style-type: none"> • CAFII has completed occasional research that reinforces the benefits of Creditor Insurance. 	<ul style="list-style-type: none"> • CAFII does not have a clear consensus among members for a well-articulated strategy related to external communications to media and consumers, except for media contact contingencies. 	<ul style="list-style-type: none"> • Research will provide a valuable foundation for potential advocacy and/or rebuttal points when Bank Act consultations commence in 2015. • More frequent reinforcement of messaging to regulators and policy-makers utilizing a variety of approaches, including in-person meetings, website content and webinars. 	<ul style="list-style-type: none"> • Existing research has a limited shelf life.
<ul style="list-style-type: none"> • CAFII has additional capacity to deal with adverse media developments. (i.e. Executive Director) 	<ul style="list-style-type: none"> • CAFII does not control the communications agenda related to Creditor Insurance. 	<ul style="list-style-type: none"> • New website provides a rationale for introducing CAFII and our key messages to a broader audience. 	<ul style="list-style-type: none"> • Publicizing positive research results provides opponents with new “intelligence.” Being more proactive may attract more negative attention.
<ul style="list-style-type: none"> • New web site initiative provides better communication potential. 	<ul style="list-style-type: none"> • Without a strong advocacy position, CAFII member employees may not be as confident in Creditor Insurance as they should be. 	<ul style="list-style-type: none"> • Enhanced advocacy may facilitate a better public awareness of Creditor Insurance and alternate distribution, and support member sales efforts. 	<ul style="list-style-type: none"> • Unexpected media or regulatory action.
<ul style="list-style-type: none"> • The external environment related to Creditor Insurance has been relatively quiet. 	<ul style="list-style-type: none"> • CAFII does not influence the practices of a segment of Creditor Insurance that regulators could target (egs. auto dealers, payday loan companies, non-FIs) 	<ul style="list-style-type: none"> • Potential to engage with consumer interest groups for monitoring and environmental scanning purposes. • Potential to engage with non-FI Creditor Insurance players to fend off broad brush PPI-type regulations. 	<ul style="list-style-type: none"> • Regulators might introduce broad brush new regulations for Creditor Insurance, to address concerns not being caused by CAFII members.

External Communications Audiences and Approaches: Current State and Future Vision

	Regulators and Policy-Makers	Media	Public and Consumer Interest Groups
Current State	CAFII has strong relationships, a good reputation and regular interaction with regulators. Inconsistent contact and relationships with policy-makers	Little or no interaction with Media and varying views amongst members about 'how far should we go?' Prepared to be selectively reactive with media	No specific current objective or strategy
	Selective use of CAFII research in: •Regulatory submissions •Meetings occasioned by regulatory consultations	Selective use of CAFII research in "defence scenarios" currently contemplated	New website contemplates content designed for the public
Future Vision	Short- to Mid-term Objectives •CAFII interacts even more frequently with regulators and policy-makers through a variety of approaches. •They are fully aware of the needs of Canadians regarding Creditor Insurance and the role CAFII members play in providing ease of access to valuable products.	Mid- to Long-term Objectives •The benefits of Creditor Insurance are clearer. •Myths regarding Creditor Insurance are dispelled. •CAFII is seen to be a consumer advocate for easy, convenient access to a straightforward product; and for Consumer Financial Literacy	Mid- to Long-term Objectives •CAFII Members are proud to serve Canadians with products that meet their needs in terms of both protection and availability. •CAFII Members are seen as proponents of consumer access to simple, convenient insurance products; and of Consumer Financial Literacy.
	•Targeted research is regularly conducted on strategic issues •Research is regularly leveraged. •Messages for other stakeholders are tested with regulators and policy-makers. •Assess opportunities and tactics to begin outreach and influence non-FI Creditor Insurance players whose practices could give rise to PPI-type regulations	•CAFII (and not others) is the "go to" place for credible information related to Creditor Insurance. •Detailed research findings are available to support messaging.	•Better information and facts are available regarding Creditor Insurance and alternate distribution.

Future State Engagement with Key Audiences: From Reactive to Proactive – How Far to Move?



Future Vision			
Target Audience & Approach	Regulators and Policy-Makers	Media	Public and Consumer Interest Groups
	Proactive Advocacy	Prepared and Selectively Proactive	Prepared And Selectively Proactive
Rationale	<ul style="list-style-type: none"> •Reduces risk and increases opportunities to influence. •Receptive to understanding the value that Creditor Insurance and alternate distribution channels provide to under-served consumers, despite strong broker advocacy •Absence of this advocacy and CAFII messaging could lend credibility to broker messaging amongst this audience 	<ul style="list-style-type: none"> •CAFII has not previously engaged with media, and therefore has no earned credibility with this audience •If CAFII remains solely reactive and makes first media appearance in a defensive posture, that will be a long-lasting, negative impression •A reactive-only approach is the high risk strategy •Starting to engage proactively is the only way to build credibility with media and enter the marketplace in the right way 	<ul style="list-style-type: none"> •CAFII has not previously engaged with the public or consumer interest groups, and therefore has no earned credibility with this audience •If CAFII remains solely reactive and has a defensive posture in first exposure with public and consumer groups, that will be a long-lasting, negative impression •A reactive-only approach is the high risk strategy •Starting to engage proactively is the only way to build credibility with the public and consumer interest groups and enter the marketplace in the right way
Future Vision	<ul style="list-style-type: none"> •CAFII is increasingly proactive in its strategic use of facts and research findings to advocate for Creditor Insurance and the related public policy benefits of providing ease of access to simple insurance products 	<ul style="list-style-type: none"> •CAFII is well-prepared to respond to media inquiries and to be selectively proactive, using strategic Key Messages and scenario-based Stock Answers, based on facts and research. CAFII takes advantage of media exposure opportunities where it "controls the pen" and earns "go to" credibility through selective proactive engagement. 	<ul style="list-style-type: none"> CAFII is well-prepared to respond to public and consumer interest group inquiries and to be selectively proactive, using strategic Key Messages and scenario-based Stock Answers, based on facts and research. Having earned credibility with this audience, CAFII proactively engages on a selective basis. The Association and its members are seen as advocates for Consumer Financial Literacy.

10/28/2013

Draft for Discussion Purposes

7

Future State:

Summary of 2014 External Communications Tactics

Regulators and Policy-Makers

Proactive Advocacy

- Expand Regulator contact to include policy-makers
- Enhanced Regulatory Visit Plan
- Regulator events /webinars
- Proactive written contact
- Strategic submissions
- Enhanced web content
- 'Regulator Kit'
- Targeted research to support messaging
- Commitment to face-to-face meetings with targeted regulators and policy-makers plus ongoing written contact
- Assess opportunities to influence non-FI Creditor Insurance groups on industry best practices

Media

Prepared and Selectively Proactive

- Respond strategically and selectively to media and social media misinformation
- Apply approved Media Protocol
- Targeted Key Messages, written from a Consumer Financial Literacy lens
- Media section on website
- "About Creditor Insurance" Media Kit, disseminated to targeted friendly media.
- Participation in "pen control" media opportunities
- Independent research provides content for Media Releases on targeted insurance topics, building and sustaining CAFII credibility

Public and Consumer Interest Groups

Prepared and Selectively Proactive

- Enhanced targeted web site:
- Key Messages
- FAQs
- Revamped "Contact Us"
- Consumer testimonials
- Search Engine Optimization to drive traffic to CAFII site
- Leverage targeted research to support messaging
- Monitoring of consumer interest groups for environmental scanning purposes
- CAFII engages proactively, on a selective basis, with the public and consumer interest groups, mainly in support of Consumer Financial Literacy

Q4 of 2014

For each audience, revisit and assess strategy, level of engagement, and tactics for 2015

Measures of Success

We will know we have been successful when.....

Regulators and Policy-Makers

This Audience:

- Accepts and acts on policy recommendations and positions advocated by CAFII in a great majority of cases
- Recognizes CAFII as a credible, well-prepared “go to” resource on matters pertaining to Creditor Insurance and alternate distribution
- Regulators and Policy-Makers differentiate between CAFII members and other non-FI players that ‘dabble’ in certain forms of Creditor Insurance (egs. car dealers; payday loan companies; retailers)
- Becomes more fully aware of the benefits and value of Creditor Insurance to a broad, under-served segment of Canadian consumers
- Recognizes CAFII and its members as leading industry advocates and providers of convenient consumer access to simple, straightforward insurance products
- Has “first name basis” relationships with key CAFII representatives
- Knows that CAFII will meet with them regularly (minimum every 18 months) to maintain a face-to-face relationship, and will have ongoing written and phone contact
- Knows that interaction will be informative and worthwhile and include new industry insights, updates on important issues, and/or significant and reasonable “asks”
- Looks forward to receiving the results of CAFII’s independent research on insurance issues, and respects the credibility of the data
- Non-FI Creditor Insurance Players look to CAFII as the “go to” source re industry practices; some/all have become Associate members; and practices of concern to regulators are modified

Media

CAFII has:

- Made progress on changing media perceptions about Creditor Insurance through well-prepared handling of reactive media situations; acting and communicating to correct misinformation published about Creditor Insurance; and selective dissemination of well-developed Media Kit materials
- Delivered Key Messages and Stock Answers that resonate with media and are quoted in resulting media coverage
- Participated in “pen control” media communication opportunities and maximized the utility and impact of the resulting exposure
- Launched a program of Media Releases based on independent, third party consumer research on targeted insurance topics, and measured its effectiveness
- Monitored media coverage and social media posts; and responded when appropriate, thereby achieving initial progress on dispelling media myths about Creditor Insurance and alternate distribution channels
- Begun to be seen as a consumer advocate identified with the Association’s tagline: “Making Insurance Simple and Accessible for all Canadians” and as a proponent of Consumer Financial Literacy

The Public and Consumer Interest Groups

CAFII has:

