

CAFII Executive Operations Committee Meeting Agenda

Date: Thursday, October 29, 2024

Chair: K. Kasperski

Location: [Virtual MS Teams Meeting](#)

Time: 2:00 – 3:30 p.m. EST

Dial-In: 437-703-4263

Phone Conference ID: 644 760 532#

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

2. Consent Items	2:02 p.m.	Presenter	Action	Document
a. Consultations/Submissions Timetable				
b. September/October Regulatory Update				(2)
c. Regulator and Policy-Maker Visit and Communication Recap				
d. Summary of Board and EOC Action Items				
e. Schedule of CAFII 2024 Meetings and Events				
f. EOC Approved Schedule of CAFII 2025 Meetings and Events				

3. Financial Management	2:02 p.m.	Presenter	Action	Document
a. CAFII Financial Statements as at September 30/24	2:03 p.m.	D. Hinnecke	Update	✓
b. CAFII Forecast as at September 30/24	2:06 p.m.	D. Hinnecke	Update	✓
c. CAFII Critical Path for 2025 Operating Budget	2:10 p.m.	K. Martin/D. Hinnecke	Update	✓

4. Committees and Working Groups	2:13 p.m.	Presenter	Action	Document
a. Market Conduct & Licensing Committee	2:13 p.m.	B. Kuiper	Introduction	
i. Federal Department of Finance Proposed Amendment to the Criminal Code to Include Insurance Costs in the Calculation of Interest	2:14 p.m.	K. Martin/K. Kasperski	Update/ Discussion	✓
b. Quebec Committee	2:21 p.m.	J. Russell	Introduction	
i. Debrief on the October 8, 2024 Industry Issues Dialogue with AMF Executives, as well as earlier Breakfast with Valerie Gillis, Keith Martin, Hugo Lacroix, and Mario Beaudoin	2:22 p.m.	K. Martin/K. Kasperski	Discussion	✓
c. Media Advocacy Committee	2:32 p.m.	A. Stuska	Introduction	
i. Proposal to Merge the Research & Education Committee and the Media Advocacy Committee	2:33 p.m.	A. Stuska/J. Marcus/K. Martin	Approval	✓
ii. Update on Board-Approved Media Plan	2:40 p.m.	K. Martin	Update	✓
iii. Next Steps on Media Plan—Update on Article for Submission to National Post	2:45 p.m.	K. Martin	Update	✓
iv. Update on Front and Backend Website Investments	2:50 p.m.	K. Martin	Update	✓
d. Research & Education Committee	2:51 p.m.	A. Stuska	Introduction	✓
i. Update on Deloitte Research on Technology Trends and Artificial Intelligence	2:52 p.m.	K. Martin	Update	
e. Diversity, Equity, and Inclusion Working Group	2:53 p.m.	T. Harri-Morar	Introduction	
i. DEI Working Group Next Steps	2:54 p.m.	T. Harri-Morar//K. Martin	Update	
f. Networking & Events Committee	2:57 p.m.	C. Manno	Update	
i. Fall 2024 Webinars	2:58 p.m.	K. Martin	Update	

5. Strategic and Regulatory Initiatives	3:00 p.m.	Presenter	Action	Document
a. Update on Expansion of the RSM Canada Quarterly Benchmarking Study	3:00 p.m.	K. Martin	Update	

6. Governance	3:03 p.m.	Presenter	Action	Document
a. Proposal to Bill Canadian Western Bank Quarterly in 2025, Pending Merger with National Bank	3:03 p.m.	K. Martin	Endorsement for Board Approval	
b. CAFII Proposed Policy Around Who Can Join CAFII Committees	3:06 p.m.	K. Kasperski	Endorsement for Board Approval	✓
c. DISCUSS: Do members of the EOC or other Committees Circulate CAFII Documents Internally for Feedback Prior to Commenting on Them?	3:12 p.m.	K. Martin	Discussion	
d. Update on Hiring Operations Manager	3:15 p.m.	K. Martin	Update	✓
e. Update on Board Decisions at the October 8, 2024 Board Meeting: Rescinding the Policy Around Reimbursement of Regulatory Tours and Reception Expenses; Approval of the CAFII 3-5 Year Strategic Plan; Approval of the CAFII Media Plan	3:16 p.m.	K. Martin	Update	✓
f. Feedback from Robyn Jennings 1-on-1 EOC Meetings	3:18 p.m.	R. Jennings	Update	
g. Draft Minutes of September 19/24 EOC Meeting	3:19 p.m.	R. Jennings	Approval	✓
h. Draft Minutes of October 8/24 BOD Meeting	3:20 p.m.	R. Jennings	Endorsement	✓

7. Read Only Items	3:20 p.m.	Presenter	Action	Document
a. Submission to the Federal Department of Finance on Proposed Amendments to the Criminal Code to Include Insurance in the Calculation of Interest Rates				✓
b. Submission to BCFSA on Adjusters in Life and Health Insurance				✓

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

Next EOC Meeting: Tuesday, November 19/24, 2:00 to 4:00 p.m. EST (Hybrid), Hosted by BMO Insurance at 250 Yonge Street; 12th Floor, Meeting Room Ferdinand Magellan.

Next Board Meeting: Tuesday, December 3/24, 3:00 to 5:00 p.m. EST (Hybrid), Hosted by Chubb Insurance Company of Canada, 199 Bay St. (Commerce Court West), Muskoka Meeting Room, 25th Floor, Toronto

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 1(a)
Call to Order, Welcome, and Priority Matters—Call to Order

Purpose of this Agenda Item—Start of Meeting

Start of meeting.

Background Information

The meeting will be called to order by EOC Chair Karyn Kasperski.

Recommendation / Direction Sought—Start of Meeting

No action required.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 2(a-f) Consent Items

Purpose of this Agenda Item—Information Only

To provide documentation for the EOC to review, which does not require updates, discussion, or decision-making.

Background Information

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

- a. Consultations/Submissions Timetable
- b. September/October Regulatory Update
- c. Regulator and Policy-Maker Visit and Communication Recap
- d. Summary of Board and EOC Action Items
- e. Schedule of CAFII 2024 Meetings and Events
- f. EOC Approved Schedule of CAFII 2025 Meetings and Events

Recommendation / Direction Sought—Information Only

No action required.

Attachments Included with this Agenda Item

No attachments.

For convenience, all items have been linked below:

- [Consultations/Submissions Timetable](#)
- [September Regulatory Update](#)
- [October Regulatory Update](#)
- [Regulator and Policy-Maker Visit and Communication Recap](#)
- [Summary of Board and EOC Action Items](#)
- [Schedule of CAFII 2024 Meetings and Events](#)
- [EOC Approved Schedule of CAFII 2025 Meetings and Events](#)

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 3(a)
Financial Management – CAFII Financial Statements as at September 30, 2024

Purpose of this Agenda Item – Update

To update the EOC on CAFII's financial statements as at September 30, 2024.

Background Information

CAFII Treasurer Donald Hinnecke will provide an update on CAFII's financial statement as at September 30/24.

Recommendation / Direction Sought – Update

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.

CAFII

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

Statement of Operations As at Sep 30th, 2024

	Current Month	Budget Sep-24	Variance to Monthly Budget	Current YTD	Budget '24 YTD	Variance Budget to YTD	Budget 2024
Revenue							
<i>Member and Associate Dues</i>	\$78,706	\$76,362	\$2,344	\$708,357	\$687,257	\$21,100	\$916,342
<i>Interest Revenue</i>							
Interest Revenue - Saving Account	\$1,408	\$1,250	\$158	\$8,649	\$11,250	(\$2,601)	\$15,000
45030 Interest-Savings, Short-term CD	\$1,397	\$0	\$1,397	\$15,688	\$0	\$15,688	\$0
Total Interest Revenue	\$2,805	\$1,250	\$1,555	\$24,337	\$11,250	\$13,087	\$15,000
<i>Miscellaneous (One time event fees)</i>	\$0	\$0	\$0	\$270	\$0	\$270	\$0
TOTAL REVENUE	\$81,511	\$77,612	\$3,899	\$732,964	\$698,507	\$34,457	\$931,342
Expenses							
<i>Association operating</i>							
CAFII Staff Salaries and Benefits	\$27,650	\$36,875	\$9,225	\$341,737	\$346,144	\$4,407	\$456,767
Managing Matters Contractual Fees	\$11,173	\$10,637	(\$536)	\$96,267	\$95,736	(\$531)	\$127,648
Legal Counsel and Consultant Support Associated w	\$0	\$3,000	\$3,000	\$692	\$24,000	\$23,308	\$30,000
Audit Fees	\$1,417	\$1,417	(\$0)	\$10,547	\$12,750	\$2,203	\$17,000
Insurance	\$733	\$708	(\$25)	\$6,540	\$6,372	(\$168)	\$8,500
Website SEO and Enhancements	\$0	\$0	\$0	\$884	\$70,738	\$69,854	\$96,276
Member Communication and Technology Tools	\$707	\$958	\$251	\$12,327	\$8,625	(\$3,702)	\$11,500
Telephone/Fax/Internet	\$786	\$500	(\$286)	\$5,350	\$4,500	(\$850)	\$6,000
Postage/Courier	\$0	\$17	\$17	\$55	\$149	\$94	\$200
Office Expenses	\$544	\$300	(\$244)	\$2,116	\$2,700	\$584	\$3,600
Bank Charges	\$174	\$56	(\$118)	\$919	\$512	(\$407)	\$680
Depreciation Computer/Office Equipment	\$215	\$268	\$53	\$1,932	\$2,413	\$481	\$3,217
Managing Matters Webinar Fees	\$1,921	\$1,921	\$0	\$9,605	\$7,684	(\$1,921)	\$11,526
New Hire for 6 months	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Office Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Professional Development/Continuing Education	\$0	\$0	\$0	\$0	\$5,650	\$5,650	\$5,650
Miscellaneous Expense	\$0	\$0	\$0	\$0	\$1,000	\$1,000	\$1,000
Total Association operating Expenses	\$45,321	\$56,657	\$11,337	\$488,969	\$588,973	\$100,004	\$781,164
<i>Research and education committee</i>							
Research/Studies	\$0	\$0	\$0	\$16,802	\$16,950	\$148	\$68,814
CAFII Benchmarking Study/RSM Canada	\$0	\$0	\$0	\$33,900	\$33,900	\$0	\$67,800
Total Research and education committee Expenses	\$0	\$0	\$0	\$50,702	\$50,850	\$148	\$136,614
<i>Market conduct committee</i>							
Provincial Regulatory Visits and Relationship-Building	\$1,300	\$2,200	\$900	\$5,531	\$4,400	(\$1,131)	\$6,600
Federal Regulatory Visits and Relationship-Building	\$0	\$1,000	\$1,000	\$0	\$2,000	\$2,000	\$2,000
Total Market conduct committee	\$1,300	\$3,200	\$1,900	\$5,531	\$6,400	\$869	\$8,600
<i>Networking and events committee</i>							
Annual Members and Associates Luncheon	\$0	\$0	\$0	\$20,707	\$14,000	(\$6,707)	\$14,000
Board Hosting (External)	\$0	\$0	\$0	\$0	\$0	\$0	\$7,500
Board/EOC Meeting Expenses	\$1,480	\$1,778	\$297	\$3,558	\$10,667	\$7,109	\$16,000
Industry Conferences and Events	\$0	\$1,500	\$1,500	\$11,005	\$11,000	(\$5)	\$11,000
EOC Annual Appreciation Dinner	\$4,666	\$6,500	\$1,834	\$4,666	\$6,500	\$1,834	\$6,500
Speaker fees & travel	\$0	\$0	\$0	\$0	\$0	\$0	\$1,600
Gifts	\$102	\$0	(\$102)	\$1,987	\$800	(\$1,187)	\$1,200
CAFII Staff/Board Relationship-Building	\$1,425	\$0	(\$1,425)	\$1,425	\$1,320	(\$105)	\$2,000
Networking Events	(\$178)	\$500	\$678	\$826	\$1,500	\$674	\$2,000
CAFII 25th Anniversary Celebration	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Networking and events committee	\$7,495	\$10,278	\$2,783	\$44,174	\$45,787	\$1,613	\$60,200
<i>Media and advocacy strategy committee</i>							
Media Outreach	\$0	\$900	\$900	\$6,420	\$2,100	(\$4,320)	\$3,000
Media Consultant Retainer	\$2,543	\$3,000	\$458	\$22,883	\$27,000	\$4,118	\$36,000
Marketing Collateral	\$0	\$0	\$0	\$130	\$0	(\$130)	\$2,700
Total Media and advocacy strategy committee	\$2,543	\$3,900	\$1,358	\$29,432	\$29,100	(\$332)	\$41,700
TOTAL EXPENSE	\$56,658	\$74,035	\$17,378	\$618,808	\$721,109	\$102,302	\$1,028,278
NET INCOME	\$24,853	\$3,577	21,277	\$114,156	(\$22,603)	\$ 136,759	(\$96,936)
proof	-	-	-	-	0	-	0

Explanatory Notes:

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

CAFII

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

Balance Sheet As at Sep 30th, 2024

CAFII Operations			
	30-Sep 2024	31-Aug 2024	31-Dec 2023
ASSETS			
Current Assets			
Bank Balance	\$520,764	\$474,488	\$35,071
Savings Account	\$496,955	\$595,547	\$208,306
TD Investment in GIC- 1104 8045480 01	\$404,603	\$404,603	\$404,603
PLCLCAD Plooto Clearing	\$0	\$0	\$0
TD Canada Trust ****054	\$0	\$0	\$0
Undeposited Funds	\$0	\$0	\$0
Accounts Receivable	\$0	\$0	\$1,594
Interest Receivable	\$3,864	\$2,468	\$709
Prepaid Expenses	\$7,134	\$7,854	\$5,780
Computer/Office Equipment	\$10,303	\$10,303	\$9,866
Accumulated Depreciation -Comp/Equip	(\$4,155)	(\$3,941)	(\$2,223)
Total Current Assets	\$1,439,467	\$1,491,321	\$663,706
TOTAL ASSETS	\$1,439,467	\$1,491,321	\$663,706
	-	-	
LIABILITIES			
Current Liabilities			
Accrued Liabilities	\$17,553	\$13,593	\$18,622
Credit Card	\$792	\$656	\$441
Account Payable	\$18,190	\$20,287	\$43,527
Deferred Revenue	\$236,119	\$314,825	\$0
Suspense	\$451,540	\$451,540	\$0
Total Current liabilities	\$724,194	\$800,902	\$62,590
TOTAL LIABILITIES	\$724,194	\$800,902	\$62,590
	-	349,361.22	
UNRESTRICTED NET ASSETS			
Unrestricted Net Assets, beginning of year	\$601,117	\$601,117	\$669,275
Excess of revenue over expenses	\$114,156	\$89,303	(\$68,158)
Total Unrestricted Net Assets	\$715,273	\$690,420	\$601,117
Total Unrestricted Net Assets	\$715,273	\$690,420	\$601,117
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$1,439,467	\$1,491,321	\$663,706
	0	0	-
Financial Reserves Targets as per 2024 Budget:			
Minimum 3 months (25%) of Annual Operating Expenses=		\$	257,070
Maximum 6 months (50%) of Annual Operating Expenses=		\$	514,139
Current Level of Financial Reserves (total unrestricted net assets):			\$715,273
Current Level of Financials Reserve (%) :			70%
		-	0.09

CAF II
411 Richmond Street E, Suite 200
Toronto, ON M5A 3S5
Membership Fees

		<u>Jan-24</u>		<u>Invoice sent</u>	<u>Method of Payment</u>	<u>Received Date</u>
		<u>Billed</u>	<u>Received</u>			
TD Insurance	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Cheque	02-Feb-24
BMO Bank of Montreal	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	15-Feb-24
CIBC Insurance	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	01-Feb-24
RBC Insurance	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	02-Feb-24
Scotia Insurance	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	29-Jan-24
Desjardins Financial Security Life Assura	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Cheque	22-Apr-24
National Bank Insurance	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	31-Jan-23
Manulife Financial	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	01-Feb-24
The Canada Life Assurance Company	2024 Upper Tier Member	\$ 77,110	\$ 77,110	24-Jan-24	Direct Payment - EFT	28-Feb-24
Securian Canada	2024 Lower Tier Member	\$ 38,555	\$ 38,555	24-Jan-24	Cheque	Deposited - Mar 12
Assurant	2024 Lower Tier Member	\$ 38,555	\$ 38,555	24-Jan-24	Direct Payment - EFT	25-Jan-24
CUMIS Group Ltd	2024 Lower Tier Member	\$ 38,555	\$ 38,555	24-Jan-24	Cheque	02-Feb-24
Canadian Tire Bank	2024 Lower Tier Member	\$ 38,555	\$ 38,555	24-Jan-24	Direct Payment - EFT	09-Feb-24
Chubb Life Insurance Company of Canada	2024 Initiation Members (Lower Tier)	\$ 23,133	\$ 23,133	24-Jan-24	Cheque	Deposited - Mar 12
RSM Canada	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Cheque	09-Feb-24
Willis Towers Watson	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Direct Payment - EFT	26-Feb-24
KPMG LLP	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Cheque	22-Apr-24
Optima Communications	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Direct Payment - EFT	26-Feb-24
RGA Life Reinsurance Company of Canada	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Direct Payment - EFT	06-Mar-24
Torys LLP	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Direct Payment - EFT	23-Feb-24
Stikeman Elliott	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Cheque	02-Feb-24
Norton Rose Fulbright Canada	Associate	\$ -		24-Jan-24	Norton has given indication that they aren't renewing their membership for this year- We reversed this invoice	
Royal & Sun Alliance Insurance Company	Associate	\$ 5,000	\$ 5,000	24-Jan-24	Cheque	05-Apr-24
Total of Renewing Members		\$911,343	\$911,343			
New Members						
PWC	Associate	\$ 5,000	\$ 5,000	29-Feb-24	Cheque	26-Mar-24
Fasken	Associate	\$ 5,000	\$ 5,000	03-Apr-24	Direct Payment - EFT	09-Apr-24
Canadian Western Bank	2024 Initiation Members (Lower Tier)	\$ 23,133	\$ 23,133	26-Mar-24	Direct Payment - EFT	30-Apr-24
Total Membership Fees		\$944,476	\$944,476			
Total amount to realocate monthly Jan-Dec. 2024		\$78,706.33				

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 3(b) Financial Management – CAFII Forecast as at September 30, 2024

Purpose of this Agenda Item – *Update*

To update the EOC on CAFII's forecast as at September 30, 2024.

Background Information

CAFII Treasurer Donald Hinnecke will provide an update on CAFII's forecast as at September 30/24.

Recommendation / Direction Sought – *Update*

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.