- Leveraged enhanced information on the web site for responding to questions about Creditor Insurance and alternate distribution
- Web site stats that show consistent growth in traffic, especially to consumer testimonials
- When and if appropriate, engaged proactively with the public and/or consumer interest groups around Consumer Financial Literacy or other targeted insurance topics
- Become identified with the Association’s tagline: “Making Insurance Simple and Accessible for all Canadians” and as a proponent of Consumer Financial Literacy

APPENDICES

APPENDIX A: 2014 Communications Tactics

- Regulators and Policy-makers
- Media
- Public and Consumer Interest Groups

APPENDIX B: Implementation Timelines For New Tactics – Regulators and Policy-Makers

APPENDIX C: Key Message Map : Benefits/Value of Creditor's Insurance

Samples for illustration purposes – to be confirmed once plan approved

Appendix A: 2014 Communications Tactics

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 against 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
Proactive Face-to-Face Interaction	<p><i>Continued Activity, with enhanced focus:</i></p> <ul style="list-style-type: none"> • Invitations to CAFII Speaker and Networking events • Pre-consultation and consultation meetings with regulators • 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 - Leverage regional meetings where common interest exists - Periodic liaison meetings with provincial regulator executive teams, as needs/issues arise <p><i>New/Enhanced Activity:</i></p> <ul style="list-style-type: none"> • Identify key provincial and federal policy-makers and develop a Policy-Maker Visit Plan, with targeted key messages • Meet with relevant provincial policy-makers, in conjunction with regulator meetings • Attendance at industry conferences, symposia, and related events where regulators and policy-makers will be present • 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
Proactive Written Communications	<p><i>Continued Activity, with enhanced focus:</i></p> <ul style="list-style-type: none"> • Timely, high quality regulatory submissions emblazoned with new CAFII branding • Webinars for CCIR and the CISRO community (on annual basis at a minimum) • Regulatory Newsletter, distributed to regulators and policy-makers as an information resource • Regular phone contact by Executive Director to source newsworthy developments • Interaction with related Associations (i.e. CLHIA, CBA) to ensure Key Messages are aligned yet still tailored to reflect CAFII's perspective <p><i>New/Enhanced Activity:</i></p> <ul style="list-style-type: none"> • 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") • Strategically share results with regulators and policy-makers in timely, focused manner through both written Releases and educational webinars • Regulator Kit of briefing documents focused on CAFII's key messages (both electronic and paper distribution) • Leverage enhanced, regularly updated web site content which provides CAFII-branded regulator and policy-maker-focused resources

Appendix A: 2014 Communications Tactics

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
Prepared and Selectively Proactive	<p><i>New /Enhanced Activity:</i></p> <ul style="list-style-type: none"> • 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) • Develop three to four 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 “pen control” media communication opportunities, a Media Kit, the website, and other applications • 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 • Identify “friendly” media representatives • Respond to media requests for information and interviews, in accordance with Board-approved Media Protocol • 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"> – Strategically and selectively respond to published misinformation about Creditor’s Insurance products, using Key Messages and Stock Answers • Provide media training session for Executive Director and available Board members, based on approved Key Messages and Stock Answers • Create “About Creditor Insurance” Media Kit from web-based resources, for ready dissemination when need arises <ul style="list-style-type: none"> – some overlap with Regulator Kit content, so likely dual application of information pieces developed – Develop Media-focused section on CAFII web site • 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

Appendix A: 2014 Communications Tactics

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
Prepared and Selectively Proactive	<p>New/Enhanced Activity:</p> <ul style="list-style-type: none"> • Increase reliance on the recently enhanced website to communicate with this audience: <ul style="list-style-type: none"> – Ensure Key Messages and FAQs are added to the website and easily accessible to the public – Source member company testimonial videos or short stories citing the positive impact of Creditor Insurance. – 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 – Invest in Search Engine Optimization (SEO) services to drive consumers with “Creditor Insurance” and related queries to the site • 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 • Monitor the agendas and activities of key Consumer Interest Groups for environmental scanning purposes: <ul style="list-style-type: none"> – i.e.. Consumers Council of Canada; Consumer’s Association of Canada; Public Interest Advocacy Centre, etc. – 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) • When and if appropriate, engage proactively with the public and/or consumer interest groups around Consumer Financial Literacy or other targeted insurance topics • 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

Appendix B: Implementation Timelines For New Tactics

Regulators and Policy-Makers

(Sample only. To be revised – along with Implementation Timelines for other Key Audiences – once Communications Strategy approved and Tactics finalized)

				Period	oct	2013 nov	dec	2014 jan	feb	mar	apr	may	jun	jul	aug	sep	oct
Objective	Comms. Objective	Audience	Activity														
Engage effectively with Key Audience	Position CAFII as the “go to” resource for credible information about Creditor Insurance	Regulators and Policy-Makers	Update Regulatory Visit Plan to achieve objective of meeting face-to-face with each relevant regulator and policy-maker at least once every 18 months	X	X												
		“	Include provision for expenses re augmented Regulatory Visit Plan in 2014 Operating Budget	X	X												
		“	Compile list of industry conferences, symposia, etc. that provide a meaningful opportunity for interaction with regulators and policy-makers	X	X												
		“	Include provision for expenses re attendance and liaison meetings at industry conferences, symposia etc. in 2014 Operating Budget	X	X												
		“	Compile list of events that provide meaningful opportunity for interaction with regulators and policy-makers	X	X												
		“	Include provision for expenses re CAFII participation in relevant events in 2014 Operating Budget	X	X												
“	“	“															
Demonstrate the value of Creditor Insurance	Communicate the consumer benefits of Creditor Insurance, and positively influence perceptions, awareness, and understanding	Regulators and Policy-Makers	Develop Regulator Kit														
				X	X	X											
		“	Disseminate Regulator Kit				X	X									
		“	Formulate plan and budget for increased use of independent consumer research	X	X	X											
		(Non-FI Creditor Insurance Groups)	(Identify and engage with non-FI Creditor Insurance Groups around regulatory risk discussions and industry education; and possible Associate membership in CAFII)		X	X	X	X	X	X	X	X	X	X	X	X	X

Appendix C:

Key Message Map - Benefits/Value of Creditor's Insurance

(Sample only for illustration purposes - Key Message Map available for each Key Message)

Net Impression Takeaway:

Overall, Creditor's Insurance is a competitive and affordable product, and meets a distinct market need.

Key Message #1	Key Message #2	Key Message #3
Creditor mortgage Insurance is affordable and competitive with term life insurance, and more advantageous for some consumers	Creditor mortgage insurance's approach to pricing and payments benefits the consumer	Creditor insurance protects specific debt obligations, thereby allowing other personal and/or group coverage to take care of other financial obligations of the consumer's family
SUPPORTING PROOF POINTS		
<ul style="list-style-type: none"> ▪ Creditor offers level premium for duration of original debt, be it 5 or 35 years ▪ Creditor pricing model of initial age and initial balance, with coverage paid on declining balance, equalizes premium over mortgage term, making coverage more affordable and accessible for younger, lower net worth, lower income borrowers ▪ While individual term life provides a consistent coverage level, annual premium cost may be prohibitive for some home buyers, particularly in early years, so they don't buy coverage ▪ Creditor may be more expensive at certain ages, as it's based solely on age bands versus male/female and smoker/non-smoker for term insurance ▪ i.e.: term 10/20 may be cheaper for young female non-smokers, but term premiums increase at set intervals (every 10 or 20 years), which can be very costly in long run ▪ Over the life of a mortgage, the cost of creditor insurance is very competitive with term 10/20. 	<ul style="list-style-type: none"> ▪ Creditor offers level premium for duration of original debt, be it 5 or 35 years ▪ In most cases, same premium is charged for the life of the mortgage, based on client's age and mortgage amount at time of application, even if mortgage is renewed (so long as mortgage amount doesn't change) ▪ This spreads out the total cost of insurance coverage over life of the mortgage, making it easier to "budget expenses" and afford the needed coverage ▪ Premiums are conveniently paid via the regular mortgage payment and remain constant during term of mortgage ▪ This approach also protects consumers from increased insurance costs as they move to older, higher premium age bands 	<ul style="list-style-type: none"> ▪ Creditor insurance complements other insurance coverage by providing a family with full protection in the event of death or disability ▪ Creditor insurance is a cost-effective way to protect a mortgage or loan debt and one's credit rating ▪ By directly covering a specific debt obligation, creditor insurance frees up other individual and group life and disability benefits to protect a family's quality of life by covering such expenses as medical, education, childcare, burial, capital gains taxes, etc. ▪ 50% of Canadian adults under age 50 will experience a disability lasting between three months and two years before age 65, during which debt and new expenses must be covered ▪ Combined with individual and group disability coverage (typically maximum 70% of income), creditor insurance provides complementary coverage and full protection in the event of death or disability. All should be considered as part of an overall financial plan ▪ 59% of Canadians who have creditor insurance also own individual life insurance; 38% of them also have group life (Ipsos-Reid Canadian Financial Monitor for year ending December 2005)

Regulatory Update - CAFII Executive Operations Committee, October 28, 2013

Prepared By Brendan Wycks, CAFII Executive Director

Federal/National

New FCAC Commissioner Appointed

On September 4, the Honourable Jim Flaherty, Minister of Finance, today announced the appointment of Lucie Tedesco as Commissioner of the Financial Consumer Agency of Canada. Ms. Tedesco's appointment coincides with a renewed focus on financial literacy for seniors announced in Economic Action Plan 2013 to be spearheaded by FCAC, under the leadership of the Financial Literacy Leader.

Ms. Tedesco has served as Deputy Commissioner of FCAC since 2008 and has been acting in the role of Commissioner since June 2013. Prior to joining FCAC, she served as Vice-President, Strategy & Planning – Insurance Group at Export Development Canada.

Financial Literacy Month

November is Financial Literacy Month (FLM) in Canada. FLM brings together the resources, information, products and services developed by organizations across the country that help Canadians strengthen their financial literacy. The calendar of activities is on the FCAC website. CLHIA has advised that it plans to engage with FCAC and become involved in Financial Literacy Month.

Alberta

Alberta Insurance Council To Give Demo Presentation On New Canadian Insurance Participant Registry (CIPR) For CAFII Members

On Wednesday, January 8, 2014, Tom Hampton and Robin Thompson, staff executives from the Alberta Insurance Council, will be in Toronto to give a demo presentation on its new *Canadian Insurance Participant Registry (CIPR)* to CAFII members.

The presentation will take place from 2 :00 to 3 :30 p.m. at TD Insurance, 120 Adelaide St. West in Toronto. A room that can accommodate up to 20 people has been reserved.

Through the CIPR, the AIC is planning to launch online licensing for first-time applicants next February. One of the purposes of the demo presentation is obtain comments and feedback from company representatives.

CIPR serves a number of purposes:

1. *It provides a single, secure location where you can maintain and control your personal information;*

2. *It requires you to specify an email address that will act as your login identification rather than your license number. You will use this and your choice of password to log into both CIPR and AIC systems; and*
3. *It gives you a unique business identifier that you can use to identify yourself with other industry players such as insurers, LLQP providers and CE providers.*

The CIPR addresses a need that CAFII has been advocating for years. If set up properly and adopted by other Canadian provinces, it can become a first step toward a national registration system.

Saskatchewan

CAFII Concept Proposal For Restricted Insurance Agents Advisory Committee

CAFII's Licensing Efficiency Issues Committee has developed a "Concept Proposal For Insurance Councils of Saskatchewan Restricted Insurance Agents Advisory Committee," with counsel and drafting assistance from Stikeman Elliott. (The members of the LEIC are Moira Gill (Chair), Sara Gelgor, Greg Grant, John Poolman, and Brendan Wycks.) In addition, the thinking behind the Proposal has been tested, at several steps along the way, through sounding board discussions with Ron Fullan, Executive Director of the Insurance Councils of Saskatchewan.

Our proposal for a body to represent the interests of Restricted Insurance Agents in Saskatchewan is positioned as an Advisory Committee to the Executive Director, with flexibility built-in for the committee to take on a different form/status should its evolution dictate such.

The Proposal was reviewed, tweaked and finalized by the LEIC on October 2, and then forwarded to the EOC for review and approval. The Proposal was sent to Ron Fullan, Executive Director of the Saskatchewan Insurance Councils, with a cover letter on Thursday, October 10.

Manitoba

Draft Incidental Sellers of Insurance (ISI) Regulation

At its October 8, 2013 meeting, the CAFII Board supported Moira Gill's suggestion that the Association should seek a face-to-face meeting with Manitoba Finance Minister Stan Struthers, to stress how important it is for his province's ISI regime to be harmonized with those that exist in Alberta and Saskatchewan.

Previously, Scott Moore, Manitoba's Deputy Superintendent of Financial Institutions – Insurance, called Brendan Wycks on October 2 to provide an update on where things stand with his province's Draft ISI Regulation. Here is a summary of the information that Scott shared:

We're still plugging away on our review, analysis and concordance work on the stakeholder submissions, but it's coming along and we're progressing well. We're trying to harmonize with the other two ISI regime provinces as much as possible. The work is taking a bit longer than we originally thought, but we're on the case and none of the stakeholders or their submissions have been forgotten.

Issue: Travel Insurance and Personal Accident Insurance

We still have to decide how we're going to deal with these two types of insurance. There's a key distinction between us and Saskatchewan and Alberta with respect to travel and accident insurance.

Saskatchewan and Alberta never defined who is an Incidental Seller of Insurance; rather, they created legislation and regulations to set up "licensed entities." In contrast, we recently amended our Manitoba Insurance Act to define "Incidental Seller of Insurance."

Now because travel and personal accident insurance are not sold "incidental" to the sale of any other product, we have to decide if travel and accident can be fitted into our ISI regime in this province or not. We will not be looking at going back and amending the Act again.

So for your CAFII member FIs, it could end up being "status quo" for travel and accident insurance if we decide that they cannot be squared up with the ISI regime. If it turns out that status quo is our decision with respect to travel and accident insurance, that would make things easier for your members.

Issue: Rostering Requirement

We're not looking to make anyone's life burdensome or to impose onerous requirements under our ISI regime. But the regulatory issue here is Can the Insurance Council be in a position to confirm that someone has been properly trained? So we think that the solution is for us to provide clarification in the Regulation as to what we're expecting to fulfill this requirement. Our expectations will be reasonable and not unduly burdensome.

Issue: Qualified Entities

Would the Insurance Council be looking for a restricted licensee to provide a copy of its contract with a Qualified Entity (eg. a Call Centre)? The answer is No, we don't want to be imposing anything onerous or burdensome, and we certainly don't want the Council to have to get into make-work projects around records and archives. But the authority and the discretion has to be there for the Superintendent to be able to ask to see such a contract when a circumstance arises that warrants such a request. In other words, situations will sometimes come up where the regulator needs to say "Prove it. Show me the documentation." Of course, that authority will only be exercised in those exceptional circumstances. But that's what this provision in the Reg is all about and the solution again is for us to provide clarification.

Timelines:

We expect to have everything chewed up and pretty well complete within the next month or so. There are a few things to iron out with the portable electronics sellers with respect to the insurance that they sell; and while that's not germane to CAFII and the main sectors of the industry, we do want to try to move forward with one integrated ISI package.

That said, with our Bill from last year, there are other insurance-related Regs pending as well. So as we size up where we are on the ISI Regulation right now, we're contemplating moving forward in a two-phase approach:

- (i) moving ahead with the other insurance-related Regs first; and*
- (ii) moving forward with the ISI Regulation in a second phase.*

Our goal is to have both regulatory components completed and adopted by the end of 2013, and we believe that that's still possible to achieve.

If that turns out not to be possible, we foresee having the other insurance Regs adopted by the end of 2013; and then the ISI Reg adopted early in 2014, say by the end of the first quarter.

In any event, we definitely want to have our ISI Regime come into force in 2014. And given that there will be a period of time allowed for industry to become familiar with the Regime and to adapt to its requirements, it's just a question of whether the "in force" date will be July 1, 2014 or December 31, 2014. The operative date depends upon how things unfold from here on in.

Ontario

FSCO's 6th Annual Symposium for Life and Health Insurance Sector: Friday, November 22, 2013

FSCO will hold its 6th Annual Symposium for the Life and Health Insurance sector on Friday, November 22, 2013 from 8 AM to 12 PM at hotel Novotel in North York.

Quebec

CAFII Speaking Invitation Extended To New AMF CEO Louis Morisset

In October, Brendan Wycks contacted the AMF to extend an invitation to AMF CEO Louis Morisset to speak at the Reception to be held in conjunction with CAFII's April 2014 or June 2014 Board meeting. At this time, we are awaiting a response from Evelyne Gemme, Mr. Morisset's Executive Assistant.

In June 2013, Louis Morisset, a lawyer by training, was appointed CEO of the AMF, succeeding Mario Albert. Morisset previously served as Superintendent of Securities Markets at the AMF, where he has worked since 2006. In that role, he was responsible for enforcing laws and regulations related to issuers of securities, including initial public offerings, continuous information that securities issuers must produce, their governance, mergers and acquisitions, and the creation and marketing of derivatives.

Morisset was also responsible for overseeing activities in Quebec securities markets and those of IIROC. He has been a member of the Quebec Bar since 1996.

The appointment of Mr. Morisset occurs after the departure of his predecessor Mario Albert to the leadership of Investissement Québec (www.investquebec.com).

Sound Commercial Practices Guideline

The AMF issued Quebec's Sound Commercial Practices Guideline on June 11, 2013, in accordance with An Act respecting insurance, R.S.Q., c. A-32, *An Act respecting financial services cooperatives*, R.S.Q., c. C-67.3 and *An Act respecting trust companies and savings companies*, R.S.Q., c. S-29.01.

The Guideline applies to insurers, portfolio management companies controlled by an insurer, financial services cooperatives, trust and savings companies effective June 13, 2013.

A CAFII Distribution and Market Conduct Committee subcommittee that is working on an analysis of the implications for CAFII members of the IAIS' Insurance Core Principles will review the AMF's Sound Commercial Practices Guideline in the same light.

Two-Page Distribution Guide

On August 20, 2013, Louise Gauthier of the AMF advised Brendan Wycks that "A new version of the Distribution Guide will be circulated this fall. I do not have more precise information at this stage but will keep you informed."

New Brunswick

New Brunswick Launches Consultation on "Opportunities for Reforming the New Brunswick Licensing Framework for Other-than-Life Insurance Agents and Brokers"

On August 29, 2013, New Brunswick's Financial and Consumer Services Commission released a Discussion Paper, for consultation, titled "Opportunities for Reforming the New Brunswick Licensing Framework for Other-than-Life Insurance Agents and Brokers."

Even though this consultation, by title, relates to proposed modernizations and reforms to the province's regulatory framework for Other-than-Life agents and brokers, David Weir, Deputy, Director, Insurance, included CAFII in his distribution of the Discussion Paper.

And he says **"although the main focus of the paper is the licensing regime for other-than-life agents and brokers, some of the items discussed also impact other insurance intermediaries. Therefore, we also welcome any feedback from these intermediaries."**

Through a phone conversation with Mr. Weir, CAFII Executive Director Brendan Wycks learned that some of the items discussed in the paper also impact other insurance intermediaries is that New Brunswick may well introduce amendments that affect both Other-than-Life agents and brokers and Life agents and brokers simultaneously, particularly for matters where amendments to the Insurance Act will be required, and where it makes sense to do so based upon the feedback they receive from stakeholders.

The Licensing Efficiency Issues Committee will be working to submit a CAFII response to the paper by the October 31 deadline.