2024 CAFII Budget
In \$ Cdn

	2021 Actuals	2022 Actuals	2023 Actuals	CAFII 2024 Budget	2024 YTD Sep 2024	2024 Forecast	Comment/Rationale
Revenue							
Member and Associate Dues	955,970	991,653	953,098	916,342	708,357	944,476	Add PWC \$5,000
Interest Revenue							
Interest Revenue - Saving Account	236	2,579	11,062	15,000	8,649	11,649	Updated - Monthly transfer to Chequing of 100k
Interest Revenue -Investment Account			12,216		15,688	18,622	Re-invest GIC \$300000 for 100days from Oct 19 @4.0%
Total Interest Revenue	236	2,579	23,278	15,000	24,337	30,271	
Miscellaneous (One time event fees)	-	12,511	380	-	270	270	
TOTAL REVENUE	956,206	1,006,743	976,756	931,342	\$732,964	975,017	
EXPENSE							
Association operating							
CAFII Staff Salaries and Benefits				456,767	341,737	441,537	Adjusted for Shanay's exit and Keith's revised pay+ new hire w.e.f. Oct 1
Managing Matters Contractual Fees	486,711	507,904	636,709	127,648	96,267	128,178	updated
Legal Counsel and Consultant Support Associated with					692	692	Updated as per Keith's email Oct1
Regulatory Submissions and Related Communications/Advocacy Initiatives	74,221	-	18,479	30,000			
Audit Fees	13,224	15,187	15,902	17,000	10,547	14,798	updated
Insurance	5,877	6,275	7,681	8,500	6,540	8,739	Actual cost
Website SEO and Enhancements	50,737	45,200	45,200	96,276	884	68,686	Updated as per Keith's email Oct1
Member Communication and Technology Tools	6,958	7,990	11,993	11,500	12,327	14,577	updated and est Oct-Dec cost
Telephone/Fax/Internet	6,799	5,935	6,707	6,000	5,350	6,850	updated
Postage/Courier	-	60	73	200	55	130	updated
Office Expenses	2,694	7,898	2,943	3,600	2,116	3,166	updated
Bank Charges	663	548	582	680	919	1,219	updated
Depreciation Computer/Office Equipment	1,136	716	1,507	3,217	1,932	2,577	updated
Managing Matters Webinar Fees		7,684	13,447	11,526	9,605	11,526	Same as budget
Speaker fees & travel	-	-	738	1,600	-	-	Same as budget
New Hire for 6 months					-	15,000	Recruitment expenses for new hire
New Office Equioment			-	-	-	-	Same as budaget
Professional Development/Continuing Education				5,650	-	-	Updated as per Keith's email Oct1
Miscellaneous Expense	-	283	-	1,000	-	-	Updated as per Keith's email Oct1
Total Association operating Expenses	649,019	605,680	761,961	781,164	488,969	717,673	
Research and education committee							
Research/Studies	75,473	73,026	67,677	68,814	16,802	61,614	\$7200 lower than the budget
CAFII Benchmarking Study/RSM Canada	67,800	67,800	84,750	67,800	33,900	67,800	Same as budget
Total Research and education committee	143,273	140,826	152,427	136,614	50,702	129,414	
Market conduct committee							
Provincial Regulatory Visits and Relationship-Building	-	9,205	36,385	6,600	5,531	6,600	Same as budget
Federal Regulatory Visits and Relationship-Building	-	-	-	2,000	-	-	As per Keith
Total Market conduct committee	-	9,205	36,385	8,600	5,531	6,600	
Networking and events committee							
Annual Members and Associates Luncheon	-	13,147	13,666	14,000	20,707	20,707	Forecasted expenses are \$6000 over budget due to across-the-board significant increases in event costs, along with a higher than expected attendance at this event.
Board Hosting (External)	-	203	7,500	7,500	-	7,500	the Dec 3 Board meeting and reception at Chubb will result in a subsidy request from Chubb for \$7500
Board/EOC Meeting Expenses	1,822	11,361	14,599	16,000	3,558	16,000	there will be some expenses for travel and hotel for the Oct 8 meeting in Montreal
Industry Conferences and Events	-	615	5,153	11,000	11,005	11,005	Acutal expense
EOC Annual Appreciation Dinner	-	2,501	2,964	6,500	4,666	4,666	updated to ytd
Gifts	-	765	632	1,200	1,987	1,987	Updated to ytd
CAFII Staff/Board Relationship-Building				2,000	1,425	2,000	Same as budget
Networking Events	-	1,854	11,549	2,000	826	2,000	Same as budget
CAFII 25th Anniversary Celebration	-	15,315	-	-	-	-	Same as budget
Total Networking and events committee	1,822	45,761	56,062	60,200	44,174	65,866	
Media and advocacy strategy committee							
Media Outreach	9,542	2,779	3,939	3,000	6,420	6,420	updated to ytd
Media Consultant Retainer	29,792	37,331	32,678	36,000	22,883	30,512	updated
Marketing Collateral	717	1,787	1,462	2,700	130	130	Not to spend money on leave behinds The YTD should be the estimate for the forecast.
Total Media and advocacy strategy committee	40,050	41,897	38,079	41,700	29,432	37,061	
TOTAL EXPENSE	834,165	843,369	1,044,914	1,028,278	618,808	956,614	
Excess of Revenue over Expenses	122,041	163,374	(68,158)	(96,936)	114,156	18,403	
Unrestricted Net Assets (beginning of year)	230,223	230,223	669,275	603,791	603,791	603,791	
Unrestricted Net Assets (end of period)	352,264	393,597	601,117	506,855	717,947	622,194	

Explanatory Notes:

(2) Amortization of office equipment based on 4 year straight line depreciation

Actual/Forecasted Financial Reserves	2021 Actuals	2022 Actuals	2023 Actuals	CAFII 2024 Budget	2024 YTD Sep 2024	2024 Forecast
Minimum 3 months (25%) of Annual Operating Expenses =	208,541	210,842	261,228	257,069	154,702	239,153
Maximum 6 months (50%) of Annual Operating Expenses =	417,082	421,685	522,457	514,139	309,404	478,307
Actual/Forecasted Level of Financial Reserves:	352,264	393,597	601,117	506,855	717,947	622,194
Actual/Forecasted Level of Financial Reserves %:	0	47%	48%	49%	116%	65%

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 3(c) Financial Management – CAFII Critical Path for 2025 Operating Budget

Purpose of this Agenda Item – *Update*

To update the EOC on CAFII's critical path for the 2025 operating budget.

Background Information

CAFII Executive Director Keith Martin and CAFII Treasurer Donald Hinnecke will update the EOC on CAFII's critical path for the 2025 operating budget.

Recommendation / Direction Sought – *Update*

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.

Critical Path for Development and Approval of 2025 CAFII Operating Budget

Task	Responsible	Timing/Deadline
Meet with EOC Leadership (Karyn Kasperski, John Burns, Donald Hinnecke) to discuss overall philosophical approach to operating budget.	Keith Martin	August 19, 2024 (done)
Reach out to CAFII Committee Chairs and Vice-Chairs, on behalf of Executive Director, with request for input submissions on individual portfolio 2025 Operating Budget spending requests, along with related rationale, by September 19, 2024	Ricky Nason	September 13, 2024
Provide input submissions on individual portfolio 2024 Operating Budget spending requests, along with related rationale, to Controller R. Nason (with c.c. to D. Hinnecke, K. Martin, R. Jennings)	Committee Chairs and Vice-Chairs	September 20, 2024
Prepare Draft 1 of 2023 Operating Budget, in consultation with K. Martin, R. Jennings	R. Nason	September 27, 2024
Meet virtually to review and amend, as necessary, Draft 1 of 2024 Operating Budget	D. Hinnecke, K. Kasperski, J. Burns, K. Martin, R. Nason, R. Jennings	October 3, 2024
Prepare Draft 2 of 2024 Operating Budget, with oversight from K. Martin	R. Nason	October 9, 2024
Post Draft 2 of 2023 Operating Budget for October 29/24 EOC Meeting and incorporate it into consolidated package of meeting materials	T. Woodland, K. Martin, R. Jennings, R. Nason	October 22, 2024
Review and provide feedback on Draft 2 of 2023 Operating Budget, in October 29/24 EOC meeting	EOC Members	October 29, 2024
EOC volunteer leaders and CAFII team to agree on changes to Operating Budget based on feedback received from the EOC	D. Hinnecke, K. Kasperski, K. Martin, R. Nason, R. Jennings	November 5, 2024
Request EOC endorsement of Operating Budget at November EOC meeting	K. Martin	November 19, 2024
Review, discuss, and approve Draft 3 of 2024 Operating Budget (must be in open Board meeting so the approval decision can be minuted)	Board of Directors	December 3/24

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 4(a) Committees and Working Groups – Market Conduct & Licensing

Purpose of this Agenda Item – Introduction

To update the EOC on the recent activities of the Market Conduct & Licensing Committee.

Background Information

Chair of the Market Conduct & Licensing Committee, Brad Kuiper, will update the EOC on the Market Conduct & Licensing Committee's recent activities.

Recommendation / Direction Sought – Introduction

This is an introduction item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 4(a)i

**Committees and Working Groups – Market Conduct & Licensing – *Federal Department of Finance
Proposed Amendment to the Criminal Code to Include Insurance Costs in the Calculation of Interest***

Purpose of this Agenda Item – Update/Discussion

To inform and discuss with the EOC the Federal Department of Finance's proposed amendment to the Criminal Code to include insurance costs in the calculation of interest.

Background Information

CAFII Executive Director Keith Martin and EOC Chair Karyn Kasperski will inform and discuss with the EOC the Federal Department of Finance's proposed amendment to the Criminal Code to include insurance costs in the calculation of interest. CAFII made a formal written submission to the Department on September 11, 2024. We have learned that CLHIA has had a virtual meeting with Department officials at which the Department requested information from CLHIA members around CPI (see below). CAFII has requested a meeting with the Department of Finance but to date has not heard back.

Summary of CLHIA call with the Federal Department of Finance call October 9, 2024

- CLHIA staff met with the Department of Finance (DoF) on October 9th to discuss our submission on the proposed Criminal Code amendments to include insurance charges in the definition of interest.
- They acknowledged the short consultation window and noted they received extensive feedback, including from stakeholders not previously involved in the consultations on the other changes to the criminal interest rate. While no guarantees were provided, the DoF is considering a second consultation. However, they couldn't commit to a timeline or next steps.
- The DoF were appreciative of the information we provided and are committed to keeping us informed about the next steps.
- In the meantime, they've asked for information on how many customers request creditor insurance from insurers after a loan or credit is issued (e.g., days or weeks later, rather than at the time the loan was granted).
- We are working with our Alternate and Creditor's Distribution to provide a response. There didn't seem a high need for federal Finance to receive this information quickly. We are aiming to provide it December at the latest.

Recommendation / Direction Sought – Update/Discussion

This is an update item with the opportunity for discussion.

Attachments Included with this Agenda Item

One (1) attachment.

From: Keith Martin

Sent: October 11, 2024 12:45 PM

Subject: CAFII: Update on Department of Finance Proposed Amendments on Calculation of Interest Rates

Update re: Department of Finance Calculation of Interest Rates

Hello Board, EOC, and Market Conduct & Licensing Committee Member,

This is an update on the interactions with the Department of Finance on its proposed amendments to the Criminal Code to include insurance in the calculation of the criminal interest rate.

CLHIA had a follow up meeting with the Department of Finance on **Wednesday, October 9**. I have had a discussion with Luke O'Connor to get further details. The finance department officials acknowledged that the consultation period was short, and that said that they received more feedback than they expected. They also said that they were considering a second consultation.

They asked CLHIA for information on how many customers request creditor insurance after a loan or credit is issued (days or weeks after, as opposed to at time of sale). Luke O'Connor tells me that they are in no rush for this and said that receiving it in December was fine.

I shared with Luke my concern around why the Department was asking for this information. Insurance is sold not bought, and the moment to share information about this optional product is at the time of sale. I am concerned that the Department may be thinking about a deferred sales model. Australian regulators introduced a deferred sales model there some years ago, and it decimated the industry. A deferred sales model would result in underinsured and uninsured Canadians who would otherwise obtain the insurance not gaining coverage. I believe we may need to share some of these points with the Department.

We asked for a meeting with the Department in our written submission on September 11, and if they do not respond in a week or so I will follow up.

Thank you,

--Keith

Keith Martin

Executive Director / Directeur général

Canadian Association of Financial Institutions in Insurance

L'association canadienne des institutions financières en assurance

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Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 4(b) Committees and Working Groups – Quebec Committee

Purpose of this Agenda Item – Introduction

To introduce and update the EOC on the Quebec/AMF Committee's recent activities.

Background Information

Chair of CAFII's Quebec/AMF Committee, Jennifer Russell, will introduce and update the EOC on the committee's recent activities. The Committee is active on many files including next steps around the cancellation of spousal insurance, and the presentation made by Mario Beaudoin to CAFII on October 8, 2024, in Montreal.

Recommendation / Direction Sought – Introduction

This is an introduction item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 4(b)i

Committees and Working Groups – Quebec Committee - *Debrief on the October 8, 2024, Industry Issues Dialogue with AMF Executives, as well as earlier Breakfast with Valerie Gillis, Keith Martin, Hugo Lacroix, and Mario Beaudoin*

Purpose of this Agenda Item – Discussion

To debrief and discuss with the EOC the October 8, 2024, Industry Issues Dialogue meeting with AMF Executives, as well as the earlier breakfast between CAFII and the AMF, including Valerie Gillis, Keith Martin, Hugo Lacroix, and Mario Beaudoin.

Background Information

CAFII's Executive Director, Keith Martin, and EOC Chair, Karyn Kasperski, will debrief and discuss with the EOC the October 8, 2024, Industry Issues Dialogue meeting with AMF Executives, as well as the earlier breakfast between CAFII and the AMF, including Valerie Gillis, Keith Martin, Hugo Lacroix, and Mario Beaudoin. The Quebec Committee will review the presentation made by Mario Beaudoin to CAFII on October 8, 2024, in Montreal.

Recommendation / Direction Sought – Discussion

This is a discussion item.

Attachments Included with this Agenda Item

One (1) attachment.

2023 DWR MARKET PROFILE FOR CAFII

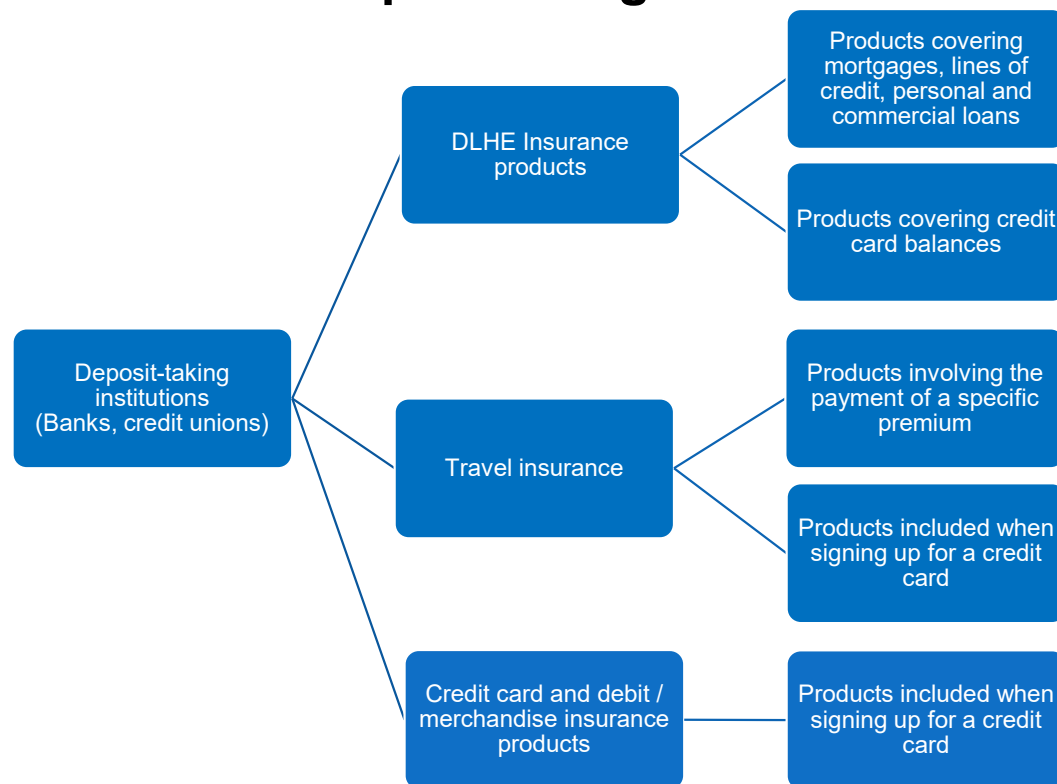
Prepared by the Alternative Insurance Distribution
Practices Direction
Octobre 2024

Distribution without representative – an exceptional regime

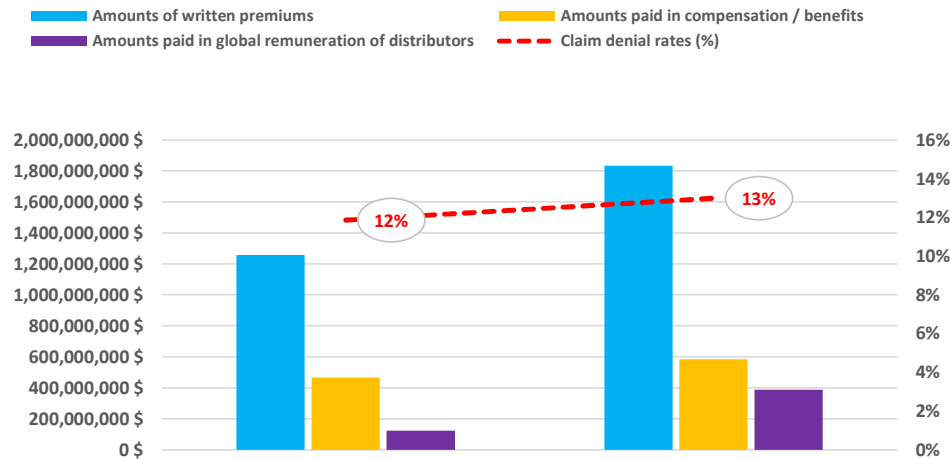
The [*Act respecting the distribution of financial products and services*](#) (The Act) allows certain insurance products to be offered by distributors rather than certified representatives.

Among the products offered by deposit-taking institutions (banks, credit unions), we find the following:

- Insurance on a debtor's life, health and loss of employment to cover either a home loan or a credit card balance;
- A travel insurance policy requiring payment of a premium and offered by deposit-taking institution;
- A travel insurance included when enrolling to a credit card;
- An insurance coverage for purchased goods or an extended warranty included when enrolling to a credit card.

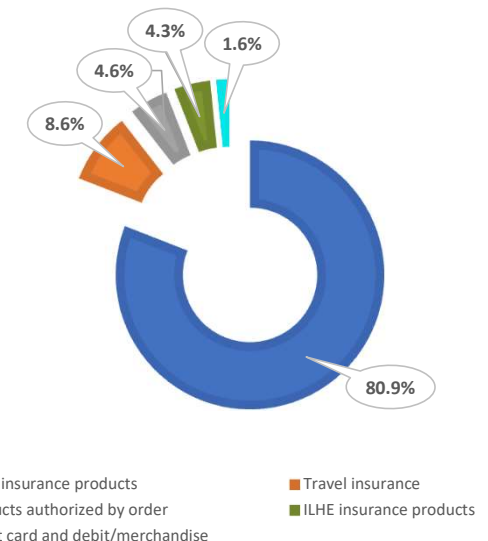


Volumetry for all DWR products in 2023

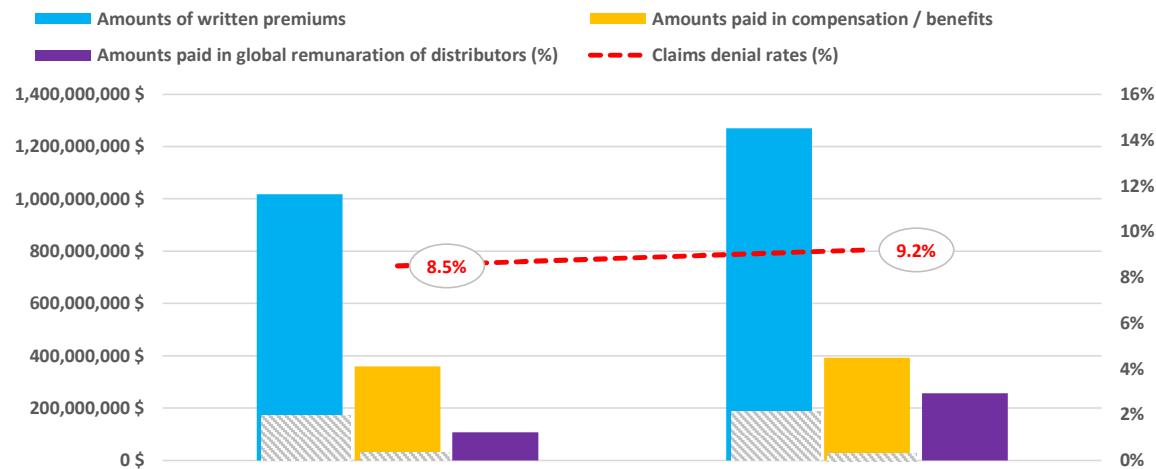


	CAFII members	Overall market
Number of active insurers	15	42
Number of products offered	467	767
Number of claims processed	122 688	170 445
Global remuneration rate of distributors (including administrators)%	10 %	21 %

CAFII member generate 69% of DWR written premium volume, according to this breakdown by product type:

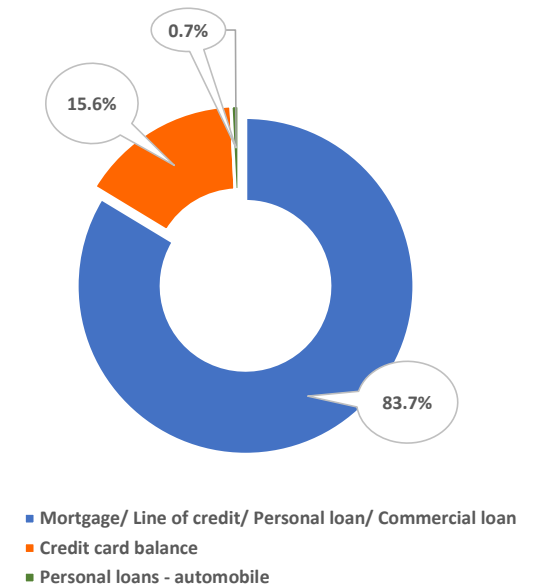


Overall DLHE insurance products offered in 2023



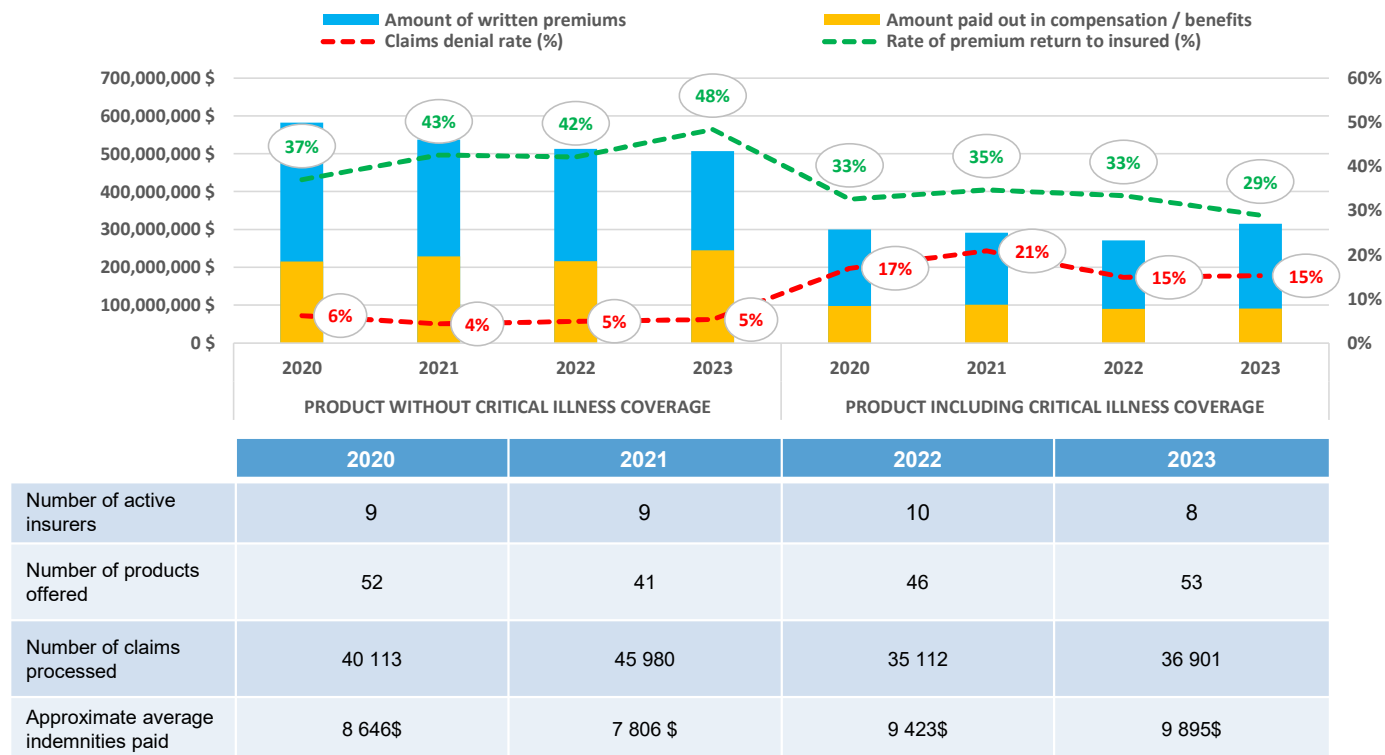
	CAIF members	Overall DLHE market
Number of active insurers	10	19
Number of products offered during the year	109	163
Number of claims processed	48 631	56 463
Approximate average indemnities paid	8 084 \$	7 650 \$
Global remuneration rate of distributors (including administrators)	10%	20 %

Breakdown of product types offered by CAIF members (%)¹



1. The chart above shows the breakdown by sub-category of the 80.9% DLHE written premium volume held by CAIF member insurers..

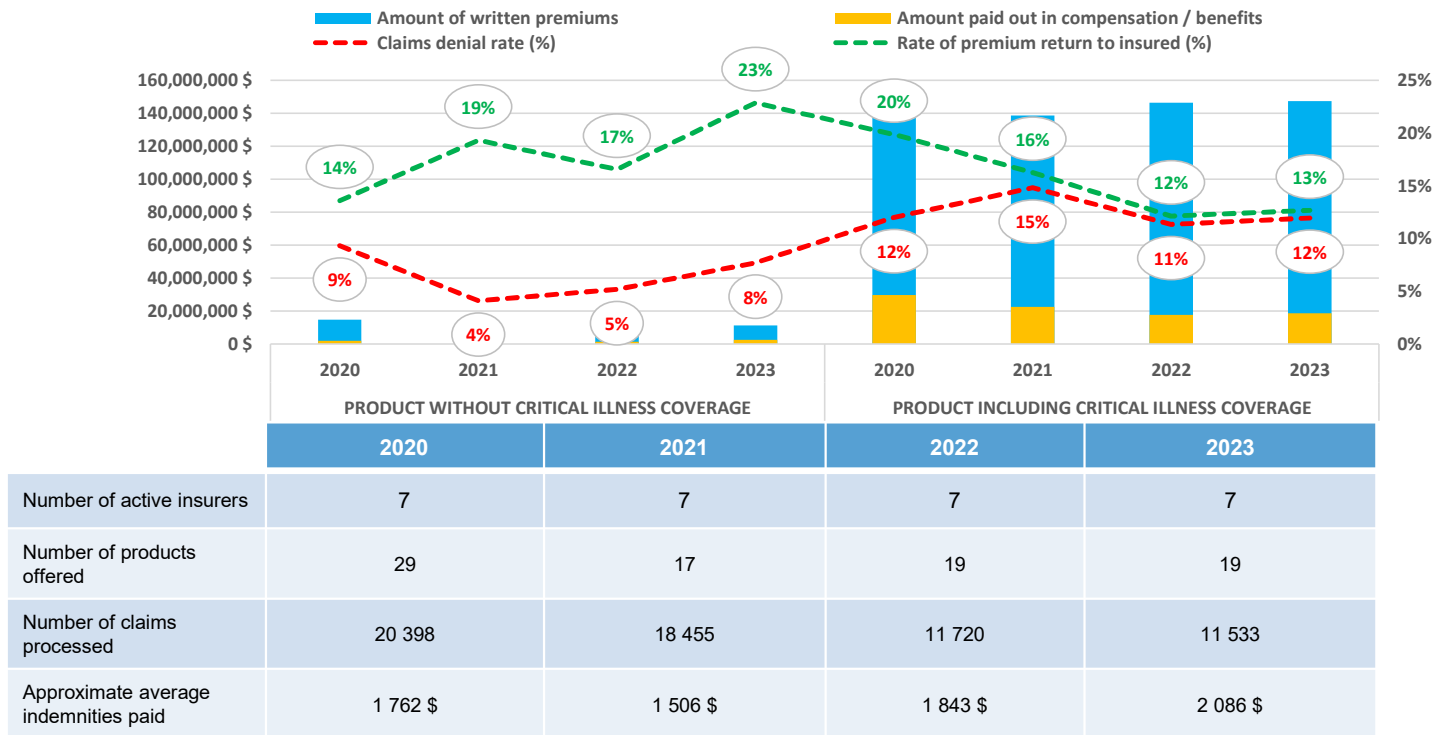
Results and added value for “Mortgage/Mortgage Line of Credit/Personal Loan/Commercial Loan” products - CAFII members



The majority of products in this sub-category are offered as pre-selected protection combinations

*The chart above excludes all products offered through vehicle dealers and shows only products subject to an annual premium.

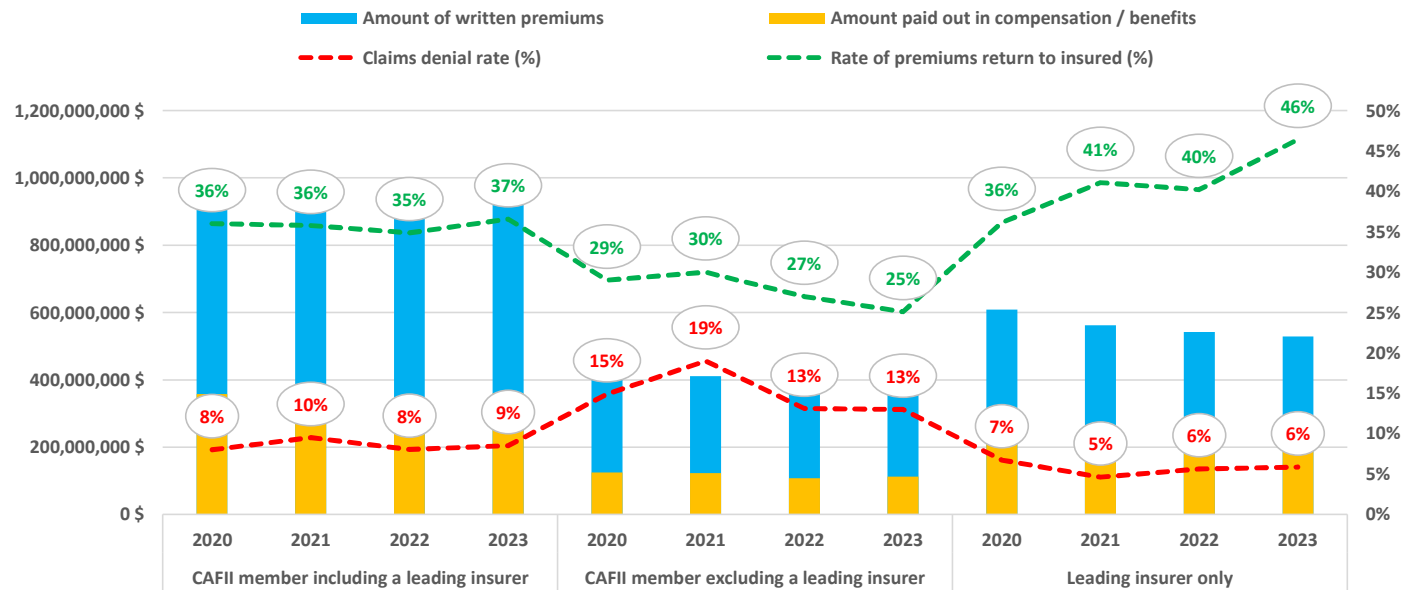
Results and added value for “Credit card balance” products - CAFII members



The majority of products in this sub-category are offered as an indissociable package of protection.

*The chart above excludes all products offered through vehicle dealers and shows only products subject to an annual premium.

Results and added value for CAFII members including or excluding a leading insurer*



*The chart above excludes all products offered through vehicle dealers and shows only products subject to an annual premium.

Complaints and reports

Since 2020, among the complaints and reports received at the Authority and related to DLHE products offered through DWR, by deposit-taking institutions, the 3 main reasons for complaints are as follows:

- Non-disclosure of the nature or scope of cover, eligibility criteria, insurability or exclusions;
- Refusal or limitation of indemnity (including pre-existing clause and misrepresentation);
- Insurance imposed without the consumer's knowledge.

Next steps for DLHE product monitoring

CAFI member will soon be receiving correspondence regarding the following items:

- **Added value for DLHE products:**

Given the vast range of products offered, and the uneven eligibility and scope of coverage, insurers will shortly be receiving a communication concerning the notion of added value products. As this notion is at the heart of the Authority's concerns, insurers will be asked to give special attention to the rate of return of premium to insured.

- **End of age-related protection on credit card balances:**

Since certain protections included in products covering credit card balances end when a certain age is reached, insurers will have to provide information to their insured to inform them when coverages ends.

- **High claim denial rates and implementation of an indicator to monitor denial rates:**

For CAFI member, we found that 50% were using a denial rate indicator. The Authority will ask all concerned insurers to implement a monitoring indicator in this matter.

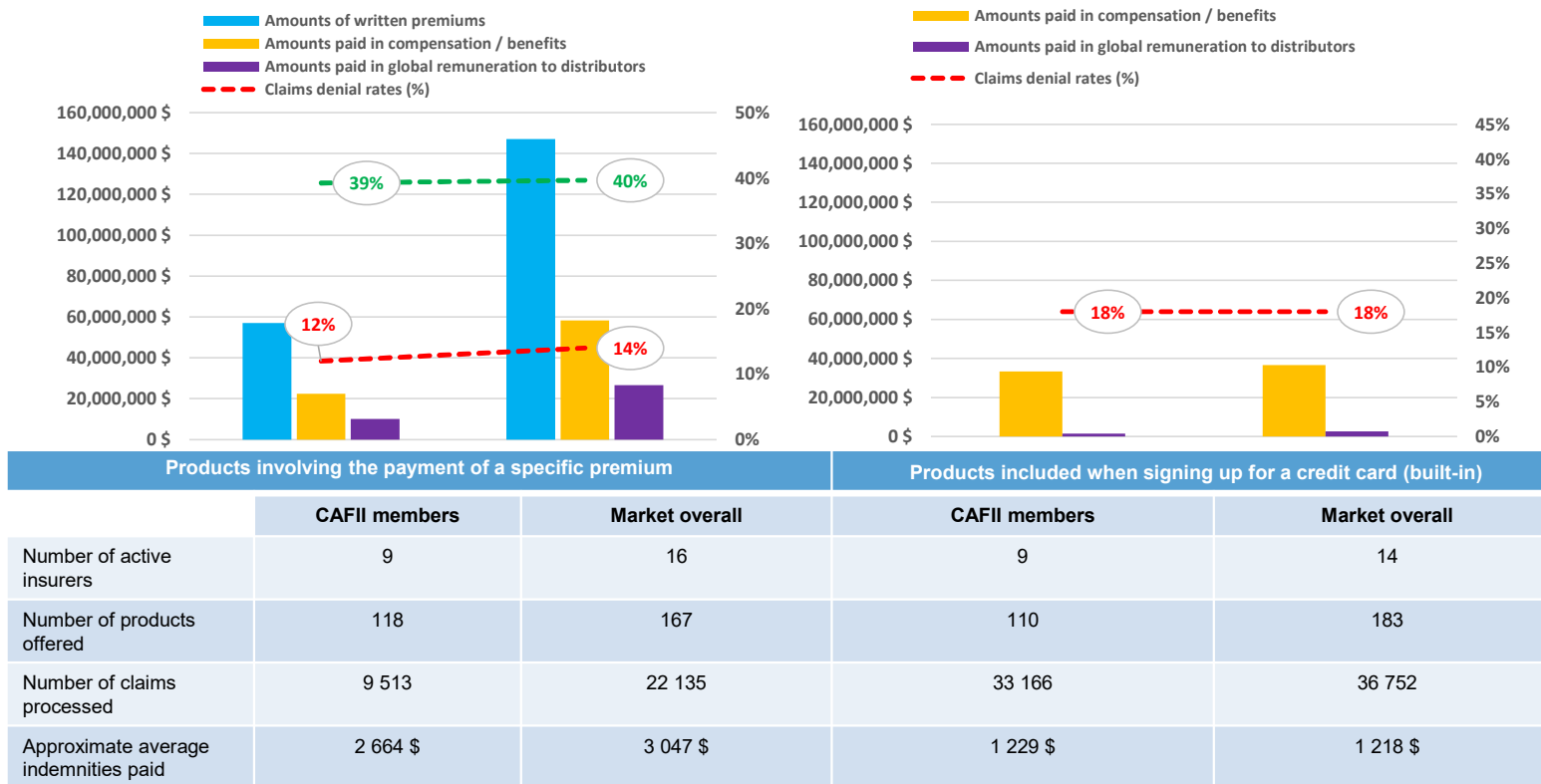
- **Products offering protection to non-debtor insured:**

For products covering mortgages/mortgage lines/line of credit/personal loans/commercial loans, coverage will terminate through attrition.

For products covering credit card balances, a 3-year extension will be granted in order to terminate these products.

All concerned insurers will be invited to provide an action plan on this subject and to discuss it with the Authority. They must, however, commit to meeting the deadline.

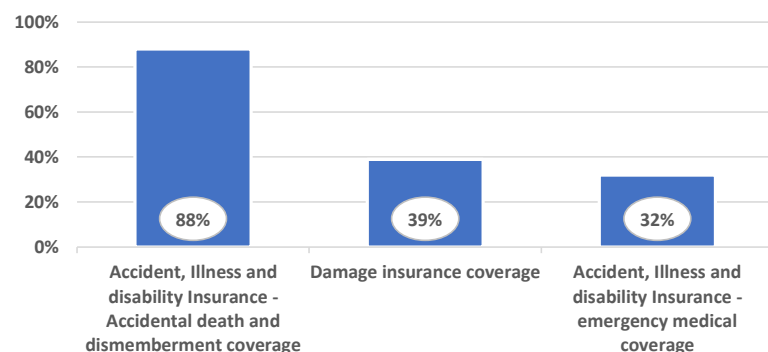
Travel insurance products offered in 2023



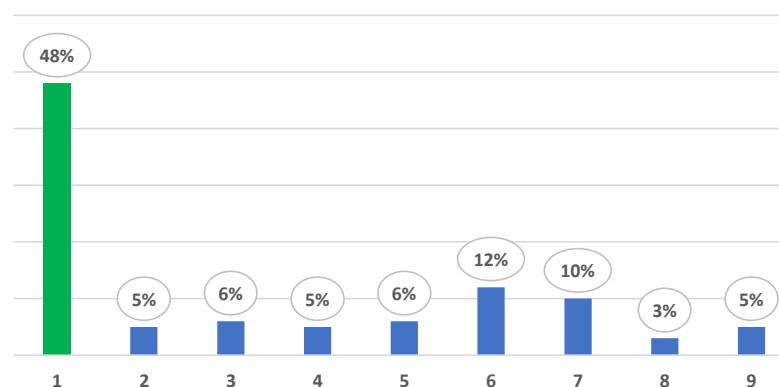
Since no specific premium is charged for products included when signing up for a credit card (Built-in), we are unable to provide a volumetry for this data, or for the % of premium returned to insured.

Products included when signing up for a credit card offered in 2022

Proportion of travel insurance coverage on credit cards



Number of protection by credit card



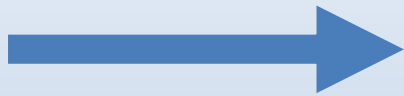
Facts about products included when signing up for a credit card (overall market):

- The products offered provide between 1 and 9 coverages; however, 48% of the products offered provide only one coverage, i.e. accidental death and dismemberment;
- Only 32% of products offered include emergency insurance coverage.