Atlantic Canada Insurance Regulators

In mid-October, Brendan Wycks sent a canvassing e-mail to the four Atlantic Canada insurance regulators as a group, seeking their views on the optimal timing of a CAFII "Joint Meeting" with them -- either Fall 2013 or Spring 2014 -- and the best city location for such a meeting.

Thus far, a response has been received only from Angela Mazerolle-Stephens, New Brunswick's Superintendent of Insurance, indicating that Spring 2014 would be the much preferred timing and that Moncton would be an acceptable meeting location, as CAFII had suggested.

Given that Ms. Mazerolle-Stephens' views confirm those articulated to Moira Gill by the Nova Scotia Superintendent's Office, CAFII will now work on arranging the Joint Meeting with the Atlantic Canada Regulators for April or May 2014.

Canadian Council of Insurance Regulators

Responses to Electronic Commerce in Insurance Products Position Paper

CCIR's Electronic Commerce Committee (ECC) will be taking the comments received from 13 different stakeholder groups, including CAFII, into consideration in an effort to finalize the position paper for CCIR adoption. The ECC's objective with this position paper is to communicate back to stakeholders what it has learned from the previous consultation and to set out recommendations to CCIR members regarding the issues discussed.

Open Letter to Canadian Insurers Leads to "Market Changes Working Group"

In July 2013, CCIR sent a letter to insurers in Canada asking them to apprise regulators when they are making major changes that affect the marketplace (products, distribution, etc.). In that connection, CCIR has now set up a working group, to be chaired by Grant Swanson of FSCO, to meet with industry associations to operationalize this request.

CCIR "Industry Outreach Meeting" With CAFII: Wednesday, October 30, 2013

Carol Shevlin, CCIR Policy Manager, has confirmed an Industry Outreach Meeting with CAFII for Wednesday, October 30 from 10:30 a.m. to 12 Noon in Toronto (location to be confirmed).

This 90 minute slot aligns with the preferred date/time option I'd given Carol after a canvas for our Directors' availability, and should therefore allow the following Board members to attend:

- Mark Cummings, ScotiaLife Financial, Board Chair;
- Rino D'Onofrio, RBC Insurance, Board Vice-Chair;
- Dave Minor, TD Insurance;
- Rick Lancaster, CIBC Insurance;
- Julie Barker-Merz, BMO Insurance; and
- Richard Hebert, National Bank Insurance (by phone).

Canadian Insurance Services Regulatory Organizations (CISRO)

LLQP Curriculum Survey

Following the publication of the revised Competency Profile for the Life License Qualification Program (LLQP), committees of subject matter experts were formed in order to derive from it an evaluation program. The function of the Curriculum thus drafted is to put forth the competencies that the Canadian Insurance Services Regulatory Organizations (CISRO) will evaluate in their licensing exams. Only those competencies that relate to CISRO's mandate have been selected. As such, the Curriculum includes every aspect that must be mastered to practice ethically, in accordance with consumer rights. It also takes into consideration the fact that many competencies are perfected over time, with practical experience.

Because the Curriculum constitutes the cornerstone of the LLQP, it is essential for CISRO that it be validated to ensure that it is relevant to career entry and that its scope, structure and terminology are appropriate. We invite you to follow the link below to submit your comments. The survey will be open until November 3, 2013. The Curriculum itself can be found on the *Publications* page of this website (www.cisro-ocra.com/publications.html). Your feedback is important to us and will allow us to develop valid preparation material and exams based on a Curriculum that is up-to-date and relevant to professional practice.

- [LINK TO SURVEY](#)

The new LLQP is to be ready by September 2015. Currently, the LLQP does not include BC and Quebec but both provinces will be included in the new program.

CONFIDENTIAL

CAFII Regulator Visit Plan 2013¹

updated October 27, 2013

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
British Columbia	Insurance Council of BC: Gerry Matier, Exec. Dir.	X	-Update on Council priorities -Maintain and strengthen relationship	S. Gelgor J. Lewsen R. Beckford T. VanMeggelen B. Wycks	Invite when in Toronto	Five CAFII reps had liaison lunch meeting with G. Matier in Toronto on May 15, 2013; covered range of topics in CAFII Briefing document
	Financial Institutions Commission(FICOM): Carolyn Rogers , CEO, FICOM & Superintendent of Insurance (CCIR chair); Doug McLean, Deputy Superintendent	X	-update on FICOM priorities -Maintain and strengthen relationship (-CAFII has 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.)		Surrey, BC When Carolyn is in Toronto; or CAFII Board member in Vancouver	-Targeted networking with C. Rogers occurred during CAFII 15 th Anniversary event on April 10, 2013; and at CLHIA Compliance Conference in Vancouver in May 2013 -J. Lewsen and B. Wycks met with Harry James, of 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

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
Alberta	Alberta Insurance Council : Joanne Abram, CEO; Tom Hampton, Chief Operating Officer; Ron Gilbertson, Chair (2012-15)	X	-Update on Council priorities -Council Representation -Licensing for 3 rd 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	Five CAFII reps met with J. Abram and R. Gilbertson in Vancouver on May 7, 2013; discussion captured in Regulatory Visit Report CAFII has 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, 2014
	Ministry of Finance: Mark Prefontaine, Superintendent of Insurance Brad Geddes, 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 th Anniversary event on April 10, 2013 Effective June 27, 2013 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.
	New President of Treasury Board and Minister of Finance Doug Horner					

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
Saskatchewan	Sask. Insurance Council: Ron Fullan, Chair	X	-Update on Council priorities -Council Representation -Maintain and strengthen relationship		Invite when Ron is in Toronto	Targeted networking with R. Fullan occurred during CAFII 15 th Anniversary Event on April 10, 2013, and during CLHIA Compliance Conference in May 2013. CAFII reps had breakfast meeting with R. Fullan on Monday, July 29, 2013 to discuss main themes in CAFII's Proposal For Restricted Licensee Representation in Sask. Proposal submitted to R. Fullan on October 10, 2013
	Financial and Consumer Affairs Authority, David Wild, Chairperson and Superintendent of Insurance; Ian McIntosh, Deputy Superintendent of Insurance		-Courtesy visit, Introduction of CAFII -Insurance Act Review, ISI; Council Representation -Maintain and strengthen relationship		When David or Ian is in Toronto; or CAFII Board member in Regina	
	Consultant (ex Superintendent) 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	Ministry of Finance: Jim Scalena, Superintendent	X	-Update of Insurance Act review and ISI regime -Maintain and strengthen relationship		Winnipeg	Targeted networking with J. Scalena, Superintendent, occurred during CAFII 15 th Anniversary Event on April 10, 2013; Manitoba's release of Draft ISI Regulation in early June 2013. CAFII responded with detailed submission. S. Moore, Deputy Superintendent, called B. Wycks on October 2, 2013 with detailed update on progress and timelines re Draft ISI Regulation. On October 8/13, Board supported a recommendation that CAFII seek a meeting with Minister re imperative of harmonization of Manitoba ISI Regime with other provinces
	Manitoba Insurance Council: Erin Pearson, Exec Director;	X	-Update on Council priorities -Restricted Certificate holder representation on Council -Maintain and strengthen relationship		When Erin is in Toronto; or CAFII Board member in Winnipeg	
	Ministry of Finance Minister Stan Struthers		Letter of introduction sent; include on a visit of CAFII Chair or other reps to Manitoba. Wait until issues with Insurance Act review are resolved			

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
Ontario	FSCO: Phil Howell, CEO & Superintendent	X	-Update on FSCO priorities -Maintain and strengthen relationship		Toronto	Targeted networking during CAFII 15 th Anniversary event on April 10, 2013. B. Wycks had Get Acquainted lunch meeting with P. Howell, at his request, on July 5, 2013. Insights gained captured in Regulatory Visit Report

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	<p>FSCO: Grant Swanson, Executive Director, Licensing & Market Conduct Division</p> <p>FSCO: Anatol Monid, Director, Market Regulation Branch</p>		<p>Consultation Proposal on “Modernizing Disciplinary Hearings for Insurance Agents and Adjusters”</p> <p>Industry consultation on “Life Insurance & Mortgage Broker Product Suitability Review”</p>			<p>On February 14, 2013, 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>Adrienne Warner of A. Monid’s team is “point person” for FSCO’s “Life Insurance & Mortgage Broker Product Suitability Review,” scope of which was narrowed to cover just term life, whole life, and universal life sales.</p> <p>CAFII reps participated in focus group discussion with A. Monid, A. Warner, and other FSCO reps on this matter on July 18, 2013. Follow-up discussion on draft survey of insurance agents occurred on September 6, 2013. 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>

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	FSCO: Company Complaint Officer Day			-individual companies -CAFII Executive Director	Toronto November	FSCO's 6 th Annual Symposium for the Life and Health Insurance Sector will take place on Friday, November 22, 2013 from 8:00 a.m. to 12 Noon at Novotel in North York
Quebec	New AMF CEO effective July 2, 2013: Louis Morisset		-Update on AMF priorities -Maintain and strengthen relationship		When Louis is in Toronto; or CAFII Board member in Quebec City	<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, 2013 for a very productive/informative two hour lunch liaison meeting</p> <p>L. Morisset was invited by CAFII Board member L. Fiset to speak at CAFII Board meeting on October 8, 2013. Unable to accept. B. Wycks with his EA to inquire about his availability to speak at April 2014 or June 2014 CAFII event.</p>

Jurisdiction	Regulator	Annual Courtesy Call	Purpose/Issues	Attendees	Date/Venue	Status
	AMF: Superintendent, Client Services and Distribution Oversight: Eric Stevenson AMF: Superintendent of Solvency, Patrick Dery	X				Targeted networking with E. Stevenson and P. Dery occurred during CAFII 15 th Anniversary event on April 10, 2013
	AMF: Rendez-vous			-individual companies	Fall	The AMF's 8 th Annual Rendez-vous event has been scheduled for Monday, November 18, 2013 at the Palais des Congres in Montreal, beginning at 9:30 a.m.

New Brunswick	Superintendent (Acting) Angela Mazerolle-Stephens		-Update on Superintendent's priorities -Discuss /educate on creditor's group insurance (CGI) and Avalon; -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 -Maintain and strengthen relationship -David Weir (Deputy Superintendent); Atlantic Taskforce on ISI (Chair)		TBD Fredericton	Targeted networking with A. Mazerolle-Stephens, Acting Superintendent of Insurance; and David Weir, Deputy Superintendent of Insurance, occurred during CAFII 15 th Anniversary Event on April 10, 2013
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	Consumer Advocate For Insurance, Ronald Godin		<ul style="list-style-type: none"> -Update on Consumer Advocate's priorities -Discuss /educate on creditor's group insurance (CGI) and Avalon -Build relationship 		When Ronald Godin is in Toronto; or CAFII Board member in Fredericton	
Nova Scotia	Superintendent Doug Murphy		<ul style="list-style-type: none"> -Update on Superintendent's priorities -Discuss /educate on creditor's group insurance (CGI) and Avalon; -Atlantic Taskforce on ISI -Build relationship 		TBD Halifax	Targeted networking with D. Murphy occurred during CAFII 15 th Anniversary event on April 10, 2013
PEI	Superintendent Robert Bradley		<ul style="list-style-type: none"> Courtesy- Low priority for 2013 (only if CAFII Board member in Charlottetown) -Update on Superintendent's priorities -Build relationship 		Charlottetown	Targeted networking with R. Bradley occurred during CAFII 15 th Anniversary event on April 10, 2013
Newfoundland	Superintendent Douglas Connolly		<ul style="list-style-type: none"> -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 th Anniversary event on April 10, 2013

Atlantic Canada	Joint Forum of Insurance Regulators		<ul style="list-style-type: none"> - Update on Superintendents' priorities -Discuss /educate on creditor's group insurance (CGI) and Avalon -Build relationships 		Moncton or Charlottetown ?	<ul style="list-style-type: none"> -M. Gill contacted David Weir, Deputy Superintendent of Insurance, New Brunswick, re prospect of CAFII having a Joint Meeting with all four Atlantic Canada insurance regulators in Fall 2013 - CAFII to make proposal for joint meeting with all Atlantic Canada insurance regulators in Fall 2013 or Spring 2014; this meeting to occur in Spring 2014 as Nova Scotia and New Brunswick have indicated strong preference for that timing -Such a joint visit to Atlantic Canada regulators was strongly encouraged by Phil Howell of FSCO
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CCIR	Carol Shevlin, Policy Manager	X	-Annual lunch. Discuss priorities -Maintain and strengthen relationship		Toronto	-B. Wycks had a Get Acquainted Lunch with C. Shevlin in January 2013; and is in regular contact with her -J. Lewsen and B. Wycks had meeting with Carol Shevlin and Harry James, ARC Chair, on September 26, 2013 around CCIR's TPA Review initiative
	CCIR Executive		Meet when pressing issues or opportunistic meeting occasions arise.		October 30, 2013 in Toronto	Six CAFII Board members and Executive Director B. Wycks have "industry stakeholder meeting" with CCIR Executive on Wednesday, October 30 from 10:30 a.m. to 12 Noon. In addition to discussing industry issues, CCIR has invited CAFII to provide input for development of next CCIR Strategic Plan
CISRO	Ron Fullan Chair		-Update on CISRO priorities -Maintain and strengthen relationship -LLQP Modernization		-invite when in Toronto	B. Wycks has contacted R. Fullan to inquire if his travel plans and itinerary would allow for a breakfast, lunch, or coffee meeting around his trip to Toronto for CISRO LLQP Stakeholder Info Session on October 30, 2013.

Federal	Federal Finance Dept.		Educational – marketing of CGI			
	OSFI: Julie Dickson, Superintendent					
	OBSI: Doug Melville Ombudsman		Educational – marketing of CGI			
	Financial Consumer Agency of Canada (FCAC)		Financial Literacy re insurance			<p>Ursula Menkes retired from FCAC Commissioner role at end of May 2013; Finance Minister Flaherty announced appointment of Lucie Tedesco as new Commissioner on September 4, 2013.</p> <p>A congratulatory letter from CAFII re appointment to be sent to Ms. Tedesco. Follow-up Get Acquainted meeting may be in order</p> <p>M. Gill had liaison lunch with FCAC contact in late April 2013; contact advised that FCAC is “not working on insurance at this time”</p>



From: Mazerolle, Angela (FCNB) [mailto:angela.mazerolle@fcnb.ca]
Sent: October-21-13 10:10 AM
To: 'brendan.wycks@cafii.com'; 'murphydh@gov.ns.ca'; 'connolly@gov.nl.ca'; 'rabradley@gov.pe.ca'
Cc: Weir, David (FCNB); 'pjmcinnes@gov.pe.ca'
Subject: Re: Possible CAFII Joint Visit To Atlantic Canada Insurance Regulators

A spring meeting certainly works better for me than one in November. At this point, I have very limited availability for November.

With regard to available dates, I am currently available other than April 1 - 4, April 28, May 6 - 9, and May 26.

I am fine with Moncton as a location.

Angela Mazerolle

Sent from my BlackBerry Wireless Handheld

From: Brendan Wycks [mailto:brendan.wycks@cafii.com]
Sent: Wednesday, October 16, 2013 06:06 PM Atlantic Standard Time
To: murphydh@gov.ns.ca <murphydh@gov.ns.ca>; Mazerolle, Angela (FCNB); connolly@gov.nl.ca <connolly@gov.nl.ca>; rabradley@gov.pe.ca <rabradley@gov.pe.ca>
Cc: Weir, David (FCNB); Weir, David (FCNB); pjmcinnes@gov.pe.ca <pjmcinnes@gov.pe.ca>
Subject: Possible CAFII Joint Visit To Atlantic Canada Insurance Regulators

Hello, Atlantic Canada Insurance Regulators.

You may recall that at CAFII's 15th Anniversary Celebration in April – which many of you attended – a suggestion was made that it would be mutually beneficial and time well-spent for a delegation of CAFII volunteer leaders and myself to travel to a central, convenient-to-get-to city in Atlantic Canada in the Fall of 2013 for a joint visit with the regulators from Nova Scotia, New Brunswick, Newfoundland and Prince Edward Island.

CAFII is keen to arrange such a meeting – which would likely take place in (a) Moncton; (b) Charlottetown; or (c) Halifax – and is amenable to having it happen this Fall, if that is still considered to be optimal timing.

We have identified a number of dates between November 18 and November 28 – steering clear of the upcoming CCIR Industry Stakeholder Meetings in Toronto in late October, and allowing a couple of weeks thereafter for catching up on priorities back at home – which would work for a delegation of CAFII representatives. And we've prepared a draft list of agenda topics to propose to you, to kick-start an iterative process of working out an agenda for a day-long joint meeting.

However, we recently received some feedback from folks in the Nova Scotia Superintendent's Office which indicated that

- the Fall of 2013 is already quite busy and booked up, such that the Spring of 2014 would be better timing for such a joint meeting;

- a Superintendent colleague in one of the other Atlantic provinces is retiring imminently and that province may therefore not be able to be represented at such a meeting this Fall;
- Nova Scotia is quite interested in having a broad number of staff participate in such a meeting. Therefore, part of the meeting could be focused on CAFII providing educational presentations on relevant topics (NS suggestions have since been incorporated into CAFII's proposed list of agenda topics); and
- a Spring meeting – probably in April or May 2014 – would be best, but we should get it booked and into all participants' calendars by the end of January 2014.

The purpose of this communique therefore is three-fold:

- (i) to see if there is consensus that our proposed joint meeting between CAFII and the Atlantic Canada insurance regulators should be deferred until the Spring of 2014?**
- (ii) assuming a collective “Yes” to (i), to find out if there are particular dates in April and May 2014 that would not work for you and the other members of your team who would attend? If so, please advise of those “not good” dates; and**
- (iii) on the understanding that CAFII will look after the venue arrangements (joint meeting may be held at an office location of a CAFII member Financial Institution, with food catered in), is there agreement that the meeting should be held in Moncton?**

Please reply at your earliest convenience to indicate your preferences on these key details.

CAFII looks forward to having a joint meeting with you, and to a mutually beneficial exchange on a range of topics, whether the meeting is deferred until next Spring or we proceed ahead to have the meeting this Fall.

Regards,

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

www.cafii.com

CAFII Priorities by Committee – October 27, 2013

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 Financial Reports	
Keep environment open to key products	Be aware of current and emerging issues (Regulatory Update).	
	Develop responses to regulatory initiatives. Forward to board for approval as necessary. Oversight of Distribution and Market Conduct Policy Committee (DMC)	Regulation of ISI
		International regulation of creditor products
		Market Conduct Regulation
		Electronic Commerce
		Provincial Insurance Act Reviews
		Quebec Distribution Guide
Keep environment flexible /efficient	Identify barriers to efficient operations. Oversight of Licensing Efficiency Issues Committee (LEIC)	Licensing Irritants
		Provincial Insurance Councils and CISRO issues, including LLQP
		Electronic licensing
		Multi-jurisdictional licensing/mutual recognition
Develop communication plans and tools	Oversight of Media and Advocacy Strategy Committee(MAC)	Communications strategy, CAFII Branding Advocacy Strategy Website
Build relationships with key stakeholders	Connect with regulators. Manage and conduct regulator visits. (Manage Regulator Visit Plan) Approve attendees at regulator meetings, review meeting notes and manage follow-up actions	
	Oversight of Networking and Events committee	
Other items	Continuance under new Canada Not for Profit Corporations Act (CNCA)	Articles of Continuance to be filed by October 26, 2014
	Changes to CAFII Management structure – development of Executive Director role	Executive Director hired effective December 2012; oversight of establishment of ED's role, its evolution and effectiveness

Distribution and Market Conduct Policy Committee

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

Co-Chairs: 1) Sue Manson CIBC 2) ? Other members: 3) Emily Brown BMO 4) John Poolman, Assurant