Summary of Key Discussions and Achievements in the Past Year Between the AMF and CAFII

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

CAFII Thanks the AMF for its Extension of the Deadline for Cancelling Spousal Coverages



CAFII appreciates and thanks the AMF for its extension of the deadline for the cancellation of spousal coverages to January 1, 2028, for credit cards (no deadline for loans)



CAFII's members have submitted their company numbers around the files in force



CAFII insurer members have submitted their plans for cancelling these files by the deadline date

L'ACIFA remercie l'AMF d'avoir accepté de reporter la date limite pour l'annulation des polices d'assurance des conjoints

CAFII thanks the AMF for its extension of the deadline for the cancellation of spousal coverages

Since our Last In-Person Meeting on October 8, 2023, we have had 10 Productive Meetings



**Autorité
des marchés
financiers**

cafii acifa

The Canadian Association of
Financial Institutions in Insurance

L'association canadienne des
institutions financières en assurance



L'AMF et l'ACIFA poursuivent leur dialogue ouvert et productif sur divers sujets

The AMF and CAFII continue to have open and productive dialogue on a variety of matters

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The Canadian Association of
Financial Institutions in Insurance

L'association canadienne des
institutions financières en assurance

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

3

CAFII Met with Yves Ouellet, then Recently Appointed New CEO, on December 14, 2024 in Montreal

On December 14, 2024 then CAFII Board Chair Peter Thompson, Vice Chair Paul Cosgrove, and Executive Director Keith Martin met Yves Ouellet and Éric Jacob in Montréal



L'ACIFA est reconnaissante que le nouveau président-directeur général de l'AMF, Yves Ouellet, ait accepté de rencontrer les représentants de l'ACIFA

CAFII appreciated that the new CEO Yves Ouellet agreed to meet with CAFII representatives

On July 25, 2024 CAFII Held a Virtual “Meet and Greet” with Hugo Lacroix, in His New Position as Superintendent, Securities Markets and Distribution

On July 25, 2024, Over 25 CAFII members, including New Board Chair Valerie Gillis and Vice Chair Paul Cosgrove, held a virtual “meet and greet” with Hugo Lacroix and his colleagues Nathalie Sirois, Louise Gauthier, and Mario Beaudoin



Les membres de l'ACIFA ont jugé la discussion avec Hugo Lacroix et ses collègues très productive et informative

CAFII members found the discussion with Hugo Lacroix and his colleagues very productive and informative

There was a Productive Meeting on Spousal Coverage Issues on April 29, 2024

CAFII's Executive Director and Four Senior Volunteers held a Virtual Meeting with the AMF's Nathalie Sirois, Véronique Martel, Mario Beaudoin, and Geneviève Komenda on April 29, 2024 on Spousal Coverage Issues

Nathalie Sirois
Véronique Martel
Mario Beaudoin
Geneviève Komenda

Rob Dobbins
Karyn Kasperski
Jennifer Russell
Jason Beauchamp
Keith Martin

D'énormes progrès ont été réalisés lors de la réunion avec l'AMF sur l'assurance des conjoints

Significant progress was made at the meeting with the AMF on spousal coverages

Mario Beaudoin and CAFII Executive Director Keith Martin Hold Regular Virtual Meetings to Share Notes and Developments

February 27, 2024

April 2, 2024

May 3, 2024

July 23, 2024

Topics include the statistics gathered by the AMF on claims denial; the new organizational structure at the AMF; spousal coverages; embedded credit card benefits; the consultation on AI; the new Regulation respecting Complaints Handling and Dispute Resolution in the Financial Sector; and other topics

Les réunions virtuelles périodiques entre Mario Beaudoin et Keith Martin ont permis de faire part des priorités de chaque organisation

The regular virtual meetings between Mario Beaudoin and Keith Martin are productive and informative

Other Meetings Have Been Held Between the AMF and CAFII in 2024

February 12, 2024

Keith Martin and other CAFII members attend the AMF Rendez-Vous in Montreal

May 25, 2024

Keith Martin and Véronique Martel have a conversation at the CLHIA Conference's Francophone Luncheon in Vancouver, BC

October 8, 2024

CAFII Board Chair Valerie Gillis and Keith Martin have breakfast with Hugo Lacroix and Mario Beaudoin

Les contacts et les réunions réguliers ont permis de s'assurer que l'ACIFA et ses membres comprennent bien les attentes de l'AMF

Regular touchpoints and meetings helps ensure that CAFII and its members understand the expectations of the AMF

On June 14, 2024 CAFII Made a Submission on the AMF Consultation on «*Issues and Discussion Paper: Best Practices for the responsible use of AI in the Financial Sector*»

CAFII found the paper to be thoughtful, thorough, well-researched, and an excellent thought-piece



L'ACIFA continuera de surveiller attentivement les enjeux liés à l'intelligence artificielle générative

CAFII will continue to monitor issues around Generative AI carefully

CAFII Members are Taking the Necessary Steps to Implement the new Regulation on Complaints by July 1, 2025

CAFII appreciates the implementation timeline for the new *Regulation respecting Complaints Handling and Dispute Resolution in the Financial Sector*



Les membres de l'ACIFA sont prêts pour la date limite du 1^{er} juillet 2025 pour la nouvelle réglementation de l'AMF concernant les plaintes

CAFII members are ready for the July 1, 2025 date for the new AMF regulation on complaints

CAFII Appreciates and Applauds the Leadership Role that the AMF Plans on CCIR and CISRO

CAFII continues to view the CCIR and CISRO as critical to the promotion of harmonization and principles-based regulation, and recognizes the leadership role the AMF plays in these two organizations, including around the *Annual Statement on Market Conduct*



L'ACIFA apprécie le rôle de leadership que l'AMF assume au sein du CCRRA et de l'OCRA

CAFII appreciates the leadership role the AMF plays in CCIR and CISRO

Overall, There Have Been Significant Achievements Over the Past Year

AMF and CAFII Discussions On a Variety of Issues Have Resulted in Significant Progress on Multiple Files

Les consultations et les discussions qui ont eu lieu au cours de la dernière année ont eu des résultats très positifs

Consultations and Discussion over the past year have had very productive outcomes

Merci

Thank you

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 4(c) Committees and Working Groups – Media Advocacy Committee

Purpose of this Agenda Item – *Introduction*

To introduce and inform the EOC of the Media Advocacy's recent activities.

Background Information

Chair of the Media Advocacy Committee Jacqlyn Marcus will introduce and inform the EOC of the Media Advocacy's recent activities.

Recommendation / Direction Sought – *Introduction*

This is an introduction item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

**CAFII EOC Meeting October 29, 2024—Agenda Item 4(c)i
Committees and Working Groups – Media Advocacy Committee – *Proposal to Merge the Research & Education Committee and the Media Advocacy Committee***

Purpose of this Agenda Item – Approval

To request approval from the EOC to merge the Research & Education Committee with the Media Advocacy Committee.

Background Information

Chair of the Media Advocacy Committee, Jacqlyn Marcus, Media Advocacy Committee Member Andrea Stuska, and CAFII Executive Director, Keith Martin, will request approval from the EOC to merge the Research & Education Committee with the Media Advocacy Committee. Andrea Stuska has agreed to remain Chair of the new amalgamated Committee if approval is provided, and Stephanie Kotani of Scotiabank has agreed to serve as Vice Chair.

Recommendation / Direction Sought – Approval

This is an approval item.

Attachments Included with this Agenda Item

One (1) attachment.

From: Keith Martin

Sent: October 22, 2024 12:18 PM

To: cecillia.xiao@assurant.com; Rebecca.Saburi@bmo.com; graeme.auchincloss@cwbank.com; Bobby.Khangura@cibc.com; Lauren.Ross@cibc.com; kevin.szweras@cibc.com; amogh.yadav@cibc.com; michelle.costello@cumis.com; deirdre.kennedy@cumis.com; stephanie.beaulieu@dsf.ca; fernando.heleno@rbc.com; Venkata.Bojedla@securiancanada.ca; andrea.stuska@td.com; sergey.beznosov@td.com; dallas.ewen@gwl.ca; aaron.sobeski@bmo.com; barbara_nelson@cooperators.ca; Shivani_Patel@manulife.ca; Stephanie.Kotani@scotiabank.com; Jacqlyn.Marcus@securiancanada.ca; andrea.stuska@td.com

Cc: 'Karyn Kasperski' <karyn.kasperski@rbc.com>; Burns, John <John.Burns@securiancanada.ca>; Robyn Jennings <Robyn.Jennings@cafii.com>; Troy Woodland <Troy.Woodland@cafii.com>; Wendy Bairos <Wendy.bairos@cafii.com>

Subject: CAFII: Proposed Amalgamation of R&E and Media Advocacy Committees

Hello Member of the Research & Education Committee, and the Media Advocacy Committee:

CAFII's Media Advocacy Committee has made important contributions to the Association under the very strong leadership of Jacqlyn Marcus as Chair. Jacqlyn is looking to step down from her role as Chair, and this has prompted a review of the best Committee structure going forward.

CAFII's front-end website has undergone significant enhancements over the past five years and our major focus is on ensuring there is continued excellent content populated on the website, including annual videos, and to invest in search engine optimization. Our media strategy has developed significantly over the past year through the work of our Media Consultant Wendy Bairos, and includes a strategy for mainstream media, trade media, our website, and social media. The key content for media and the website continues, per the Strategic Plan, to be generated from our annual commissioned research, which is led by the Research & Education Committee.

As such, we have concluded that it may be more efficient to merge the two Committees, which have always worked closely together. Andrea Stuska, who has also made an outstanding contribution to the Committee she has been chairing, has agreed, if this recommendation is approved by the EOC, to continue as Chair of the new amalgamated "Research, Media, Education, and Communications (RMEC) Committee." Research & Education Committee Vice Chair Michelle Costello would like to stay on the amalgamated Committee, but feels the time is right for her to step down as Vice Chair. We are advancing the name of **Stephanie Kotani, Scotia Insurance, as the new Vice Chair of the Committee.**

This will be an Agenda item, for approval, at the upcoming meeting on October 29 of the EOC.

Thank you,

--Keith

Keith Martin

Executive Director / Directeur général

Canadian Association of Financial Institutions in Insurance

L'association canadienne des institutions financières en assurance

keith.martin@cafii.com

T: 647.460.7725

www.cafii.com

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Rendre l'assurance simple et accessible pour les Canadiens

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<div> Research & Education Committee </div>				
First	Last	Email	Company	BOD/EOC/Committee
Cecilia	Xiao	cecilia.xiao@assurant.com	Assurant Canada	Research & Education
Rebecca	Saburi	Rebecca.Saburi@bmo.com	BMO Insurance	Research & Education
Graeme	Auchincloss	graeme.auchincloss@cwbank.com	Canadian Western Bank	Research & Education
Bobby	Khangura	Bobby.Khangura@cibc.com	CIBC Insurance	Research & Education
Lauren	Ross	Lauren.Ross@cibc.com	CIBC Insurance	Research & Education
Kevin	Szweras	kevin.szweras@cibc.com	CIBC Insurance	Research & Education
Amogh	Yadav	amogh.yadav@cibc.com	CIBC Insurance	Research & Education
*Michelle	Costello	michelle.costello@cumis.com	CUMIS/The Co-operators	Research & Education
Deirdre	Kennedy	deirdre.kennedy@cumis.com	CUMIS/The Co-operators	Research & Education
Stéphanie	Beaulieu	stephanie.beaulieu@dsf.ca	Desjardins Insurance	Research & Education
Fernando	Heleno	fernando.heleno@rbc.com	RBC Insurance	Research & Education
Venkata	Bojedla	Venkata.Bojedla@securiancanada.ca	Securian Canada	Research & Education
*Andrea	Stuska	andrea.stuska@td.com	TD Insurance	Research & Education
Sergey	Beznosov	sergey.beznosov@td.com	TD Insurance	Research & Education
Dallas	Ewen	dallas.ewen@gwl.ca	The Canada Life Assurance Company	Research & Education
* Chair				
**Vice Chair				

<div> Media Advocacy Committee </div>				
First	Last	Email	Company	BOD/EOC/Committee
Aaron	Sobeski	aaron.sobeski@bmo.com	BMO Insurance	Media Advocacy
Barbara	Nelson	barbara_nelson@cooperators.ca	CUMIS/The Co-operators	Media Advocacy
Shivani	Patel	Shivani_Patel@manulife.ca	Manulife	Media Advocacy
Stephanie	Kotani-Geneau	Stephanie.Kotani@scotiabank.com	Scotia Insurance	Media Advocacy
*Jacqlyn	Marcus	Jacqlyn.Marcus@securiancanada.ca	Securian Canada	Media Advocacy
Andrea	Stuska	andrea.stuska@td.com	TD Insurance	Media Advocacy
*Chair				

CAFII Committee Mandates/Descriptions As At February 8, 2022

Executive Operations Committee (EOC)

Reports to: Board of Directors

Current Chair: Rob Dobbins, Assurant Canada

Current Vice-Chair: Karyn Kasperski, RBC Insurance

Working with CAFII Co-Executive Directors, responsible for

- serving as a roll-up the sleeves committee and sounding board which works closely with CAFII management (Co-Executive Directors) on implementation of the Board-approved Strategic Plan and related results monitoring and accountability reporting;
- receiving and providing feedback on accountability reports/updates from Co-Executive Directors on all areas of CAFII activity, strategic and operational; and from the five EOC subcommittees;
- receiving and providing feedback on CAFII's monthly financial statements and financial forecast to the end of the fiscal year;
- reviewing/vetting and providing feedback on penultimate drafts of all CAFII regulatory submissions, prior to their finalization for EOC Chair's electronic signature and transmittal to the regulatory authority;
- meeting monthly either in-person or virtually, on an alternating basis, for either 90 minutes (1.5 hours) or two hours. Typically meets 9 to 11 times per year: every month except December, with July and August virtual meetings booked into calendars as Tentative/If Necessary.

Market Conduct & Licensing Committee

Reports to: Executive Operations Committee (EOC)

Current Chair: Brad Kuiper, ScotiaLife Financial

Current Vice-Chair: Fay Coleman, TD Insurance

Working with CAFII Co-Executive Directors, responsible for

- reviewing formal and informal regulatory consultation documents and information/feedback requests related to industry market conduct and licensing issues; and generating CAFII submission content for all such opportunities;
- vetting and providing feedback on one or more draft written submissions developed to respond to formal and informal regulatory consultation and information/feedback requests;
- meeting virtually on an *ad hoc* basis – typically for one hour – as required to develop and/or review CAFII regulatory submission content. Most regulatory consultations require one to two committee meetings; more complex/lengthy consultation documents may require three meetings.

Research & Education Committee

Reports to: Executive Operations Committee (EOC)

Current Chair: Andrea Stuska, TD Insurance

Current Vice-Chair: Michelle Costello, CUMIS Services Inc.

Working with CAFII Co-Executive Directors, responsible for

- formulating strategy, making recommendations, and providing accountability reports/updates to the EOC – and ultimately via the EOC to the CAFII Board – on CAFII's implementation of its Strategic Plan priority of commissioning independent, third party research on matters related to credit protection insurance (CPI), travel insurance, life and health insurance, and alternate distribution – in support of CAFII's regulatory relationship-building/communications/advocacy objectives and/or its consumer/media communications objectives;
- monitoring the implementation/execution of CAFII research initiatives, following Board approval;
- formulating strategy for and overseeing implementation of CAFII education/insights-sharing initiatives which flow from the Association's commissioned research and are targeted at insurance regulators and policy-makers, and other key stakeholder;
- liaising and co-ordinating with Media Advocacy Committee to maximize communications utility of the findings and insights emerging from CAFII's commissioned research;
- meeting on an *ad hoc* basis, as required, arising from the above-noted responsibilities.

Media Advocacy Committee

Reports to: Executive Operations Committee (EOC)

Current Chair: vacant

Current Vice-Chair: vacant

Working with CAFII Co-Executive Directors, responsible for

- formulating strategy, making recommendations, and providing accountability reports/updates to the EOC – and ultimately via the EOC to the CAFII Board – on CAFII's implementation of its Strategic Plan priority of maintaining a dynamic, consumer-focused website; related search engine optimization; and selected media relations initiatives to advance the Association's communications objectives;
- liaising and co-ordinating with Research & Education Committee to maximize communications utility of the findings and insights emerging from CAFII's commissioned research;
- meeting on an *ad hoc* basis, as required, arising from the above-noted responsibilities.

Travel Insurance Experts Committee

Reports to: Executive Operations Committee (EOC)

Current Chair: Katia Umutoniwase

Current Vice-Chair: vacant

Working with CAFII Co-Executive Directors, responsible for

- formulating strategy, making recommendations, and providing accountability reports/updates to the EOC – and ultimately via the EOC to the CAFII Board – on CAFII's responses to regulatory consultations and/or other industry issues related to travel insurance in one or more of its several forms: travel medical insurance; trip cancellation insurance; baggage loss insurance.
- meeting on an *ad hoc* basis, as required, arising from the above-noted responsibilities.

Networking & Events Committee

Reports to: Executive Operations Committee (EOC)

Current Chair: Carmelina Manno, Manulife Financial

Current Vice-Chair: Marco DeiCont, Valeyo

Working with CAFII Co-Executive Directors, responsible for

- providing strategy and content recommendations, and assisting in implementation oversight of CAFII events: Annual Members and Associates Luncheon; major Anniversary Celebrations (25th, 30th, etc.); post-Board meeting in-person Receptions; and annual webinar series.
- meeting on an *ad hoc* basis, as required, arising from the above-noted responsibilities.

Working Groups

CAFII also utilizes Working Groups on an *ad hoc*, as needed basis, which are created for a specific mandate and duration, typically to tackle a time-sensitive issue, after which they are disbanded.

For example, two Working Groups have recently completed their work and their activities have therefore been paused, but they may be reactivated after regulators respond to CAFII submissions that emanated from those Working Groups. They are:

Working Group on FCAC Appropriateness Guideline

Chair: Martin Boyle, BMO Insurance

This Working Group met bi-weekly from June to December 2021, to develop content for a CAFII response to the FCAC's intended "Appropriateness Guideline," which CAFII is concerned will be challenging for the credit protection insurance sector to be able to implement.

**CAFII Working Group On Industry Alignment Around Compliance With AMF's Expectations Re RADM's
Applicability To Credit Card-Embedded Insurance Benefits**

Initial Chair (Up to December 2021): Karyn Kasperski, RBC Insurance

Successor Chair (December 2021 and Subsequent): Jennifer Russell, Assurant Canada

This Working Group met weekly throughout the latter half of 2021 to develop responses to the AMF around the application of the Regulations respecting Alternative Distribution Methods (RADM) to credit card-embedded insurance benefits, including proposed modifications to the Fact Sheet and the Notice of Rescission to make them accurate with respect to those products.

Research, Media, Education, and Communications (RMEC) Committee

Reports to: Executive Operations Committee (EOC)

Proposed Chair: Andrea Stuska, TD Insurance

Proposed Vice Chair: Stephanie Kotani, Scotia Insurance

Working with CAFII's Executive Director, responsible for:

- Formulating strategy, making recommendations, and providing accountability reports and updates to the EOC, and ultimately via the EOC to the Board, on CAFII's implementation of its Strategic Plan priority of commissioning independent, third party research on matters related to credit protection insurance (CPI) and related issues relevant to CAFII's mandate, in support of CAFII's regulatory relationship-building, communications, and advocacy objectives including its communications and media objectives;
- Monitoring the implementation and execution of CAFII research initiatives, following Board approval;
- Formulating the strategy for and overseeing implementation of CAFII education and insight-sharing initiatives which flow from the Association's commissioned research and targeted at insurance regulators and policy-makers, and other stakeholders;
- Maximizing the utility of research findings as well as other assets and insights (such as the recordings of webinars or the summaries of comments from speakers at CAFII events, and videos on relevant CPI topics) on the CAFII website, with trade and mainstream media, and on social media;
- Formulating strategy, making recommendations, and providing accountability reports and updates to the EOC, and ultimately via the EOC to the Board, on CAFII's implementation of its Strategic Plan priority of maintaining a dynamic, consumer-focused website; related search engine optimization; and selected media relations initiatives to advance the Association's communications objectives;
- Oversight of the CAFII website to ensure it is supporting the Strategic Plan objective of providing relevant information to regulators, policy-makers, and the general public;
- Committee members are encouraged to consult internally within their organizations on research initiatives and media articles including from their legal departments.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 4(c)ii

Committees and Working Groups – Media Advocacy – *Update on Board-Approved Media Plan*

Purpose of this Agenda Item – *Update*

To update the EOC on CAFII's Board-approved media plan.

Background Information

CAFII Executive Director Keith Martin will update the EOC on CAFII's Board-approved media plan.

Recommendation / Direction Sought – *Update*

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.

CAFII - Media Plan

October 2024

Formally Approved by the CAFII Board of Directors at the October 8, 2024 Board Meeting

Overview: CAFII's mission and goal is to inform and educate the public and government stakeholders on behalf of its members. Additionally, CAFII aims to ensure proper standards for the distribution and marketing of all insurance products and services, working with legislative and regulatory groups to establish the framework. To date CAFII has chosen to limit its engagement with mainstream media.

Objective: CAFII aims to enhance public and regulators/policy makers understanding of the insurance products offered by its members, thereby reinforcing its role as a trusted resource. By addressing misinformation and educating the public and our regulators, we seek to build confidence in the insurance marketplace and support informed decision-making and flexible regulation that allows for innovation. Additionally, in meeting these objectives, CAFII looks to build brand awareness.

Approach: To expand our outreach while maintaining our cautious stance toward media engagement, we propose targeted strategies that will allow us to communicate effectively with consumers. These strategies will help CAFII position itself as a reliable source of information in the insurance industry, balancing the need for visibility with our risk-averse approach.