5) Andre Duval, DSF 6) Rose Beckford Scotiabank Financial **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

Item	Description	Activities Completed/Industry Developments	Status/Next Steps
Regulation of ISI	Quebec <ul style="list-style-type: none"> DWR (review of Insurance Act) 	<ul style="list-style-type: none"> CAFII members met with Eric Stevenson November 15, 2012 and with AMF staff executives on June 7, 2013 Insurance Act Overhaul/Re-write formally announced by Quebec Government on April 30, 2013 	<ul style="list-style-type: none"> Active
	Quebec <ul style="list-style-type: none"> Review of Distribution Guide 	<ul style="list-style-type: none"> CAFII input provided on Guide (e.g. signature, remuneration) through letter sent to AMF June 2012, meeting with Eric Stevenson on November 15, 2012 and follow-up letter sent to AMF Dec 2012 	<ul style="list-style-type: none"> Active EOC involvement and oversight Met with AMF in Quebec City on June 7, 2013 DMC proposes information session
International Regulation of Creditor Insurance	PPI IAIS Core Principles	<ul style="list-style-type: none"> Brendan reported on US and UK developments CAFII Project 	<ul style="list-style-type: none"> Active/Monitor ongoing Board approval received on June 11 to secure draft communication of project outcomes Post Implementation Review
		<ul style="list-style-type: none"> Subcommittee working on matrix of impact of Insurance Core Principles (ICPs) and international regulations 	<ul style="list-style-type: none"> EOC Input obtained Active
Industry Complaint Statistics		<ul style="list-style-type: none"> Subcommittee working on compilation of Industry Complaint Statistics 	<ul style="list-style-type: none"> EOC Input obtained DMC Subctte met on June 4 and 25, 2013
Consultations	FSCO life insurance product suitability review	<ul style="list-style-type: none"> FSCO has held consultation meetings with CAFII on this initiative in July and September 2013 	<ul style="list-style-type: none"> Having provided significant input through two meetings, CAFII will be consulted on final draft of survey of life agents, and on final report from Suitability Review

CAFII Priorities by Committee – October 27, 2013

Item	Description	Activities Completed/Industry Developments	Status/Next Steps
	E-commerce	<ul style="list-style-type: none"> CCIR and AMF – upcoming consultations 	<ul style="list-style-type: none"> Active with Release of CCIR E-Commerce Position Paper on May 23, 2013 CAFII submitted detailed response to CCIR E-Commerce Position Paper in July 2013
	Provincial Insurance Acts	<ul style="list-style-type: none"> Manitoba 	<ul style="list-style-type: none"> Draft ISI Regulations released on June 3, 2013; Licensing Committee to deal with this matter. CAFII submitted detailed response to Draft ISI Regulation in July 2013 Scott Moore, Deputy Superintendent, called B. Wycks on October 2, 2013 to provide detailed update on progress with and timelines for ISI Regulation
		<ul style="list-style-type: none"> Saskatchewan 	<ul style="list-style-type: none"> Watch
		<ul style="list-style-type: none"> Ontario 	<ul style="list-style-type: none"> Watch
Avalon Report Update	Survey members companies, update analysis and research	<ul style="list-style-type: none"> Comparison of creditor insurance on mortgages with term life and individual disability insurance: pricing, approval rates, claim approval rates, etc. 	<ul style="list-style-type: none"> Active Last conducted in late 2009/early 2010 on 2008 data DMC secured Board approval for refresh of this study, using 2013 data; to be conducted in late 2013 and first quarter of 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

AMF Distribution Guide Task Force

(Task Force of Distribution and Market Conduct Policy Committee)

Members: Emily Brown, John Poolman, Rose Beckford, Moira Gill, Sue Manson

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

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Licensing Efficiency Issues Committee

Membership – 1 Chair who is a member of EOC and 3 members from representative companies.

Chair: Moira Gill TD 2) Sara Gelgor , ScotiaLife Financial 3) John Poolman, Assurant 4)Greg Grant CIBC

Mandate: Identify and manage licensing efficiency issues for restricted and individual licensing processes.

Priorities	Issues	Currently active issues	Status
Licensing operation issues Streamlining and harmonizing licensing requirements (training, CE, other)	Request for restricted certificates for 3 rd parties 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 in <u>year ?</u>
	CISRO project to redesign LLQP – project completion target Sept 2014		Quarterly Stakeholder Information Sessions being held by CISRO, incl. January 17/13 and April 9, 2013. Next Session to be held on October 30, 2013.
	Licensing process -streamlining and harmonization		Identification of issues ongoing
ISI regime implementation	Manitoba – issues to be resolved with implementing regulations		Included in Insurance Act Spring 2012 Letter sent in August 2012 -CAFII response to draft ISI Regulations sent in early July 2013. May require more detailed follow-up submission and a visit by a CAFII rep(s) to Jim Scalena, Superintendent of Insurance, and/or Scott Moore, Deputy Superintendent, in Winnipeg. On October 8, 2013, Board supported recommendation that CAFII seek a meeting with the Minister re imperative of harmonization of Manitoba's ISI Regime with other provinces

CAFII Priorities by Committee – October 27, 2013

Provincial Insurance Councils and CISRO issues	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		Legal assistance engaged and analysis of options underway. Meeting with AIC Jan 2012. Meetings with Sask. held Meeting with Manitoba held CAFII Concept Proposal For A Saskatchewan Insurance Councils' Restricted Insurance Agents Advisory Committee finalized in early October for EOC Review. Submitted to R. Fullan on October 10, 2013.
Electronic licensing	Promote use of electronic licensing systems by provincial regulators; possible use of "business numbers" to link		Letter of support sent to CISRO May 2012
Multi-jurisdictional licensing/ mutual recognition	Trade Agreements - promote mutual recognition (Ontario – Quebec, New West Partnership)		Attended trade agreement update meeting May 2012

Media and Advocacy Strategy Committee

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

Co-Chairs: 1) Sara Gelgor 2) John Lewsen

Members: 3) Paul Yeung, 4) Moira Gill 5) Greg Grant

Resources: Leya Duigu, Brendan Wycks

Mandate: Identify key stakeholders and develop, recommend and implement communication and advocacy strategy. Oversee CAFII branding. Oversight of Media Response taskforce.

Areas of Interest: Underserved Market: Creditor Insurance (value proposition, disclosure); Counter broker lobby messages

Initiatives	Status/Explanation	Resp	Next steps
-Develop a Communications Strategy	<p>-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.</p> <p>-bring strategy up to date, should be a refresher at every board meeting</p>	ED	<p>-Draft External Communications Strategy prepared by B. Wycks and reviewed with MAC on September 19, 2013. Highlights presentation shared with EOC on September 24, 2013. Executive Summary of Strategy document – reflecting MAC and EOC feedback -- prepared for Board review and approval on October 8, 2013. -Based on Board feedback, Communications Strategy refined MAC, for EOC Review on October 29, 2013</p>
<u>Website</u> -collect testimonials, post on site -Refresh CAFII mission statement	<p>-Testimonial (written or video)- 1 per member , have 7 or 8 available and determine how to rotate through (value –add to members)</p> <p>-review mission statement to ensure it is in line with branding,</p>	<p>J Lewsen</p> <p>ED</p>	<p>-Email reminder sent w/o Oct 22, 2012; One written and two video testimonials received to date. B. Wycks to follow-up with direct request to each Voting Member, via EOC members</p> <p>-Removed from MAC Priorities, as Mission Statement is solely within Board purview and typically is reviewed as part of Strategic Plan renewal. J. Hines and B. Wycks to discuss with Chair M. Cummings</p>

CAFII Priorities by Committee – October 27, 2013

Initiatives	Status/Explanation	Resp	Next steps
-expand tabs to include other products & regulators/industry	-incorporate alternate distribution (underserved market)	ED	-Underserved market material drafted, to be approved for website. In process with ED B. Wycks
	- Travel insurance product – ED to reach out to travel association and CLHIA; look at it from distribution perspective	ED	B. Wycks met with CLHIA Execs. on April 1, June 3, and October 7; had get acquainted discussion with John Thain, volunteer President of Travel Health Insurance Association, who works for Assurant Solutions, at CAFII 15 th Anniversary event. Will have a full meeting with Thain in Fall 2013.
-Develop CAFII “Did you know” video to convey important facts	-(Charles Blaquiére suggestion) Budget allocation request \$10,000	ED	-In process as part of CAFII Re-Branding and Visual Identity Modernization initiative
-what’s new	-In place, ongoing update of news	ED	-Ongoing
<u>CAFII Branding</u> -develop marketing tagline	several taglines to be sent to Board, -identify differentiating factor, eg advocating for insurance access , choice, all Canadians	J Lewsen	Completed
	- include tagline on all submissions, website, swag, and letters to regulators	ED	-In process; to be completed in conjunction with Re-Branding and Visual Identity Modernization initiative
-CAFII newsletter for regulators	-Insurance regulatory news to be collected and shared with regulators as a value added service	ED	-Completed and ongoing.
-CAFII “look”	-Develop a font and layout unique to CAFII to be used in letters, submissions and newsletter; assess if new logo needed	ED	-In process as part of CAFII Re-Branding and Visual Identity Modernization

CAFII Priorities by Committee – October 27, 2013

Initiatives	Status/Explanation	Resp	Next steps
-Acquire soft marketing tools (pads, pens etc), <u>Media Protocol</u>	Budget allocation request \$10,000 -Coasters suggested– include tagline and web address on next re-order -Budget allocation request		-Pens, mugs and i-phone holders are in stock
-Develop and manage protocol for handling media requests -media training for ED	-Protocol to be revised with arrival of ED -Budget allocation request \$2,000	ED	-Completed; revised Media Protocol approved by MAC on January 17/13 -Schedule training for Q4 2013. Expand to include Board members who are interested and available on the day booked for media training.
-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		-Notice sent to all CAFII members. Included in first issue of Regulators' newsletter. Also to be sent directly to each regulator with a cover letter from M. Cummings
Develop 2-3 likely scenarios		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	-Key Messages reviewed and refined by B. Wycks as part of External Communications Strategy development
-Regulator Kit -develop booklet /brochure	For new regulators. Compile package of information for regulators which can include -booklet - past submissions, -testimonials and -key fact sheet. Booklet - take images from website, testimonials, designed to highlight major issues. Small 10 page	ED ED	-Some content developed by RBC intern -To be completed as part of External Communications Strategy implementation

CAFII Priorities by Committee – October 27, 2013

Initiatives	Status/Explanation	Resp	Next steps
-Key Facts sheet	booklet that can be given out with business cards. -develop a “Key Facts” sheet to be part of regulator package	ED	-To be completed as part of External Communications Strategy implementation
Manage research to support message (eg. Pollara) - develop key messages - manage plan of use of research - determine when and what research must be undertaken or renewed	-Pollara plan of use in place	MAC	-Research is a key component of External Communications Strategy. Plan of use to be reviewed by ED in light of Strategy, once approved
-Industry Statistics	-identify and keep current statistics from LIMRA and CAFII research	ED	-overlapping responsibility with DMC. Referred/delegated to DMC.
-Webinars Develop and offer webinar education Determine distribution of webinar material	-develop / oversee development of new webinars -review and keep webinars current -track who has seen which webinars -plan number of webinars per year, have list of upcoming webinars -deliver webinars Budget allocation request \$10,000	ED	-Digital commerce and social media webinar, developed by Davis Yoo and Debbie Dimoff of PwC, delivered to CCIR audience on May 30, 2013. -Topic and timing of next webinar for CCIR under consideration.

Media Response Taskforce

Membership: Taskforce consists of any two members of the Media and Advocacy Strategy committee plus 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 – October 27, 2013

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 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
Plan Quarterly Speaker and reception events, and member-only event	-February Speaker Event (members only)	-Moved to March 26, 2013, with Jane Carr, Vice-President and Managing Attorney, Assurant Solutions, Atlanta, speaking on “Issues, Challenges and Opportunities in U.S. Debt and Other Protection Products.” -Completed and successful
	-April 10, 2013 CAFII 15 th Anniversary Event	-Completed and successful
	-June AGM/Regulator Reception Event	-Completed and successful. Doug McPhie, Ernst & Young’s Canadian Insurance Leader, was speaker on “2013 Canadian Life Insurance Outlook” for Regulator Reception event on June 11, 2013
	October Speaker Event	-John Wilkinson, former Ontario MPP and Cabinet Minister in McGuinty Liberal government, booked as Speaker under “Chatham House Rule” -Completed and successful
	December Reception	
Keep current lists of key contacts		
Christmas cards to key contacts?		
Seek out other opportunities to meet with contacts (eg. corporate table)		



MEMORANDUM

TO: Executive Operations Committee

FROM: Brendan Wycks, Executive Director

DATE: October 28, 2013

SUBJECT: CAFII Continuance Under Canada Not-for-Profit Corporations Act

The deadline for CAFII, a federally incorporated not-for-profit corporation, to become compliant with this legislation – by filing Articles of Continuance – is October 17, 2014.

Accompanying this memo are two related documents that were recently shared with me by Leya Duigu and Pamela Smith of TO Corporate Services:

- a proposal dated November 19, 2012 from TO Corporate Services with respect to providing co-ordination and administration services to CAFII around transitioning to the CNCA; and
- a letter dated September 21, 2012 from Jane Burke-Robertson (subsequently deceased) of Carters Professional Corporation, a law firm that specializes in non-profit and registered charity clients, outlining a proposal to provide legal services to CAFII with respect to continuance under the CNCA.

Observations

- I am reasonably familiar with the CNCA through my experience as an Association Executive Director. However, I left MRIA, my previous Association, just as the serious compliance analysis and continuance work was about to get underway.
- I concur with pretty well everything stated in the TO Corp proposal, especially that the requirement to transition under the new Act should be looked upon as an opportunity for CAFII to re-examine its purposes, membership model, governance model, and other fundamentals. We may have to come up with an altered approach to Associate Members, to avoid having the new Act put the Association in a position where Associate Members would have voting rights, even in limited circumstances.
- While CAFII is, relatively speaking, a small, straightforward, narrowly-focused Association, from a CNCA compliance perspective, things are not as simple as they might first appear. The fact that we distinguish between Foundation and Voting Members; and between them and Associate Members; and the fact that we have a somewhat unique division of responsibilities between the Board of Directors and the Executive Operations Committee are complicating factors.
- I have seen numerous presentations on Association/non-profit legislative and regulatory issues by Carters Professional Corporation principals at Canadian Society of Association Executives (CSAE) events over the past five years. I have also attended a half day workshop put on by Carters under its own banner. Each time, I have come away impressed by the breadth and depth of legal expertise and experience related to non-profits that Carters has on its team. They are also a “distributed” legal firm – headquartered in Orangeville but with partners working from various communities in Ontario – such that their average hourly rate is much lower than the downtown Toronto law firms. And while Jane Burke-Robertson recently passed away, given its specialist focus, Carters has lots of bench strength on its legal team. I have no hesitation in recommending Carters Professional Corporation as “the” law firm that CAFII should work with when we are in a position to finalize our continuance work and become compliant with the CNCA.

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Email: info@cafii.com Web: www.cafii.com

- Pamela Smith, as TO Corp’s resident “governance expert,” has worked with two other Association clients thus far in helping them complete the work necessary to file Articles of Continuance with Industry Canada to achieve CNCA compliance. She says that she has developed a matrix that references an Association’s current Bylaw/governance document(s) against the key provisions of the CNCA, to help Associations work expeditiously through the required analysis and wording considerations.
- While it is definitely fair to say that part of my role as Executive Director is to lead such governance review exercises and it could therefore be argued that we do not need to engage Pamela Smith and pay TO Corp for her services, there is a trade-off at play here.
- Given that Pamela has been through the process with two other Association clients and given that the analysis and consideration exercise that she facilitates is designed to minimize the number of required hours of a lawyer’s time, it does seem prudent to me for CAFII to invest in purchasing some of Pamela’s services from TO Corp.
- TO Corp has quoted \$2,500 for 35 hours of Pamela’s time on this project (\$71.43 per hour).
- Given CAFII’s situation as a relatively straightforward Association and the fact that I will be centrally involved in the project myself, and will bring my own Association governance knowledge and experience to bear, 35 hours (five work days) of Pamela’s time for this project seems excessive.
- I estimate that 21 hours (three work days) of Pamela’s time should be more than sufficient to see CAFII through the phase of the work where she can add value, to the point where we’re pretty well ready to engage with legal counsel. If we can negotiate with TO Corp for 21 hours of Pamela’s time at the same hourly rate, that would be an expenditure of \$1,500 rather than \$2,500.

Recommendation

- (a) That CAFII form a “CNCA Compliance Working Group” of three or four EOC members, plus myself and Leya, to tackle this project, the deadline for which will be upon us quickly. The most suitable candidates would be those who have previously served as EOC Chair; have a legal background; and/or have served on a Board and/or Executive Committee of another non-profit corporation and been involved in governance review work.
- (b) That the CNCA Compliance Working Group, as Job #1, develop a Critical Path that will see the appropriate compliance and continuance document(s) for the Association be ready for approval by the Association’s membership at our Annual General Meeting in June 2014.
- (c) That CAFII negotiate with TO Corp to engage the services of Pamela Smith for approximately 21 hours of administrative and co-ordination services related to CAFII’s review and analysis with respect to compliance with the CNCA.
- (d) That CAFII enter into a legal services retainer agreement with Carters Professional Corporation related to the Association’s compliance with the CNCA and the filing of related Articles of Continuance prior to the October 17, 2014 deadline.
- (e) That CAFII budget approximately \$6,000 for this work in its 2014 Operating Budget.

toos

**Proposal for Activities Associated with
the Coordination and Administration During the
Transition to the New Canada Not-For-Profit Corporations Act
for**

The Canadian Association of Financial Institutions in Insurance (CAFII)

The new Canada Not-for-Profit Corporations Act (CNCA) came into force on October 17, 2011. Every existing federally incorporated not-for-profit organization will be required to transition under the new legislation within three years of the in-force date, that is, by October 17, 2014. Failure to transition under the new Act within the three-year deadline will result in the dissolution of the organization.

The new Act will bring many, many changes. These include voting rights for members (and even non-voting members in some circumstances), elimination of ex officio directors, the distinction between soliciting and non-soliciting corporations, a standard of care for directors, and other provisions.

With this new legislation, not-for-profit organizations are required to replace their letters patent and by-laws with new charter documents that comply with the new Act. The required transition should be looked on as an opportunity to re-examine and renew the purposes, governance and other fundamentals of CAFII. For instance:

- Do the membership classes make sense in the current environment?
- Are your non-voting "members" really members?
- Does the board have ex officio directors?
- What type of funding does the organization get?

There are also obligations under the new Act around record keeping, members' rights and audit requirements to name only three. Only after fulsome consideration can CAFII structure its new documents.

Earlier this year, T•OCS advised the CAFII Board of Directors of their availability to facilitate the necessary discussions, document changes and work with you through this transition. Key activities include:

- Reviewing Letters Patent, Supplementary Letters Patent, By-laws, Policies and Procedures
- Drafting new Articles
- Revising By-laws to ensure compliance
- Seeking the approval of members for the continuance documents
- Submitting the required documents to Corporations Canada

Legal Disclaimer:

T•OCS' role is to provide information about the new Canada Not-for-Profit Corporations Act (CNCA) and help CAFII work through the CNCA transition process, including administrative activities. We do not provide legal advice and have recommended that appropriate legal counsel be retained to sit on the CAFII CNCA Transition Team.