Submit contributed content and byline articles to consumer facing media

To enhance CAFII's visibility and establish it as a trusted source of expertise, we will submit high-quality contributed content and byline articles to relevant consumer-facing media outlets. This approach not only builds brand awareness beyond our membership but also positions CAFII as a thought leader, and trusted resource, in the sector.

Examples of Approaches:

1. Focus on research insights: We will develop articles that highlight key research findings, such as those from LIMRA, to provide data-driven insights that resonate with consumers.
2. Leverage industry expertise: Articles will draw on CAFII's deep industry knowledge to offer expert perspectives on trends, challenges, and opportunities within the insurance

marketplace.

3. Address consumer concerns: Content will focus on demystifying insurance products, addressing common misconceptions, and providing practical considerations for consumers.

Attached is our initial article focusing on LIMRA research findings. In priority order, we will be pitching this article to Financial Post, Toronto Star, and CBC.

Considerations

- While we aim to secure placement of the byline article, there is no guarantee that editors will accept it as is. We will pitch multiple editors to increase the chances of publication.
- Editors may suggest revisions, request a different emphasis, or ask for a re-write, but the core of the article will largely remain true to the original draft.
- If the article does not get picked up—whether due to timing or relevance to their audience—we recommend posting it as an insight piece on the CAFII website and promoting it through our social media channels.

Additional opportunities:

Increase Website Traffic and Strengthen the CAFII Brand: Boost visibility and engagement through more frequent blog or article publications on the CAFII website and promoting those articles on social channels.

Expand CAFII's Owned Content on Website and LinkedIn: Regularly publishing content on the CAFII website and promoting it on LinkedIn allows CAFII to maintain control over its messaging. Additionally, consistently updating content will enhance SEO performance, helping CAFII rank higher in search results for insurance-related topics.

Engage New and Existing Audiences: Content created and shared on the CAFII website and LinkedIn page typically reaches an audience already familiar with the organization. There are considerations for future strategies to broaden CAFII's reach to new audiences, including leveraging paid opportunities such as paid editorial placements that highlight CAFII insights in relevant industry publications, and boosting posts on social media channels to maximize visibility. This approach will drive more traffic to the CAFII website, fostering greater awareness and engagement with CAFII's mission. There are no paid promotions being considered for the remainder of 2024 and 2025 and no budget is being requested, but we will build a resource file to have on hand.

Process:

1. Topic Identification and Alignment:

- Begin by identifying a broad list of potential topics that are relevant to CAFII's members and their interests.
- These topics will be confirmed in collaboration with the Media Advocacy Committee and EOC, to ensure alignment with what matters most to members, as well as with the seasonality calendar of key industry events, trends, and concerns.
- The aim is to align content topics with the strategic priorities of CAFII and the needs of its members.

2. Topic Approval:

- Work with CAFII Media Advocacy Group on final list and approval
- Present the prioritized list of topics to the EOC for review and endorsement.
- During this stage, the EOC may provide input on refining the topics to better align with member needs or to fit into the overall communications strategy.
- Once approved, this list will serve as the foundation for content creation efforts.

3. Content Development:

- From the approved list, select the top 3 topics that are most timely and relevant.
- Develop these topics into fully drafted byline articles, attributed to Keith Martin, intended for media outreach.
- Each article should be crafted with a focus on securing publication in key media outlets, emphasizing angles that would appeal to editors and their readership.
- At least one CAFII member will be expected to send the letter to their legal counsel for review and feedback.
- Each article to be reviewed and approved by the Media Advocacy Committee.

4. Media Pitching:

- Pitch the byline articles to targeted media outlets.
- Track responses from editors, noting any feedback or requests for adjustments to the content.

5. Publication Strategy:

- If an article is accepted by a media outlet, collaborate with the editor to finalize and publish the piece.
- For articles not selected by editors, repurpose them by publishing them on the CAFII website as insight pieces. This ensures that the content is still utilized and contributes to CAFII's thought leadership and online presence.

6. Promotion and Amplification:

- Promote published articles, whether through media or the CAFII website, across all CAFII-owned channels, including LinkedIn and other social media platforms.

- Consider additional amplification strategies such as paid promotions, partnerships with influencers, or cross-promotion with other relevant organizations.
- 7. Ongoing Review and Adjustment:**
- Regularly review the performance of published content, including metrics like engagement, reach, and SEO impact.
 - Use insights from these reviews to refine future topic selection, content development, and promotional strategies, ensuring continuous alignment with CAFII's goals and member interests.

Draft list of topics

Below is a list of future topics for CAFII articles.

1. **"The Role of Credit Protection and Mortgage Insurance in Safeguarding Canadian Homeowners"**
Explore how credit protection, mortgage life, disability, and critical illness insurance collectively offer financial security during times of economic uncertainty or personal hardship, ensuring that homeowners can protect their families and homes.
2. **"Credit Protection and Personal Loan Insurance: Building Financial Resilience in Uncertain Times"**
Highlight the benefits of credit protection and personal loan insurance, particularly during job loss, disability, or untimely death, and how they help homeowners and borrowers stay financially stable.
3. **"Debunking Myths and Misconceptions About Credit Protection Insurance"**
Address common misconceptions surrounding credit protection insurance (CPI) while providing clear, factual information to help consumers make informed decisions about securing their financial future.
4. **"When Should You Consider Credit Protection Insurance? Key Life Stages and Financial Moments"**
Identify critical life stages—such as taking on a new mortgage, personal loan, or experiencing major life changes—where credit protection insurance becomes especially valuable.
5. **"Critical Illness, Disability, and Job Loss Insurance: Essential Safety Nets for Canadian Families"**
Discuss the importance of critical illness, disability, and job loss insurance in providing peace of mind and financial stability, covering medical bills, income loss, or temporary unemployment.
6. **"Choosing the Right Insurance: Mortgage Life Insurance vs. Traditional Life Insurance"**
Compare and contrast mortgage life insurance and traditional life insurance options to help homeowners decide which coverage best fits their family's needs and financial situation.

7. **"The Complete Guide to Filing Insurance Claims: Disability, Job Loss, and Critical Illness"**
Provide a step-by-step guide to successfully navigating the claims process for disability, job loss, and critical illness insurance, with tips on documentation and communication with insurers.
8. **"Why Life and Health Insurance Are Essential for Every Canadian Family"**
Explore the different types of life and health insurance, from term and whole life to supplementary health insurance, and explain how they can safeguard a family's financial future in times of need.
9. **"Maximizing Your Insurance Coverage: Tips for Home, Life, and Health Insurance"**
Offer strategies for homeowners and families to get the most out of their insurance policies, including understanding deductibles, choosing beneficiaries, and optimizing health insurance.
10. **"Preventing Common Home Insurance Claims and Understanding Deductibles"**
Offer practical considerations on avoiding common home insurance claims, such as those related to water damage or fire, and explain how deductibles impact coverage and cost.
11. **"The Importance of Travel Medical Insurance: Protecting Canadians Abroad"**
Discuss why travel medical insurance is essential for Canadians traveling outside the country, emphasizing the potential high costs of medical care abroad and how proper coverage can protect travelers from financial strain during emergencies.
12. **"Comprehensive Travel Insurance: What You Need to Know Before Your Next Trip"**
Explore the different types of travel insurance (trip cancellation, interruption, and medical coverage) and provide guidance on selecting the right policy to cover unforeseen events, such as medical emergencies, flight cancellations, or lost baggage.
13. **"Why Trip Cancellation and Interruption Insurance is a Must-Have for Today's Travelers"**
Explore the importance of trip cancellation and interruption insurance, particularly in the current travel landscape, where unexpected events like illness, flight delays, or global disruptions can lead to significant financial loss. Highlight how this type of insurance provides peace of mind and financial protection, ensuring that travelers are covered for non-refundable expenses if their plans are derailed.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 4(c)iii

Committees and Working Groups – Media Advocacy – *Next Steps on Media Plan – Update on Article for Submission to National Post*

Purpose of this Agenda Item – Update

To update the EOC on the next steps regarding CAFII's Board-approved media plan, particularly the article for submission to the National Post.

Background Information

CAFII Executive Director Keith Martin will update the EOC on the next steps regarding CAFII's Board-approved media plan, particularly the article for submission to the National Post. CAFII Board Chair Val Gillis recommended at the Board meeting on October 8, 2024, that articles should be reviewed by the legal department of at least one member, and TD Insurance has done that for the National Post article. A revised version of the article will be circulated to the Board for an email-approval.

Recommendation / Direction Sought – Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 4(c)iv

Committees and Working Groups – Media Advocacy Committee – *Update on front and Backend Website Investments*

Purpose of this Agenda Item – Update

To update the EOC on CAFII's website's front and backend investments.

Background Information

CAFII Executive Director Keith Martin will update the EOC on the recent developments regarding the CAFII website's front and backend investments. Contracts have now been signed with Fusion Studios, for work on search engine optimization and to rebuild CAFII's backend; and with Key West Studios, to develop two videos for posting on CAFII's website.

Recommendation / Direction Sought – Update

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.

CAFII Website Video

Focus on "Canadians at Risk" and the Role of CPI (Second-Person Perspective)

Audio	Visual	Time	Comment
Life can be unpredictable. But being prepared can make all the difference	Soft focus on a family enjoying a moment together at home, with a warm inviting atmosphere.		
According to a LIMRA study, 38% of Canadian homeowners may be at financial risk if an unexpected event were to happen.	The family continues their day—cooking, playing, and smiling. Overlaid text appears with the stat “38% of Canadian homeowners” in a clean, modern font. A soft, neutral color palette is used.		
If you're like those Canadians who are uninsured or underinsured, you might not have enough coverage to protect what matters most – your home, your family.	A split screen shows images of different families including single parents and couples with children overlaid with text defining "underinsured" and "uninsured."		
But there's a simple way to help secure that peace of mind.	A subtle transition to an image of the home's exterior with the family inside. The lighting suggests a safe and cozy environment.		

Credit Protection Insurance, or CPI, is designed to help reduce or pay off your outstanding mortgage or home equity line of credit balance when an approved claim is made.	An animated, gently glowing shield envelops a house, symbolizing protection, with text that reads: "CPI – helping protect your home." The shield is simple and not overly flashy, keeping with the calm tone.		
It's about ensuring that your loved ones can remain in the home they know, even during life's hardest moments.	A scene of the family spending quiet, meaningful time together—perhaps sharing a meal or reading. The focus is on warmth, love, and security.		
With CPI, you're taking a small but important step to secure their future.	A parent tucks their child into bed, reinforcing the sense of care and security. The lighting is soft, with a warm glow, as the text "Secure your family's future" appears.		
Because protecting your home means protecting what matters most	The family sits together on a sofa, smiling and relaxed, with subtle transitions that highlight moments of connection. The CAFII logo appears calmly at the bottom, along with the LIMRA logo.		
CAFII strives to make insurance simple, accessible, and affordable. Learn more about Credit Protection	CAFII's tagline "CAFII: Making insurance simple, accessible, and affordable." fades in,		

Insurance and how it can give you peace of mind.	followed by the CAFII and LIMRA logos, with a final call to visit CAFII's website for more information.		

CAFII Website Video

Overview of LIMRA Research on Credit Protection Insurance for Canadian Homeowners

Audio	Visual	Time	Comment
Protecting your home and family: Understanding the risks			
Life can be unpredictable, but there are steps you can take to protect your home and loved ones	CAFII and LIMRA logos fade in, centered on the screen, with a brief animation of a house appearing in the background	5 Sec	
A recent LIMRA study reveals that 80% of Canadian homeowners are either uninsured or underinsured, leaving them with less than the recommended seven to ten times their annual income in coverage – a guideline provided by the Financial Consumer Agency of Canada.	A pie chart showing 80% of the circle in red, labeled as "Underinsured or Uninsured," with text defining "underinsured" at the bottom of the screen.	8 sec	
Low-income homeowners are particularly vulnerable, with 75% lacking sufficient insurance. This can leave them at risk of financial hardship.	A bar chart illustrating the percentage of uninsured and underinsured homeowners by income level, focusing on low-income groups.	8 sec	
Despite these risks, only 55% of surveyed	An infographic showing 55% of	8 seconds	

homeowners with a mortgage, a home equity line of credit, or both have Credit Protection Insurance, or CPI. CPI can play an important role to help secure your financial future.	homeowners with credit who have CPI, with an icon of a shield protecting a house..		
However, there's a knowledge gap that exists among low-income homeowners, when it comes to understanding and accessing CPI.	A magnifying glass zooms in on the words "Knowledge Gap," then transitions to an image of a financial education seminar or consultation.	7 sec	
It's important to close this knowledge gap by increasing awareness and education around the benefits of Credit Protection Insurance, particularly for those at a higher financial risk.			
Credit Protection Insurance is an important option to help secure your financial stability	A visual of a home being secured by a shield with "CPI" written on it, with text overlaying: "CPI – A vital protection for 55% of homeowners with mortgages.	7 sec	
For homeowners with dependents, CPI is especially important. 61% of surveyed homeowners with a mortgage, a home equity line of credit, or both, are at risk of leaving their loved ones financially vulnerable.	Image of a family, with a house in the background, and text emphasizing "61% of homeowners with credit are at risk.	8 sec	

Understanding your insurance options, including Credit Protection Insurance, is an important component to securing your family's future.	A checklist with educational points such as "Explore CPI" and "Protect Your Family," followed by the CAFII logo and website link	8 sec	
CAFII: Making insurance simple, accessible, and affordable.	Protecting what's important" appears on the screen with a soft fade, ending with the CAFII and LIMRA logos.	5 sec	

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 4(d) Committees and Working Groups – Research and Education

Purpose of this Agenda Item – Introduction

To introduce and update the EOC on the Research and Education Committee's recent activities.

Background Information

Chair of the Research and Education Committee, Andrea Stuska, will introduce and update the EOC on the committee's recent activities.

Recommendation / Direction Sought – Introduction

This is an introduction item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 4(d)i
Committees and Working Groups – Research and Education – *Update on Deloitte Research on Technology Trends and Artificial Intelligence*

Purpose of this Agenda Item – Update

To update the EOC on CAFII's research with Deloitte on Technology Trends and AI

Background Information

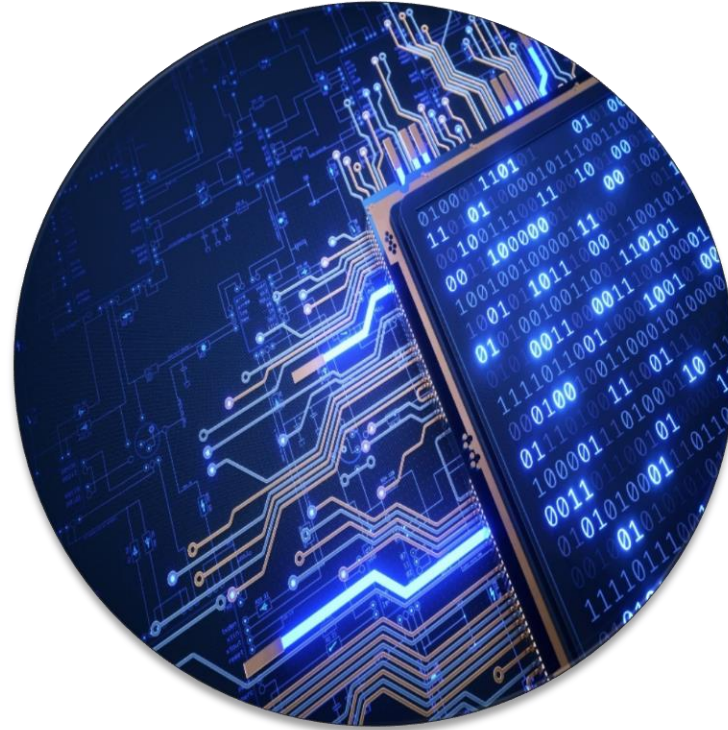
CAFII Executive Director Keith Martin will update the EOC on CAFII's research with Deloitte on Technology Trends and AI. Deloitte has set up interviews with CAFII's members to discuss the questionnaire they circulated at the end of the summer. Once the interviews have been conducted on the questionnaire, Deloitte will supplement its findings with a written survey. When the draft report is complete, it will be shared with CAFII's research committee, the EOC, and finally, the Board. The outputs will be an executive summary, including a PowerPoint presentation, and a written report. CAFII will also organize a webinar to present the findings.

Recommendation / Direction Sought – Update

This is an update item.

Attachments Included with this Agenda Item

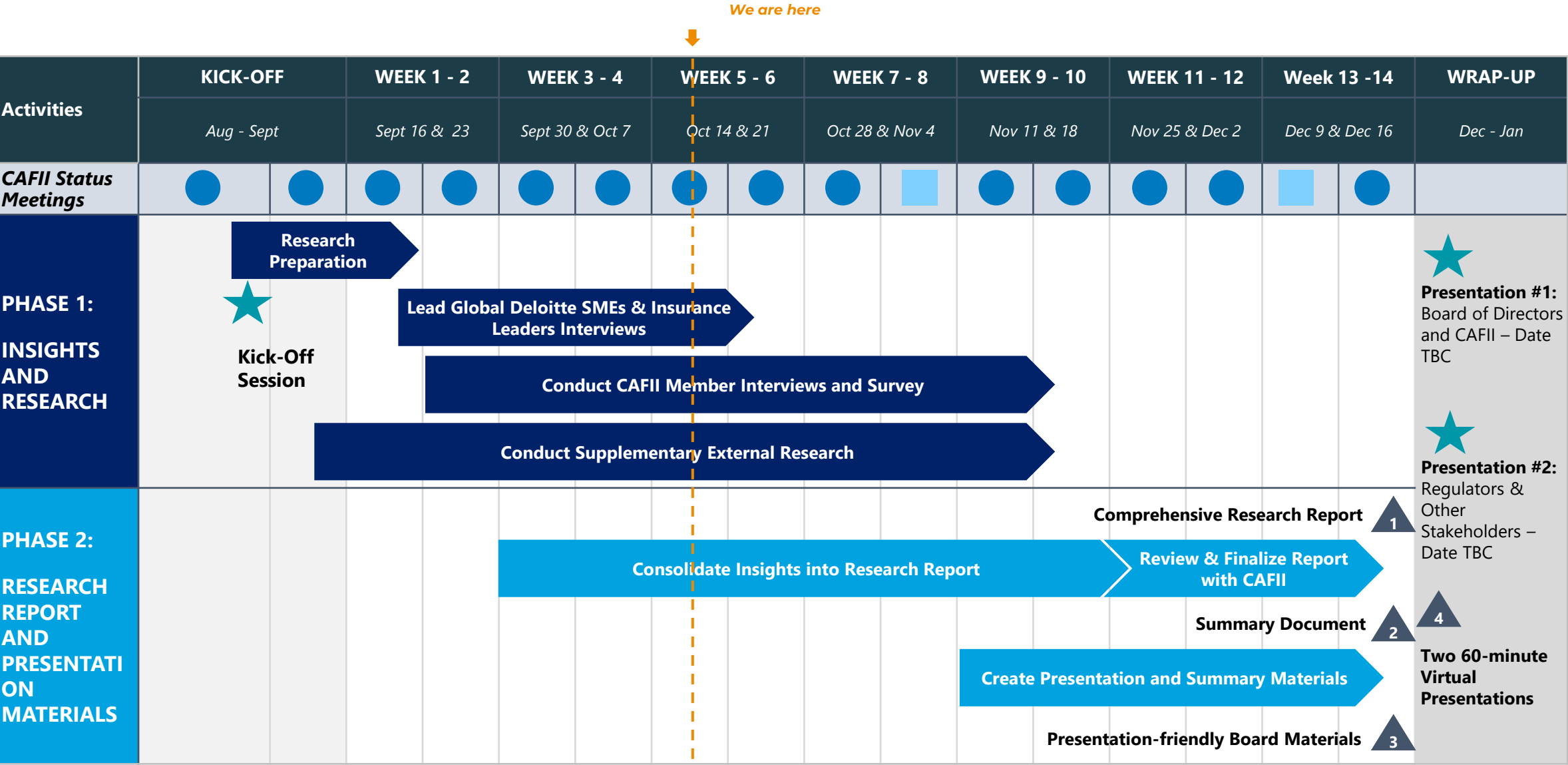
One (1) attachment.



Exploring Emerging Technology & Gen AI Trends in CPI

Status Update – Week of Oct 15th

Where we stand today



Status Report – Week of Oct 15th

OVERALL STATUS:

ON TRACK

KEY ACTIVITIES COMPLETED

- ✓ Initiated interviews with identified CPI leads from CAFII members
- ✓ Initiated external research to gather perspectives on emerging technologies impact on CPI, and customer preferences
- ✓ Validate Deloitte in-house translation costs

KEY ACTIVITIES IN-FLIGHT

1. Continue to complete interviews, consolidating insights and themes:
 - 11 interviews completed, 2 outstanding
 - 2 organizations will not be engaged
2. Validate and finalize quantitative survey
3. Continue secondary research based on table of content shared during the official kick-off meeting

UPCOMING ACTIVITIES

1. Validate and finalize quantitative survey
2. Share survey with members for feedback (48h timeline)
3. Supplement member engagement research with Deloitte research

MILESTONES (M) / DELIVERABLES (D)

	Timing	Status
1 Kick-Off (M)	Prep	C
2 Stakeholder Interviews (M)	Week 1-5	M
3 Conduct Quantitative Survey (M)	Week 3-5	OT
4 Conduct Supplementary External Research (M)	Week 3-5	OT
5 Touchpoint #1: Share preliminary findings (M)	Week 6	OT
6 Preliminary Research Report (M)	Week 9	-
7 Touchpoint #2: Review & Refine with CAFII Research Committee	Week 11	-
8 Comprehensive Research Report (D)	Week 12	-
9 Summary Document (D)	Week 12	-
10 Presentation-friendly Board Materials (D)	Week 12	-
11 Virtual Presentations (D)	TBC	-

OUTSTANDING ITEMS / ISSUES / RISKS

#	Description	Owner	Current Status	Due Date	Status
-					

Update on the Interview Process

Deloitte has conducted the majority of interviews with CAFII members covering both underwriters and distributors of CPI, with a focus on interviewing CPI business and technology leads

CAFII Member Organizations to be Interviewed



Interview Context and Scope

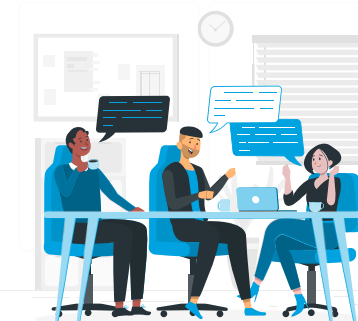
11/15

organization
interviewed

>25

Interviewees both on the
business and technology side

1. Interviews with BMO, Scotia, Chubb, and CT Financial remain outstanding
2. Draft key themes are highlighted on the subsequent slide
3. Insights will be supplemented with both Deloitte research and the upcoming member benchmarking survey



Key Interview Themes – As of Oct 17th

Based on the 11 interviews conducted to date with both CPI distributors and underwriters, the below key themes have emerged thus far



Headwinds

A - Affordability Concerns: Overall cost pressures and housing affordability concerns are driving customers to cancel / not-purchase CPI products

B - Digital Conversion: Difficulty to create the same level of engagement and conversion for CPI through digital channel than with traditional in-branch agents

C – Complex Regulatory Landscape: Potential hurdles and investments required related to national and provincial regulatory requirements

D – Lack of Understanding on CPI Value: Customers and the general public have a varied understanding of the value CPI creates



Customer Opportunities

E – Product Innovation / Simplification: Evolving CPI products to meet the needs / expectations of today's customers and the realities of a digital first financial service ecosystem

F – Proactive Employee / Agent Tools: Equipping employees, both frontline and backend with tools that enable them to appropriately deliver and service CPI products

G – Tailored Digital Engagement: Delivering on customer expectations for experiences that are tailored and showcase the value CPI creates



Technology Priorities

H – Value Through Analytics: Generating value from the data that is available to CPI distributors and underwriters across the entire value chain

I – Backoffice Efficiency & Flexibility: Powering modern front-end experiences with cost efficient operations at scale

J – Thorough AI Understanding: Ensuring we appropriately understand AI capabilities, risks and guardrails before implementing use cases

K – Simplified Integrations: Enabling partners and modern experiences by simplifying connectivity and data sharing where possible

The report will build on these key themes, as well as takeaways from the upcoming survey and Deloitte's industry research

Next Steps on the Survey

To build on the interviews and Deloitte research, we will be conducting a survey with participating CAFII members with the objective of obtaining quantifiable benchmark data

Target Audience: CAFII Members



- We will engage the respective CAFII member appointed point of contacts to coordinate the completion of the survey
- Although each member will complete a single response, the survey can be completed by multiple individuals
- To Confirm: Should organizations that have not participated in the interview be included in the survey?

Survey



Focus Areas (Quantitative):

- **Priority Business Outcomes Driving Investment** (e.g., growth, customer penetration, profitability)
- **Operational Metrics & Targets** (e.g., % STP for new business)
- **Digital KPIs Monitored** (e.g., % of sales from digital, % of digitally active)
- **Customer Experience** (e.g., NPS, client retention)
- **Technology Investment** (e.g., budget allocation to various Technology domains current and future, approach for funding new initiatives)

Additional Details / Next Steps

1. We will share the survey with committee members on Oct 22nd providing a 2-day window to provide any additional feedback
2. The survey is targeted to be sent out on October 28th and we will provide a 2-week time frame to member for its completion
3. We estimate approximately 2 weeks upon receipt of responses to consolidate and synthesize takeaways
4. The survey includes approximately 20 questions and is evaluated to take about 30 minutes to complete – assuming information is readily available
5. Anonymized survey takeaways / outputs will be shared with participating members
6. Members will have the opportunity to engage the Deloitte team to help complete the survey an address any concerns, questions, and clarifications



Any Questions?

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Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 4(e)

Committees and Working Groups – Diversity, Equity, and Inclusion Working Group

Purpose of this Agenda Item – Introduction

To introduce and update the EOC on the Diversity, Equity, and Inclusion Working Group's recent activities.

Background Information

Chair of the Diversity, Equity, and Inclusion Working Group Tejal Harri-Morar will introduce and update the EOC on the Committee's recent activities.

Recommendation / Direction Sought – Introduction

This is an introduction item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 4(e)i

Committees and Working Groups – Diversity, Equity, and Inclusion Working Group – *DEI Working Group*

Next Steps

Purpose of this Agenda Item – *Update*

To update the EOC on the DEI Working Group's next steps.

Background Information

Chair of the Diversity, Equity, and Inclusion Working Group, Tejal Harri-Morar, and CAFII Executive Director Keith Martin will update the EOC on the next steps for the DEI working group. The Working Group has conducted a thorough survey of the DEI initiatives of CAFII's members, and the findings will be an important component of the Working Group's next steps as it works towards a formal recommendation to the Board.

Recommendation / Direction Sought – *Update*

This is an update item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 4(f) Committees and Working Groups – Networking & Events Committee

Purpose of this Agenda Item – Introduction

To introduce and update the EOC on the Networking & Events Committee's recent activities.

Background Information

Chair of the Networking & Events Committee, Carmelina Manno, will introduce and update the EOC on the Committee's recent activities.

Recommendation / Direction Sought – Introduction

This is an introduction item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFIL EOC Meeting October 29, 2024—Agenda Item 4(f)i

Committees and Working Groups – Networking & Events Committee – *Fall 2024 Webinars*

Purpose of this Agenda Item – Update

To update the EOC on CAFIL’s planned Fall 2024 webinars.

Background Information

CAFIL’s Executive Director, Keith Martin, will update the EOC on CAFIL’s planned Fall 2024 webinars. Five successful webinars have been held in 2024, with one more to take place in November on travel and travel insurance. A slate of 2025 webinars is already being developed.

Recommendation / Direction Sought – Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.

For convenience, the following items have been linked:

- [List of CAFIL’s Fall 2024 Webinars.](#)

Briefing Note

CAFII EOC Meeting 19 September 2024—Agenda Item 5(a)

Strategic and Regulatory Initiatives – Update on Expansion of the RSM Canada Quarterly Benchmarking Study

Purpose of this Agenda Item – Update

To update the EOC on the expansion of the RSM Canada Quarterly Benchmarking Study.

Background Information

CAFII Executive Director Keith Martin will update the EOC on the expansion of the RSM Canada Quarterly Benchmarking Study. RSM Canada is working with contributors to the existing study to see if it can be expanded to include HELOCs.

Recommendation / Direction Sought – Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 6(a)

Governance – Proposal to Bill Canadian Western Bank Quarterly in 2025, Pending Merger with National Bank

Purpose of this Agenda Item – Endorsement for Board Approval

To request endorsement for Board approval from the EOC on the proposal to bill Canadian Western Bank Quarterly in 2025, pending merger with National Bank.

Background Information

CAFII Executive Director Keith Martin will update and request endorsement for Board approval from the EOC on the proposal to bill Canadian Western Bank Quarterly in 2025, pending the merger with National Bank. It is not certain when CWB will receive regulatory approval to merge with National Bank, and it may be easier to retain CWB as a member if they do not need to join for a full year when the merger may well be approved earlier in 2025.

Recommendation / Direction Sought – Endorsement for Board Approval

This is an endorsement item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 6(b) Governance – CAFII Proposed Policy Around Who Can Join CAFII Committees

Purpose of this Agenda Item – Endorsement for Board Approval

To inform the EOC and then request endorsement for submission to the Board for approval of CAFII's proposed policy regarding who can join CAFII's committees.

Background Information

EOC Chair Karyn Kasperski will inform the EOC and then request endorsement for submission to the Board for approval of CAFII's proposed policy regarding who can join CAFII's committees.

Recommendation / Direction Sought – Endorsement for Board Approval

This is an endorsement item.

Attachments Included with this Agenda Item

One (1) attachment.

CAFII – Policy with respect to EOC membership eligibility

Purpose – As the number of individuals who wish to join CAFII’s EOC or sub-committee grows, there is an emerging need around governance to ensure that member companies are represented by eligible individuals who can adequately represent their member companies views on industry issues CAFII is engaged in.

Principle #1 – Any individual actively employed by an Member, may participate as an Executive Operations Committee (EOC) member (or any sub-committee or working group)

- Actively employed – a full time or contract employment arrangement with the Member’s organization

Principle #2 - Approval from the sitting Board Member from the Member company for the participation of the proposed individual in the EOC, sub-committee or working group

- Approval allows the proposed individual to speak on behalf of the Member in matters of discussion before the EOC, sub-committee or working group and their position will be reflective of the Member’s position in industry matters
- The sitting Board Member from the Member company is responsible for notifying the Executive Director of the individual’s role in terms of participation (example – EOC, sub-committee or working group or combination of any of these)
 - Based on the best interests of CAFII, the Executive Director will have the authority to decline the individual’s participation on discussion with the Board Member.

Principle #3 – The individual’s status changes from actively employed either through retirement, voluntary or involuntary job loss.

- Should the individual’s employment status change from that outlined in Principle #1, the individual is no longer eligible for membership within CAFII’s EOC, sub-committee or working group.
- The sitting Board Member from the Member company is responsible for notifying the Executive Director and/or EOC Chair and identifying a replacement should they wish.
 - Based on the best interests of CAFII, the Executive Director will have the authority to decline the replacement’s participation on discussion with the Board Member
- If the sitting Board Member chooses to keep the individual sitting within EOC, sub-committee or working group, they have the ability to do so by providing to the Executive Director that the individual has in place as a minimum standard a contract employment arrangement with the Member and with the full knowledge Principle #2 applies to that proposed individual. The individual’s participation in the EOC, sub- committee or working group may be ended at any time at the sitting Board Member’s discretion and notification to the Executive Director.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 6(c)

Governance – DISCUSS: Do members of the EOC or other Committees Circulate CAFII Documents Internally for Feedback Prior to Commenting on Them?

Purpose of this Agenda Item – Discussion

To discuss with the EOC whether members of the EOC or other Committees circulate CAFII documents internally for feedback prior to commenting on them.

Background Information

CAFII Executive Director Keith Martin will discuss with the EOC whether members of the EOC or other Committees circulate CAFII documents internally for feedback prior to commenting on them. At the October 8, 2024, Board meeting it was noted that it is a good practice for members of the EOC and other Committees to consult internally on issues being raised by CAFII.

Recommendation / Direction Sought – Discussion

This is a discussion item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 6(d) Governance – Update on Hiring Operations Manager

Purpose of this Agenda Item – Update

To update the EOC on the hiring of a new Operations Manager.

Background Information

CAFII Executive Director Keith Martin will update the EOC on the hiring of a new Operations Manager. The job description has been modified to make the position include more senior components and have a more senior title.

Recommendation / Direction Sought – Update

This is an update item.

Attachments Included with this Agenda Item

One (1) attachment.

cafii acifa Canadian Association of Financial Institutions in Insurance (CAFII)



Operations Manager

Ontario, Canada · Reposted 4 weeks ago

\$75K/yr - \$95K/yr · Remote · Full-time

1-10 employees

Job poster joined LinkedIn in 2013

See how you compare to over 100 other applicants. [Retry Premium for CA\\$0](#)

No longer accepting applications

About the job

Do you enjoy working in a highly professional environment where you can play a pivotal role in bringing together industry executives on common issues, who are dedicated to delivering meaningful choice to their consumers? Have you been searching for an opportunity to grow your career in a high impact industry with a motivating leadership team, dedicated to fostering your professional progress and success?

CAFII is the exciting intersection of high level executives in the Finance and Insurance industries, with government officials and regulating bodies. CAFII's intimate team works in a fully remote environment between in-person events.

CAFII is a not-for-profit industry Association celebrating over 25 years as a key stakeholder in Canada's life and health insurance sector. We bring together tremendous competitors and find common ground.

CAFII delivers a united voice for financial institutions involved in selling insurance through a variety of distribution channels. CAFII believes that consumers are best served when they have meaningful choice in the purchase of insurance products and services. Our members offer credit protection, travel, life, health, and property and casualty insurance across Canada through client contact centres, agents and brokers, travel agents, direct mail, branches of financial institutions, and the internet. CAFII's members are Canada's leading banks, credit unions, and insurers.

CAFII is seeking an **Operations Manager** to provide support to the Executive Director and the Association generally around key operational and process matters.

Location and Nature of Position

As is the case for all CAFII team members, the Operations Manager will work almost exclusively from their home office. CAFII has always endorsed a remote work model. The Operations Manager position is a full-time, 37.5 hours per week role.

Key Responsibilities and Accountabilities:

Reporting to the Executive Director, the Operations Manager will have the following responsibilities and accountabilities:

Operations, Process, and Project Management

Organization and execution of Executive Operations Committee (EOC) meetings, EOC sub-committee meetings, Board of Directors meetings, and the Annual Meeting of Members (AGM), including the preparation of agendas and related materials for these meetings;
Organize and execute occasional electronic voting of the Board
Operations support in the development of CAFII's annual Operating Budget; managing monthly financial statement and forecast-to-fiscal-year-end updates to the EOC and Board; and managing the annual audited financial statements process and related relationship with external auditor;
Administration of the annual Member and Associate dues invoicing and collection process;
Oversight of CAFII's electronic accounts payable process, in conjunction with the Association's Controller/Accountant;
Onboarding new EOC, Board, and Committee members, including setting up one-hour meetings to brief new members on CAFII, and working with our partner Managing Matters to keep CAFII's orientation package up-to-date; and
Process enhancements, project management, and vendor relations.

Events

Plan, and execute post-Board meeting Reception Events;
Start to finish organization of the Annual Members and Associates Luncheon;
Full oversight and delivery of the EOC Annual Appreciation Dinner;
Project management and execution of annual tour schedule, travel and accommodations for CAFII team to connect with insurance regulators and policy-makers in person (typically one per year to either Western Canada (four provinces); or Atlantic Canada (four provinces));
Responsible for organizing and producing side bar meetings with regulators and policy-makers in conjunction with the annual CLHIA Consumer and Complaints Conference, usually held in May in a major Canadian city;
Develop and deliver the Annual Liaison Lunch and Industry Issues Dialogue with Autorité des marchés financiers staff executives in Quebec (Montreal or Quebec City), followed by an immediately ensuing CAFII Board meeting;
Coordinate in-person, virtual, or hybrid meetings with staff executives from the Financial Services Regulatory Authority of Ontario (FSRA), other provincial/territorial insurance regulators and policy-makers, the Canadian Council of Insurance Regulators (CCIR), the Canadian Insurance Services Regulatory Organisations (CISRO), the Financial Consumer Agency of Canada (FCAC), the Office of the Superintendent of Financial Institutions (OSFI), or from allied industry Associations, as requested by the Executive Director;
Assist in the planning/organization of six to eight CAFII webinars per year; and
Other Operations, Events, and Association Governance duties, as may be assigned by the Executive Director from time-to-time.
CAFII has a contract with a professional Association Management Company who the Operations Manager will work with and get assistance from around administration, accounting, and the planning of events.

Key Skills, Experience, and Attributes

The successful candidate will have 8-10 years' experience in the Associations sector, business, or government, with a focus on **operations, process, project management, and events**. This is an individual with superb project management skills and a solid track record of career accomplishments to date, who is a self-starter and able to organize multiple, often concurrent, events and processes. This individual is someone who enjoys having a wide span and variety of responsibilities, and is a quick study who will be able to grasp the vernacular and subtleties of life and health insurance. This is a person who enjoys a fast-paced, complex environment. Being fluently bilingual (English and French) will be a valuable asset.

Travel

This position will entail occasional travel within Canada, and the need to travel to downtown Toronto offices of CAFII member companies and other industry organizations a few times per month.

Operations Manager

The Canadian Association of Financial Institutions in Insurance [🔗](#)

Remote

\$75,000–\$95,000 a year - Permanent, Full-time

Location

📍 Remote

Benefits

Pulled from the full job description

Pulled from the full job description

- Company events
- Dental care
- Extended health care
- Paid time off
- Work from home

Full job description

About us

Do you enjoy working in a highly professional environment where you can play a pivotal role in bringing together industry executives on common issues, who are dedicated to delivering meaningful choice to their consumers? Have you been searching for an opportunity to grow your career in a high impact industry with a motivating leadership team, dedicated to fostering your professional progress and success?

CAFII is the exciting intersection of high level executives in the Finance and Insurance industries, with government officials and regulating bodies. CAFII's intimate team works in a fully remote environment between in-person events.

CAFII is a not-for-profit industry Association celebrating over 25 years as a key stakeholder in Canada's life and health insurance sector. We bring together tremendous competitors and find common ground.

CAFII delivers a united voice for financial institutions involved in selling insurance through a variety of distribution channels. CAFII believes that consumers are best served when they have meaningful choice in the purchase of insurance products and services. Our members offer credit protection, travel, life, health, and property and casualty insurance across Canada through client contact centres, agents and brokers, travel agents, direct mail, branches of financial institutions, and the internet. CAFII's members are Canada's leading banks, credit unions, and insurers.

CAFII is seeking an Operations Manager to provide support to the Executive Director and the Association generally around key operational and process matters.

Location and Nature of Position

As is the case for all CAFII team members, the Operations Manager will work almost exclusively from their home office. CAFII has always endorsed a remote work model. The Operations Manager position is a full-time, 37.5 hours per week role.

Key Responsibilities and Accountabilities:

- Reporting to the Executive Director, the Operations Manager will have the following responsibilities and accountabilities:
- Operations, Process, and Project Management
- Organization and execution of Executive Operations Committee (EOC) meetings, EOC sub-committee meetings, Board of Directors meetings, and the Annual Meeting of Members (AGM), including the preparation of agendas and related materials for these meetings;
- Organize and execute occasional electronic voting of the Board
- Operations support in the development of CAFII's annual Operating Budget; managing monthly financial statement and forecast-to-fiscal-year-end updates to the EOC and Board; and managing the annual audited financial statements process and related relationship with external auditor;
- Administration of the annual Member and Associate dues invoicing and collection process;
- Oversight of CAFII's electronic accounts payable process, in conjunction with the Association's Controller/Accountant;
- Onboarding new EOC, Board, and Committee members, including setting up one-hour meetings to brief new members on CAFII, and working with our partner Managing Matters to keep CAFII's orientation package up-to-date; and
- Process enhancements, project management, and vendor relations.