One-Time Project Fee:

Under the current contract between T•OCS and CAFII no time has been allocated to governance. Therefore, this project would require that activities be billed on a one-time project basis.

We have estimated this coordination role will require 35 hours — provided that the bylaws of the corporation are not unduly complex — and will be billed as a one-time project in the amount of \$2,500.00. If we determine that the existing or proposed corporate structure is of a more complex nature, and your costs are likely to increase substantially, we will advise you immediately by email.

Any additional work, including, but not limited to, attending the meeting of members where this matter will be concluded, will be at an additional cost. For your information, the current rate for corporate governance activities is \$400 per day.

Authorization:

This will confirm the authority of the Canadian Association of Financial Institutions in Insurance, and in particular, Cathy Honor and/or Brendan Wycks, to provide instructions to T•O Corporate Services on behalf of the Canadian Association of Financial Institutions in Insurance regarding continuance under the CNCA.

Concluding Comments:

If you agree to the terms herein, please sign where indicated on the attached and return one original executed copy to our office. We trust the above is satisfactory and we look forward to hearing from you in this regard. In the interim, if you have any questions or concerns, please do not hesitate to contact the undersigned.

Yours truly,

T•O Corporate Services

Per: Lynn Beauregard, President
lynn@tocorp.ca | 416.921.4060 x 306

Pamela Smith, Governance Officer
pamela@tocorp.ca | 416.921.4060 x 303

November 19, 2012

**Proposal for Activities Associated with
the Coordination and Administration During the
Transition to the New Canada Not-For-Profit Corporations Act
for**

The Canadian Association of Financial Institutions in Insurance (CAFII)

This is to confirm that the Canadian Association of Financial Institutions in Insurance (CAFII) wishes to retain T•O Corporate Services in acting as its CNCA Coordinator for the above-referenced matters in accordance with the terms of the retainer letter.

Dated at the City of _____, in the Province of _____, Canada, this _____ day of _____, 2012.

**THE CANADIAN ASSOCIATION OF FINANCIAL
INSTITUTIONS IN INSURANCE (CAFII)**

Per: Brendan Wycks, Executive Director

I have authority to bind the corporation.



Jane Burke-Robertson

Barrister & Solicitor

Carters Professional Corporation / Société professionnelle Carters

Barristers, Solicitors & Trade-mark Agents / Avocats et agents de marques de commerce

Ottawa Office

Direct: (613) 233-2672

janebr@carters.ca

September 21, 2012

SENT BY EMAIL [pamela@tocorp.ca]

Canadian Association of Financial Institutions in Insurance

c/o T-O Corporate Services

Attn: Ms. Pamela Smith, Senior Client Services Coordinator & Governance Officer

255-55 St. Clair Avenue West

Toronto, ON

M4V 2Y7

"PRIVATE & CONFIDENTIAL"

Dear Ms. Smith:

Re: Canadian Association of Financial Institutions in Insurance

Re: Our File # 120647J

Re: Continuance under the Canada Not-for-Profit Corporations Act (CNCA)

Further to our recent discussions, we are pleased to provide assistance to Canadian Association of Financial Institutions in Insurance (CAFII) (the "Client") in response to your request for advice on continuance under CNCA and related legal issues as instructed by you.

Monetary Retainer, Fees and Disbursements

The charges for legal services are primarily based upon the billable time of our lawyers, articling students and staff, for time spent working on your file. In accordance with our firm policy, an initial retainer of \$750.00 is required to be paid prior to our work on this matter. Thereafter, the retainer may need to be replenished from time to time as necessary before further work is undertaken. Please make payment payable to "*Carters Professional Corporation in Trust*". The retainer will be placed in our trust account and will be applied to our account when rendered. Any unused portion will be returned upon completion or termination of our services. We would estimate legal fees of \$1,500.00 plus HST and disbursements to prepare continuance documents under the CNCA on your behalf provided that the by-laws of the corporation are not unduly complex. If we determine that the existing or proposed corporate structure is of a more complex nature, we will advise you of our revised estimate by email. Any additional work, including but not limited to amendments to the current by-law under the *Canada Corporations Act* or correspondence with Canada Revenue Agency on your behalf would be at an additional charge. For your information, the current hourly rates for 2012 are set out below and are subject to change in the future at the beginning of each new year:

Continuing Jane Burke-Robertson's Charity and Not-for-Profit Law Practice

Ottawa Office / Bureau d'Ottawa

117 Centrepoin Drive, Suite 124

Ottawa, Ontario, Canada, K2G 5X3

Tel: (613) 235-4774 Fax: (613) 235-9838

www.carters.ca

Main Office / Bureau principal

211 Broadway, P.O. Box 440

Orangeville, Ontario, Canada, L9W 1K4

Tel: (519) 942-0001 Fax: (519) 942-0300

Toll Free / Sans frais: 1-877-942-0001

Mississauga Office / Bureau de Mississauga

2 Robert Speck Parkway, Suite 750

Mississauga, Ontario, Canada, L4Z 1H8

Tel: (905) 306-2791 Fax: (905) 306-3434

www.charitylaw.ca

LAWYER	HOURLY RATE	LAWYER	HOURLY RATE
Jane Burke-Robertson	350.00	<u>Staff</u>	
Karen J. Cooper	350.00	Articling Student	145.00
		Law Clerk	105.00
		Legal Assistant	95.00

The above-mentioned rates form the primary basis upon which the accounts are calculated. Accounts include out-of-pocket disbursements, as well as internal disbursements for photocopying, faxing, network printing, postage, long distance telephone (outgoing calls), as well as agency fees, on-line research services and mortgages, where applicable.

The accounts are dated the end of each month in which work has been completed and are generally rendered by approximately the 25th day of the following month. Accounts are payable within 60 days of the date of the account in order to avoid interest charges. If a question should occur concerning an account, we would be pleased to explain the account and answer any questions. If you require further information concerning our method of billing for legal services, please do not hesitate to contact us.

Lawyer-Client Privilege

Lawyer-client privilege is a protection that belongs to and can only be waived by the Client. It can be affected through indiscrete or insecure methods of communication. In particular, emails and faxes can be intercepted while being routed over the Internet and Client confidentiality may be inadvertently breached by the Client improperly sharing the email or by the Client taking inadequate measures to prevent unauthorized access to the communications. Carters will communicate with the Client via email, telephone, fax, and/or mail. However, we make no warranty with respect to the security of any electronic communication, and you consent to our exchange of unencrypted electronic communications, including confidential documents. The Client shall advise Carters if any form of communication is not acceptable.

Termination of Legal Services

You have the right to terminate our services to you upon written notice to us. Subject to our obligations to you to maintain proper standards of professional conduct, we reserve the right to terminate our services to you for good reasons, which include, but are not limited to:

- (a) if you fail to cooperate with us in any reasonable request;
- (b) if our continuing to act would be unethical, impractical or in violation of any applicable federal or provincial legislation;
- (c) if our retainer has not been paid; or
- (d) if you fail to pay our accounts when rendered.

If you terminate our services or we withdraw, you would only have to pay our fees and expenses up until the time we stopped acting for you.

Privacy Policy

Carters Professional Corporation ("Carters") has adopted and implemented a Privacy Policy which is posted on our website at www.carters.ca. The purpose of this Privacy Policy is to inform our clients about the types of personal information Carters collects, uses and discloses. It explains in detail how Carters uses and discloses personal information, the choices that each client has regarding such use and disclosure, and how our clients may correct and access the personal information that is in Carters' care and control.

By retaining Carters, the Client authorizes Carters to collect and keep all information in a file known as the "Client File". The Client also authorizes Carters to collect, disclose and use its information, while providing the Client with legal services, for the following purposes:

- (a) collecting, using and disclosing the information relevant to the performance of the services rendered to and for the Client;
- (b) corresponding with the Client's authorized representatives regarding the status of the Client's file;
- (c) corresponding with third parties pertaining to the status of the Client's file including, but not limited to, the government and other lawyers, should the need arise;
- (d) recording and determining the Client's various services in its relationship with Carters;
- (e) administration, billing, accounting and collection in relation to the Client's relationship with Carters; and
- (f) communicating the personal information to a sub-contractor (or other agents or intermediaries) in the course of a contract or mandate for the performance of any of the purposes listed above.

By retaining Carters, the Client consents to Carters' collection, use and disclosure of its information to inform the Client of developments that have occurred in various areas of law as well as seminars, courses and materials posted on Carters' websites. The Client's retaining of Carters' services is NOT conditional upon the Client consenting to being placed on Carters' contact list. Should the Client decide that it no longer wishes to receive this information, its authorized representative(s) may write or email Gisele White, Manager of Information Systems, at gwhite@carters.ca to be removed from Carters' contact list.

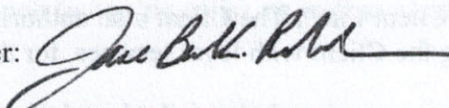
Authorization

This will confirm the authority of T-O Corporate Services and in particular, Pamela Smith to provide instructions to Carters Professional Corporation on behalf of Canadian Association of Financial Institutions in Insurance (CAFII) regarding continuance under the CNCA.

Concluding Comments

If you agree to the terms herein, please sign where indicated below and return one original executed copy to our office. We trust the above is satisfactory and we look forward to hearing from you in this regard. In the interim, if you have any questions or concerns, please do not hesitate to contact the undersigned at extension 222 or email at janebr@carters.ca.

Yours truly,
Carters Professional Corporation

Per: 
Jane Burke-Robertson

JBR:mlw

This is to confirm that the Canadian Association of Financial Institutions in Insurance (CAFII) (CAGP) (the "Client") wishes to retain Carters Professional Corporation in acting as its legal counsel in relation to the above-referenced matters in accordance with the terms of the retainer letter set out above.

Dated at the City of _____, in the Province of Ontario, Canada, this day of September, 2012.

CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE (CAFII)

Per:

Name: Jennifer Hines

Position: Secretary and Chair, Executive Operations Committee

I have authority to bind the corporation.