Events

- Plan, and execute post-Board meeting Reception Events;
- Start to finish organization of the Annual Members and Associates Luncheon;
- Full oversight and delivery of the EOC Annual Appreciation Dinner;
- Project management and execution of annual tour schedule, travel and accommodations for CAFII team to connect with insurance regulators and policy-makers in person (typically one per year to either Western Canada (four provinces); or Atlantic Canada (four provinces));
- Responsible for organizing and producing side bar meetings with regulators and policy-makers in conjunction with the annual CLHIA Consumer and Complaints Conference, usually held in May in a major Canadian city;
- Develop and deliver the Annual Liaison Lunch and Industry Issues Dialogue with Autorité des marchés financiers staff executives in Quebec (Montreal or Quebec City), followed by an immediately ensuing CAFII Board meeting;
- Coordinate in-person, virtual, or hybrid meetings with staff executives from the Financial Services Regulatory Authority of Ontario (FSRA), other provincial/territorial insurance regulators and policy-makers, the Canadian Council of Insurance Regulators (CCIR), the Canadian Insurance Services Regulatory Organisations (CISRO), the Financial Consumer Agency of Canada (FCAC), the Office of the Superintendent of Financial Institutions (OSFI), or from allied industry Associations, as requested by the Executive Director;
- Assist in the planning/organization of six to eight CAFII webinars per year; and
- Other Operations, Events, and Association Governance duties, as may be assigned by the Executive Director from time-to-time.
- CAFII has a contract with a professional Association Management Company who the Operations Manager will work with and get assistance from around administration, accounting, and the planning of events.

Key Skills, Experience, and Attributes

The successful candidate will have 8-10 years' experience in the Associations sector, business, or government, with a focus on operations, process, project management, and events. This is an individual with superb project management skills and a solid track record of career accomplishments to date, who is a self-starter and able to organize multiple, often concurrent, events and processes. This individual is someone who enjoys having a wide span and variety of responsibilities, and is a quick study who will be able to grasp the vernacular and subtleties of life and health insurance. This is a person who enjoys a fast-paced, complex environment. Being fluently bilingual (English and French) will be a valuable asset.

Travel

This position will entail occasional travel within Canada, and the need to travel to downtown Toronto offices of CAFII member companies and other industry organizations a few times per month.

Job Types: Full-time, Permanent

Pay: \$75,000.00-\$95,000.00 per year

Benefits:

- Company events
- Dental care
- Extended health care
- Paid time off
- Work from home

Schedule:

- Monday to Friday

Education:

- Bachelor's Degree (preferred)

Work Location: Remote

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 6(e)

Governance – Update on Board Decisions at the October 8, 2024 Board Meeting: Rescinding the Policy Around Reimbursement of Regulatory Tours and Reception Expenses; Approval of the CAFII 3-5 Year Strategic Plan; Approval of the CAFII Media Plan

Purpose of this Agenda Item – Update

To update the EOC on the Board decisions at the October 8, 2024, Board meeting to:

- Rescind CAFII's policy around reimbursement of Regulatory Tours and Reception Expenses;
- Approve CAFII 3-5 Year Strategic Plan;
- Approve CAFII Media Plan.

Background Information

CAFII Executive Director Keith Martin will update the EOC on the Board decisions at the October 8, 2024, Board meeting to:

- Rescind CAFII's policy around reimbursement of Regulatory Tours and Reception Expenses;
- Approve CAFII 3-5 Year Strategic Plan;
- Approve CAFII Media Plan.

Recommendation / Direction Sought – Update

This is an update item.

Attachments Included with this Agenda Item

Two (2) attachments.

Expense Reimbursement Policy

Document Owner:	Executive Operations Committee (EOC)
Practice Applies to:	CAFII Member Organizations, Directors, Volunteers and Staffs
Process Responsibility:	CAFII Executive Director
Final Accountability:	Executive Operations Committee (EOC)

This policy applies to CAFII Member Organizations hosting a quarterly Board Meeting as well as Directors, Volunteers and Staff conducting regulatory meetings on behalf of CAFII.

I. Board Hosting Expense Guideline

Effective as of fiscal year 2015,

CAFII will reimburse a CAFII member for the expenses related to hosting a CAFII Board meeting and CAFII Board reception up to a maximum of **\$7500**.

II. Expense Guideline for Government Representation by CAFII EOC or Board Members

Effective as of *December 2, 2014*

Travel, accommodation and meal expenses incurred by CAFII Board and EOC members representing CAFII while on:

- a) Government initiated meetings that have requested CAFII representation (e.g. Provincial Insurance Act rewrite committees, Provincial Superintendent initiated meetings), or
- b) Government meetings to influence specific regulatory or administrative changes as part of a strategy with budget approved by the CAFII EOC or the CAFII Chair prior to confirming attendance or incurring any expenses on behalf of CAFII

Will be reimbursed based on reasonable and customary costs reflecting the travel policy of the institution the representative is employed by.

Concurrence of persons and numbers attending the event shall be at the approval of the CAFII EOC or the CAFII Chair prior to confirming attendance or incurring any expenses on behalf of CAFII:

- Each CAFII representative invited to the event should have a business reason to attend. CAFII typically sends two members to each government meeting. Unless directed otherwise by the Board, only the expenses of two members will be covered.
- CAFII will not reimburse for entertainment of a questionable nature that may negatively impact CAFII's reputation.

Expenses incurred to travel to a CAFII Board meeting will not be reimbursed.

All expenses must be summarized on the CAFII Expense report and submitted with the associated receipts to the CAFII Secretary prior to reimbursement (or the CAFII Chair if the Secretary is not available).

Authorization

Only the Board of Directors has the authority to change or modify the policy on expense reimbursement as it may from time-to-time deem required.

CAFII 3-5 Year Strategic Plan

Approved by the Board of Directors

October 8, 2024

CAFII's Vision

Vision Statement—CAFII's Vision

CAFII's Vision is to ensure credit protection insurance remains simple, accessible, and affordable for Canadians.

CAFII's Mission Statement

CAFII represents, communicates about, and advocates for financial institutions in insurance, their insurer partners, and affiliated organizations by promoting their commitment to the fair treatment of customers and customer-centric products, policies, and practices. CAFII strives to foster an open, flexible marketplace that is efficient and effective and allows consumers an expanded choice in the purchase of insurance products and services. CAFII is committed to reducing the gap in uninsured and underinsured Canadians through research and education on the benefits of Credit Protection Insurance (CPI). CAFII supports a legislative and regulatory environment that is healthy for future growth.

Supporting this mission

- Foster relationships with regulators and policy makers across Canada with regular in-person visits
- Promote diversity, equity and inclusion with CAFII's membership and Board

Deepen relationships

- Proactively invest in relevant research to educate and influence key constituents through our communications strategy
- Cultivate strong relationships with Industry Associations with similar objectives
- Proactively invest in digital strategy including website and enhance media profile

Monitor and Assess Emerging Trends

- International regulatory trends in other countries that could impact the Canadian environment
- Technology developments impacting our industry – artificial intelligence, digitization
- Leverage regulatory and research expertise to educate internal and external audiences

Advocacy with Policy-Makers

CAFII's Focus is on Credit Protection Insurance

While CAFII's primary focus is on Credit Protection Insurance (CPI) and the distribution of insurance offered through financial institutions, CAFII will also advocate when mandated by its members in related areas such as Credit Card Embedded Benefits (CCEB) and Authorized Group Travel Products.



Advocacy with Policy-Makers

CAFII's Focus is on Advocacy about CPI Including Responding to Regulatory Consultations

CAFII focuses its mandate on advocacy with regulators and policy makers. This includes the important reactive efforts to respond to all relevant regulatory and policy-maker consultations through written and verbal submissions.



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 info@cafii.com www.cafii.com

November 17, 2023

Huston Loke
 Chair, Canadian Council of Insurance Regulators
 C/O Financial Services Regulatory Authority of Ontario
 25 Sheppard Avenue West, Suite 100
 Toronto, Ontario
 M2N 6S6

CC
 Raseema Alam, Policy Manager, CCIR
 Peter Burston, Director, National Policy Coordination, CCIR
ccir-ccrra@fsrao.ca

Dear Mr. Loke,

The Canadian Association of Financial Institutions in Insurance (CAFII) would like to thank the Canadian Council of Insurance Regulators (CCIR) for the opportunity to respond to your proposed new definition of a complaint and the directly related proposed new approach to the reporting of complaints via CCIR's Annual Statement on Market Conduct (ASMC).

Our first comment is that, while possibly not immediately obvious from a regulator's perspective, these proposals actually constitute a significant change that has major implications for life and health insurers (and their financial institution distributors who support their insurer partners in providing data required for the annual ASMC filing) that result in the proposal representing a very major undertaking.

We believe that thorough, meaningful consultations and dialogue with industry stakeholders lead to better regulatory outcomes. Prior to the recent launch of this current CCIR consultation, there was no dialogue with industry Associations regarding either CCIR's intention to change the definition of a complaint or the changes being contemplated around ASMC's reporting requirements associated with complaints. Having a thorough industry consultation of at least 45 business days (nine weeks), including pre-consultation dialogue, would have been a more efficient and effective way to proceed. This would have provided CAFII, and other

Advocacy with Policy-Makers

CAFII Proactively Advocates with Regulators In-Person and Virtually

CAFII proactively engages with regulators and policy-makers by soliciting opportunities to meet with and present to them. This includes regulatory tours with CAFII management and CAFII volunteer members to regularly meet policy-makers in their own jurisdictions. These tours will be supplemented by virtual meetings and visits by CAFII's Executive Director with regulators and policy-makers.



cafii acifa

The Canadian Association of
Financial Institutions in Insurance

L'association canadienne des
institutions financières en assurance

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

Advocacy with Policy-Makers

CAFII Looks for Speaking Opportunities and Will Continue with Webinars

CAFII looks for ways to influence stake-holders including speaking opportunities for the Executive Director, and meetings with key stakeholders and influencers. CAFII will continue to hold regular webinars, which have been well-received and well-attended by regulators and policy-makers, on issues of interest.



September 26, 2023

CAFII's Webinar and Virtual Fireside Chat with FSRA's Glen Padassery and Stuart Wilkinson

September 17, 2024

CAFII Executive Director participates in the Insurance Council of BC's 2024 AGM & Regulatory Forum as a panelist in a discussion of life insurance issues, in Richmond BC

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

Consumer Education through Communication

CAFII will collaborate with Associations aligned with the interests of our members

CAFII will collaborate on shared priorities with Associations like the CLHIA, THIA, CBA, and IBC. CAFII's Executive Director will form relationships with key counterparts at these Associations and will seek to coordinate regulatory engagement so that where possible an industry approach can be taken.



Canadian Life & Health
Insurance Association
Association canadienne des
compagnies d'assurances
de personnes



The Travel Health Insurance
Association of Canada



Advocating for a Sound
Canadian Banking System



IBC · BAC
Insurance Bureau of Canada
Bureau d'assurance du Canada

Consumer Education through Communication

Research is a Key to CAFII's Proactive Approach to Educating Regulators and Consumers

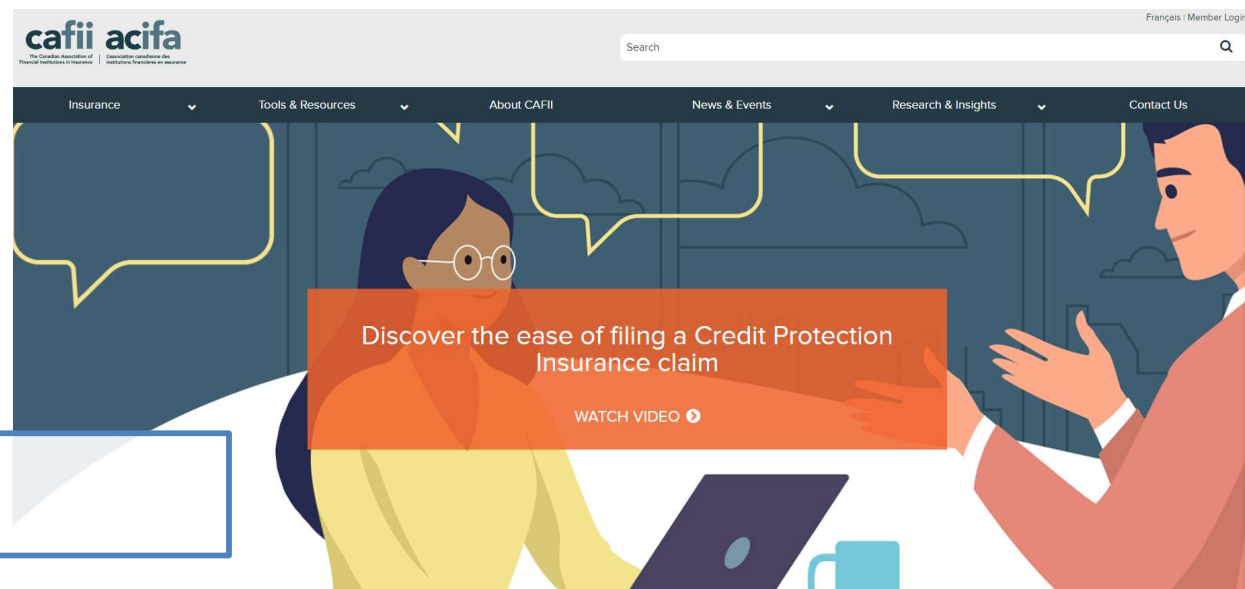
CAFII invests in annual research projects that allow it to understand consumer views of CPI, demonstrate thought leadership around insurance, and share major trends in the CPI marketplace. This research positions CAFII as a reliable source of information about CPI, provides materials for CAFII advocacy with policy-makers, and creates content for the CAFII website and media outreach efforts.



Consumer Education through Communication

CAFII Invests in Digital Assets

CAFII invests in a robust digital strategy that includes constantly adding relevant content to the public-facing website, including visually-pleasing videos, with an emphasis on improving results around Search Engine Optimization. The strategy will include social media content especially around adding material to CAFII's LinkedIn page.



Consumer Education through Communication

CAFII Shares Relevant Information with Media

CAFII continues to share relevant information including research findings with media, and will look at enhancing our media presence through a more assertive, but carefully managed, media effort.



*Critical Gap in Creditor Life Insurance
Coverage Among Canadian Homeowners:
CAFII Study*
April 1, 2024



*CAFII study shines light on "concerning trend"
among homeowners*
March 25, 2024



*Most Canadian homeowners do not carry
sufficient coverage*
March 20, 2024

Continued Focus on Emerging Issues

International and Regulatory Trends are Monitored

CAFII continues to monitor international issues and regulatory trends carefully with a focus on those that could influence the Canadian regulatory environment. Key tools to share this information are the Weekly Digest and the Regulatory Update, as well as research.



Nicholas Herbert-Young
Senior Relationship Manager with International
Association of Insurance Supervisors (IAIS)
At
Financial Conduct Authority (FCA), United
Kingdom

April 27, 2023

*CAFII Webinar: International Regulatory Trends & The Work of The
International Association Of Insurance Supervisors (IAIS)*

CONFIDENTIAL TO CAFII MEMBERS AND ASSOCIATES; NOT FOR WIDER DISTRIBUTION

Regulatory Update – CAFII Executive Operations Committee, November 24, 2023

Prepared by Robyn Jennings, Research Analyst.

McKinsey & Company

On January 8, 2024, McKinsey & Company Published an Article On L&H Insurance Titled "Redefining the Future of Life Insurance and Annuities Distribution"

On January 8, 2024, McKinsey & Company, a worldwide strategy and management consulting firm, published an informative article on L&H Insurance titled *Redefining the Future of Life Insurance and Annuities Distribution*. Below is a brief overview of the article's main points. To read the article in full, see [McKinsey & Company's website](#).

The article began with a brief synopsis of the structural changes life and annuities insurers have had to contend with over the last decade and how these changes have negatively impacted the life insurance industry as a whole. Specifically, the article looked at "the decreased relevance of life insurance, the shift in value creation toward distributors, and the continued convergence toward comprehensive advice on topics including health, wealth, and protection." The article concludes with a few suggestions to insurers regarding some actionable approaches they can take to safeguard during this time of immense change.

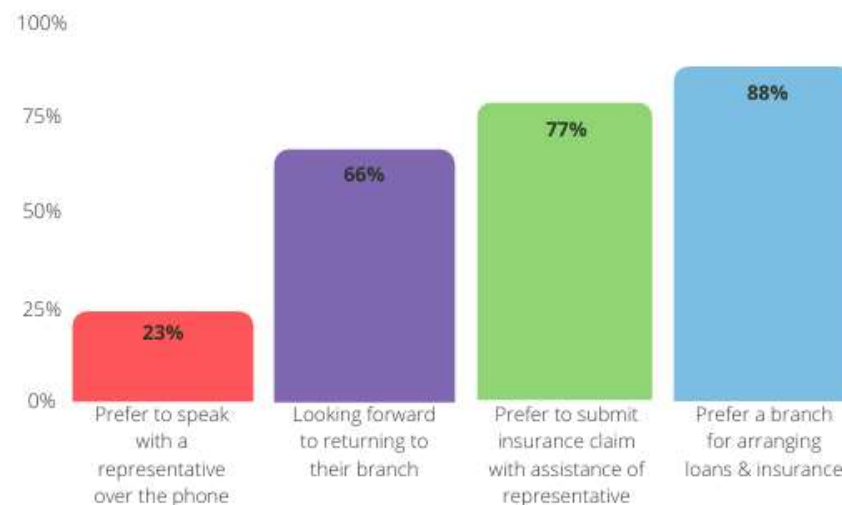
While the COVID-19 pandemic may have inspired many to look into "mortality protection," North America's economic troubles have reduced the demand for life insurance products. Though the article is particularly focused on US life insurance market, the information shared is relevant to Canadian insurers as well.

Continued Focus on Emerging Issues

Digitization Trends are Monitored

CAFII continues to monitor digitization and its impacts on the CPI marketplace, including shifts in consumer expectations around digitization and regulatory expectations around the impact of digitization on the regulatory environment. Key tools to share this information are the Weekly Digest and the Regulatory Update, as well as research.

PERSONAL CONTACT STILL VALUED



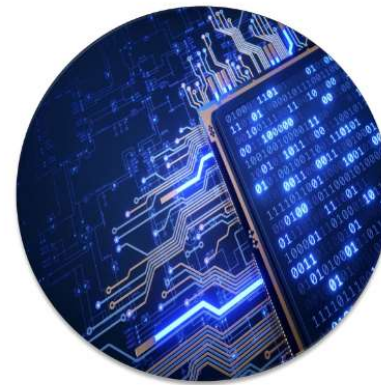
Source: Pollara Strategic Insights/CAFII 2021

Continued Focus on Emerging Issues

Technology Trends are Monitored

CAFII continues to monitor technology trends and how these are impacting the CPI marketplace and the regulatory environment, including generative artificial intelligence, machine learning, large language models, and other trends. Key tools to share this information are the Weekly Digest and the Regulatory Update, as well as research.

CONFIDENTIAL



Exploring Emerging Technology & Gen AI Trends in CPI

2024 Research Project | Proposal

cafii | **Deloitte.**

Appendix

How do we Measure Success? ...

Did we choose the Right Initiatives?

A successful execution requires measures



Measures of Success

- Retention of Members
- New Members, Associates
- Surveys of Members, Associates, Participants following Events
- Speaking opportunities
- Media presence
- Research results (number of studies, how often quoted)

If this Strategic Plan is Successful...What Might CAFII Look Like...in future?



Leading to the view that:

“CAFII is an Association that punches above its weight”

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 6(f) Governance – Feedback from Robyn Jennings 1-on-1 EOC Meetings

Purpose of this Agenda Item – Update

To update the EOC on CAFII's Research Analyst Robyn Jennings' 1-on-1 EOC meetings currently underway.

Background Information

CAFII Research Analyst Robyn Jennings will update the EOC on the 1-on-1 EOC meetings she is currently engaged in.

Recommendation / Direction Sought – Update

This is an update item.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 6(g)
Governance – Draft Minutes of September 19/24 EOC Meeting

Purpose of this Agenda Item – Approval

To request approval from the EOC for the September 19/24 EOC Meeting draft minutes.

Background Information

CAFII Research Analyst Robyn Jennings will request approval from the EOC for the draft minutes of the September 19/24 EOC Meeting.

Recommendation / Direction Sought – Approval

This is an approval item.

Attachments Included with this Agenda Item

One (1) attachment.

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

Thursday, September 19, 2024, 3:00-5:30 pm

Minutes

In-Person and Virtual Meeting

Virtually

Karyn Kasperski	RBC Insurance and Chair
John Burns	Securian Canada and Vice Chair
Donald Hinnecke	RBC Insurance and Treasurer
Rob Dobbins	Assurant Canada
Jennifer Russell	Assurant Canada
Martin Boyle	BMO Insurance
William Oyetakin	BMO Insurance
Rebecca Saburi	BMO Insurance
David Parkatti	Canadian Western Bank
David Self	CIBC Insurance
Kevin Szweras	CIBC Insurance
Lauren Ross	CIBC Insurance
Michelle Costello	CUMIS/The Co-operators
Deidre Kennedy	CUMIS/The Co-operators
Isabelle Choquette	Desjardins Insurance
Sharon Murrell-Foster	Manulife Financial
Janet Pacini-Thibodeau	Manulife Financial
Archie Sachdeva	Manulife Financial
Shannon Dowe	RBC Insurance
Charles MacLean	RBC Insurance
Brad Kuiper	Scotia Insurance
Alfonso Movilla	Scotia Insurance
Prithipal Rajasekaran	Scotia Insurance
Asma Desai	Securian Canada
Peter Thorn	TD Insurance
Andrea Stuska	TD Insurance
Shahnoor Khimjee	TD Insurance
Jason Beauchamp	The Canada Life Assurance Company
Dallas Ewen	The Canada Life Assurance Company

Regrets:

Catherine Latulippe	Canadian Tire Bank
Cynthia Golubic	Canadian Tire Bank
Afzal Baig	Chubb Life Insurance Company of Canada
John Juba	Chubb Life Insurance Company of Canada
Casandra Litniansky	CUMIS/The Co-operators
Diane Quigley	CUMIS/The Co-operators
Almas Satwat	CUMIS/The Co-operators
Nathalie Baron	Desjardins Insurance
Pierre-Olivier Cyr	Desjardins Insurance

Carmelina Manno	Manulife Financial
Katia Umutoniwase	Manulife Financial
Suzie Blanchard	Manulife Financial
Ivan Murray	National Bank Insurance
Jonathan Poulin	National Bank Insurance
Fernando Heleno	RBC Insurance
Stacey Hughes-Brooks	RBC Insurance
Sushil Masih	RBC Insurance
Mais El-Magraby	Scotia Insurance
Sean Kradjian	Scotia Insurance
Jacqlyn Marcus	Securian Canada
Marco DeiCont	Securian Canada
Fay Coleman	TD Insurance
Catherine Laspina	The Canada Life Assurance Company

Also Present:

Keith Martin, *Executive Director*
Robyn Jennings, *Research Analyst*
Troy Woodland, *Association Coordinator*
Wendy Bairos, *Media Consultant*

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

Item 1 (a): Call to Order

The meeting was chaired by EOC Chair Karyn Kasperski, who called the meeting to order.

Item 1 (b): Land Acknowledgement

EOC Member Rebecca Saburi from BMO Insurance, which was the host for the meeting, shared a land acknowledgment for the meeting.

Item 2: Consent Items

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

- Consultations/Submissions Timetable
- June/July-August Regulatory Update
- Regulator and Policy-Maker Visit and Communication Recap
- Summary of Board and EOC Action Items
- Schedule of CAFII 2024 Meetings and Events
- EOC Approved Schedule of CAFII 2025 Meetings and Events

Item 3: Financial Management Matters

Item 3 (a): CAFII Financial Statements as at August 31/24

CAFII Treasurer Donald Hinnecke provided an update on CAFII's financial statements as at August 31/24. Member associate revenue dues are higher than anticipated due to the addition of a new initiation member and one net new Associate. Short-term investment income continues to trend better than

planned; this trend will likely begin to decrease in the coming months as interest rates decline. Association expenses remain as planned, with a one-time transitional expense related to staffing. There will be some catch-up for contributions related to employee RRSP contributions (year-to-date catch-up). There is one payment that has now been made for the annual research project. A budget was allocated for the CAFII website, which has not yet been spent. In July, a bank deposited 450K into the CAFII bank account that does not belong to the Association, and we are attempting to resolve this error. CAFII's bank balance remains approximately \$600K. Overall, the Association's financial situation is excellent.

[Action Item: CAFII will contact the EOC member from the Depositing Bank of the erroneous deposit to help resolve the issue; K. Martin, 2024].

Item 3 (b): CAFII Forecast as at August 31/24

CAFII Treasurer Donald Hinnecke provided an update on the Association forecast as at August 31/24. With the calendar year moving forward, the forecasts in future months should be more accurate and closer to the year-end actuals. For 2025, CAFII will be more conservative around projected investment income as interest rates are expected to decline. CAFII will likely have a deficit in 2024 that is much lower than was originally budgeted due to higher revenues and lower expenses, and the Association is expected to conclude the year with an operating ratio that remains above 50%.

Item 3 (c): CAFII Critical Path for 2025 Operating Budget

CAFII Executive Director Keith Martin updated the EOC on CAFII's critical path for the 2025 operating budget, which has been included in the package. CAFII is starting discussions on the operating budget early this year with the intention of presenting it to the EOC for feedback and then presenting it to the Board for approval in December.

Item 4: Committee Updates

Item 4 (a): Marketing Conduct & Licensing

i. Federal Department of Finance Proposed Amendment to the Criminal Code to Include Insurance Costs in the Calculation of Interest

Market Conduct & Licensing Chair Brad Kuiper updated the EOC on the federal Department of Finance's proposed amendment to the criminal code to include insurance costs in the calculation of interest. Due to the concerning nature of this announcement, CAFII recently made a submission to the Department on September 11/24. It appears that the Department is flexible about these amendments, and the department, in a meeting with the Canadian Bankers Association (CBA), indicated that the amendment did not intend to capture the products of CAFII members. CAFII Executive Director Keith Martin informed the EOC that CAFII worked closely with the CLHIA as well as the CBA in its development of a draft response. While CAFII waits for a response from the Department, CAFII will keep a close eye on this file. EOC Chair Karyn Kasperski added that the Department clearly wasn't aware of the potential implications of these amendments. What they are trying to address is predatory lending, but this may not be the best way to fix that issue. CAFII will be going to Ottawa at some point to speak with the FCAC, and K. Martin suggested that at that time, CAFII should also meet with the Department of Finance. EOC Member Rob Dobbins expressed concern over the precedence of the Department of Finance consulting with industry over a very short period of 30 days.

[Action Item: K. Martin to follow up with the Department of Finance around a meeting on this issue; K. Martin, 2024].

Item 4 (b): Quebec Committee

i. DISCUSS: Hybrid Approach to Committee – Full Committee for Updates, Subset of Committee to Engage in Deep Dives

Chair of the Quebec Committee Jennifer Russell updated the EOC on the discussion around a hybrid approach to the Committee. The suggestion was that the Committee itself could be focused on updates, while substantive discussion around specific initiatives could be addressed by a sub-group of the full Committee. K. Martin mentioned that, though participation by Committee members can sometimes be limited, actual attendance by Committee members is very high. In terms of the next steps, the Committee will continue to meet and will explore developing specific sub-committee groups as necessary.

Item 4 (c): Media Advocacy

i. CAFII 2024 Website Investments – SEO, Videos, Backend Rebuild

CAFII Executive Director Keith Martin updated the EOC on CAFII's 2024 website investments. He noted that the consolidated package includes the RFP CAFII released earlier this year. There was a special allocation in the 2024 operating budget to rebuild the backend completely, which the RFP made reference to. The RFP responses were over budget, so with the assistance of Media Advocacy Chair J. Marcus, CAFII identified some vendors who were approached for the required builds with a specific budget allocation, and they were able to provide satisfactory quotes. K. Martin's recommendation is to proceed with these two proposals (included in the package). For the website rebuild, the quote was just under \$40K, the SEO company proposal was for approximately \$14K, and the video quote is about \$25K, which is for the development of two videos in the coming year on the LIMRA research.

The EOC approved the recommended quotes.

[Action Item: Sign the contracts with the website investment (SEO, Videos, Backend Rebuild) companies; K. Martin, 2024].

ii. CAFII Media Plan

CAFII's Media Consultant, Wendy Bairos, updated the EOC on CAFII's media plan. The proposed media plan aims to increase online foot traffic through SEO and engage with mainstream media while keeping mindful of CAFII's risk-averse nature around media. A component of the media plan includes a byline article/Op-Ed article, which has been drafted and included in the package for review. With the byline article, CAFII can control the narrative more effectively than would be the case through interviews. The focus of the proposed article is on the LIMRA research. The media plan also includes a list of topics for future CAFII blog posts. If approved, this list will act as a topic pipeline to speed up the creation and posting of blogs. W. Bairos has written a draft article for the National Post and four additional blog posts, all of which she is requesting approval of. It was agreed that, in addition to the four blog posts already written, all future blog posts will be sent to the EOC Chair and Vice-Chair for review and approval before posting.

While the possibility of sponsored content was discussed, this option is not planned to be utilized in the short term. It will remain an option in the media plan, but for now, CAFII will continue with unsponsored media engagements.

The EOC endorsed the media plan and the National Post article and approved the blog posts.

iii. CAFII 2024 Blog Posts, Article for National Post

Thess items were discussed above and received approval and endorsement.

iv. CAFII 2024 Video Scripts (LIMRA Research)

CAFII Executive Director Keith Martin updated the EOC on CAFII's 2024 video scripts, which focus on CAFII's 2023 LIMRA research. Now that the quote has been approved by the EOC (KeyWest Videos), the videos can be developed. If EOC members do have comments on the storyboard, K. Martin asked that they be submitted within the next week.

The EOC approved the CAFII 2024 Video Scripts (LIMRA Research).

Item 4 (d): Research & Education

i. CAFII Research with Deloitte on Technology Trends and AI

Research & Education Committee Chair Andrea Stuska updated the EOC on the CAFII research on technology trends and AI with Deloitte. In late August, Deloitte circulated a question package to CAFII members, and interviews were set up on these. The current intention is that the information Deloitte receives from initial interviews will be supplemented by a written survey. When the draft report is complete, it will be shared with CAFII's research committee, the EOC, and finally, the Board. The outputs will be an executive summary, including a PowerPoint presentation, and a written report. CAFII will also organize a webinar to present the findings.

Item 4 (e): Networking & Events

i. Fall 2024 Webinars

CAFII Executive Director Keith Martin updated the EOC on the state of CAFII's Fall 2024 webinars. A successful and well-attended webinar with the four Atlantic regulators was just conducted. K. Martin reiterated the importance and usefulness of the webinars—they are informative and facilitate relationship-building with regulators. CAFII has another webinar coming up in October on open banking.

Item 5: Strategic and Regulatory Initiatives

Item 5 (a): Executive Director September 17-18, 2024, Meetings with Regulators in Alberta, British Columbia

CAFII Executive Director Keith Martin informed the EOC of his meeting with several regulators from Alberta and British Columbia on September 17 and 18, 2024. K. Martin was invited to participate on an industry panel alongside CLHIA, Advocis, and CAILBA with the Insurance Council of BC in Richmond, BC. In conjunction with that visit out west, K. Martin also met with the new Superintendent of Insurance in Alberta, Chris Merriman, and the new CEO of the Alberta Insurance Council, Amina Deiab, along with two members of her staff. The meetings were cordial and productive, and both regulators were very engaged and interested in CAFII's priorities and key messages.

Item 5 (b): CAFII Plans for October 8, 2024, Liaison Lunch and Industry Issues Dialogue with AMF in Montreal

CAFII Executive Director Keith Martin updated the EOC on the upcoming October 8/24 liaison lunch and industry issues dialogue meeting with the AMF. The AMF has invited six of its members, including Natalie Sirois, Hugo Lacroix, Mario Beaudoin, and Véronique Martel. K. Martin will share CAFII's proposed presentation with the AMF and the EOC for feedback. That presentation will summarize the key conversations that took place last year with the AMF. The meeting with the AMF will be followed by a regular Board meeting.

[Action Item: Circulate to the EOC the plans for a change of location for the October 8/24 Board of Directors meeting; T. Woodland, September 2024].

Item 5 (c): FCAC Relationship and Possible Visit

DISCUSS: Should We Visit the FCAC Late in 2024 or Early in 2025?

CAFII Executive Director Keith Martin updated the EOC on CAFII's relationship with the FCAC and a possible visit with it in Ottawa. The FCAC informed K. Martin that they had withdrawn their intention to expand their complaint regime for banks to include insurance companies. CAFII wanted to avoid a meeting until this issue was resolved, and now that it has been settled, CAFII can reconsider a visit to the FCAC. However, it was noted that the FCAC still has an interim Commissioner and that it might be better to wait until a permanent Commissioner is named before visiting the FCAC. It was also suggested that if CAFII does visit the FCAC in Ottawa, a meeting also be arranged with the federal Department of Finance.

Item 6: Governance Matters

Item 6 (a): Update on Hiring Operations Manager

K. Martin updated the EOC on hiring a new operations manager. Currently, CAFII has not found someone adequate to occupy the role. While filling this vacant position is taking longer than expected, the search continues, and the intention is to find an appropriate candidate as soon as possible.

Item 6 (b): Proposal to Rescind Policy Around Reimbursement of Regulatory Tour Expenses, Reception Expenses

CAFII's Executive Director, Keith Martin, updated the EOC on the proposal to rescind the policy regarding the reimbursement of regulatory tour and reception expenses. He explained the policy and noted that, with few exceptions, members have not used it, and it was recommended that it be rescinded.

EOC endorsed the rescindment of the policy around reimbursement of regulatory tour expenses and reception expenses. This rescindment will be presented to the Board for approval at the October 2024 Board Meeting.

Item 6 (c): CAFII Strategic Plan

DISCUSS: What Feedback Does the EOC Have on the Strategic Plan?

CAFII's Executive Director, Keith Martin, updated the EOC on CAFII's strategic plan, which has been included in the consolidated package and updated to reflect all feedback received from the EOC. The strategic plan speaks to CAFII's mandate and priorities and provides direction around where CAFII focuses its activities. An emphasis on credit protection insurance is central to the plan, but CAFII can

also focus on other areas like travel insurance if that is the desire of the membership. CAFII will continue to engage in regulatory and policy-maker written submissions as a core function while also taking a proactive approach to regulators through regulatory tours, meetings, and other ways to influence regulators. Research remains a key focus and central pillar of the strategic plan that provides material for CAFII's website, key messages with regulators and policy-makers, and content for media outreach. Several EOC members suggested some minor wording edits, which K. Martin will incorporate after the meeting.

EOC endorsed the CAFII Strategic Plan, which will be presented to the Board for approval.

[Action Item: Edit the strategic plan to reflect feedback received during the September 19/24 EOC meeting for presentation at the October 8/24 Board meeting; K. Martin, September 2024].

Item 6 (d): Feedback from One-on-One EOC and CAFII Dialogue and Q&A Sessions with Robyn Jennings
Due to time constraints, this item will be addressed at the October 29/24 EOC Meeting.

Briefing Note

**CAFII EOC Meeting October 29, 2024—Agenda Item 6(h)
Governance – Draft Minutes of October 8/24 BOD Meeting**

Purpose of this Agenda Item – Endorsement

To request endorsement from the EOC for the October 8/24 BOD Meeting draft minutes.

Background Information

CAFII Research Analyst Robyn Jennings will request endorsement from the EOC for the draft minutes of the October 8/24 BOD Meeting.

Recommendation / Direction Sought – Endorsement

This is an endorsement item.

Attachments Included with this Agenda Item

One (1) attachment.

BOARD MEETING
CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE
In-Person/Hybrid Meeting at National Bank in Montreal, Ontario
Tuesday, October 8, 2024
2:20 to 5:00 p.m. EDT
Minutes

Board Members

Present In Person:

Sarah Armstrong	CUMIS/The Co-operators
Simon Lacroix-Hubert	Desjardins
Peter Thompson	National Bank Insurance
Valerie Gillis	TD Insurance
Louie Georgakis	The Canada Life Assurance Company
Elizabeth Gandolfi	Canadian Western Bank

Virtually:

Rohit Thomas	BMO Insurance
Adam Vespi	Canadian Tire Bank
Konstance Allain	CIBC
Julie Gaudry	RBC Insurance
Nigel Branker	Securian Canada

Regrets:

Paul Cosgrove	Assurant
Rahul Kakar	Chubb Life Insurance Company of Canada
Wayne Hewitt	Scotia Insurance
Andrew Kugler	Manulife Financial

Also Present:

Keith Martin, Executive Director
Rob Dobbins, Board Surrogate for Paul Cosgrove
Karyn Kasperski, Secretary
Robyn Jennings, Research Analyst
Wendy Bairos, Media Consultant
Troy Woodland, Association Administrator

Item 1: Welcome, Call to Order, Meeting Confirmation, and Board Construction Matters

Item 1(a): Welcome and Call to Order

CAFII Board Chair Valerie Gillis Thompson welcomed all to this meeting of the CAFII Board of Directors, which was hosted by the National Bank in Montreal, Quebec, as well as virtually on the Microsoft Teams platform. The meeting was called to order at 2:30 p.m. CAFII's Research Analyst, Robyn Jennings, acted as Recording Secretary.

Item 1(b): Land Acknowledgement

CAFII Board Member Peter Thompson shared a land acknowledgment for the meeting.

Item 1(c): Declaration of Meeting Properly Called and Constituted

Board Secretary Karyn Kasperski confirmed that there was a quorum of Board members present for the meeting, with 6 members present in person and 5 members present virtually, and that the meeting had been properly called and constituted. K. Kasperski also noted that EOC Member Rober Dobbins had been nominated as a Board surrogate for Paul Cosgrove. Board Chair Valerie Gillis declared the meeting convened and constituted.

Item 1(d): Approval of Agenda

Prior to the Agenda approval, Board Chair Valerie Gillis mentioned Read-Only item 5(h—*BCFSA Position on Life and Health Adjustors*) and requested it continue to be monitored carefully. She expressed the need for additional information so the Board may better understand BCFSA's position.

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that the meeting Agenda be and is approved.*

Item 2: Consent Items

Board Chair Valerie Gillis introduced the consent items and called upon CAFII's Research Analyst, Robyn Jennings, to speak to item 2(c). R. Jennings informed the Board of important regulatory and governance matters that occurred during the summer months. In June, Pollara presented at CAFII's reception following the June 4th Board meeting. The presentation discussed Canadians' concerns about the economy, particularly fears about the housing market, inflation, and healthcare. The BCFSA announced that its CEO, Blair Morisson, will be retiring in early 2025. In July, the FCAC informed CAFII that it had withdrawn its proposed guideline on complaint-handling procedures for trust and loan companies as well as insurance companies, an issue CAFII had previously made a submission on. The Federal Department of Finance informed CAFII of its plans to include insurance premiums in the determination of interest and provided a short period for direct feedback (deadline of September 11, which was about 30 days from when the consultation started). FSRA announced that Mark White had stepped down as CEO, and Stephen Power had taken over as interim CEO. The regulator also announced that CAFII's Executive Director, Keith Martin, had been re-admitted to its Life & Health Stakeholder Advisory Committee. On July 15, 2024, Swati Agrawal made a presentation to the CAFII DEI working group on her work with the International Association of Insurance Supervisors. Later in the month, CAFII and its volunteers met with AMF's Hugo Lacroix, the new Superintendent of Securities Markets and Distribution. In August, CAFII met with the BCFSA to discuss its new intentions to make life and health insurance claims officials be viewed as adjustors who need to acquire an individual license. CAFII is also actively monitoring Quebec's new privacy initiative.

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that the Consent Agenda items itemized below be and are approved or received for the record, as indicated in the Action column in the Consent section of the agenda.*

- a. Draft Minutes, June 4/24 CAFII Board Meeting
- b. Summary of Board and EOC Action Items
- c. June/July-August Regulatory Updates
- d. Consultations/Submissions Timetable
- e. Regulator and Policy-Maker Visit Plan Recap
- f. Committee Reports Addressing CAFII Priorities
- g. Board-Approved CAFII 2024 Schedule of Meetings and Events
- h. EOC Approved Schedule of CAFII 2025 Meetings and Events

*Further, **IT WAS RESOLVED** that the minutes of the meeting of the CAFII Board of Directors held June 4, 2024, be and are adopted in the form presented and that copies of those minutes be signed and placed in the corporation's minute book.*

Item 3: Financial Management

Item 3(a): CAFII Financial Statements as at August 31/24

CAFII Executive Director Keith Martin provided an overview of the Association's financial statements as at August 31/24, noting that the Association's finances are stable with a healthy balance sheet and income statement. There are, however, some major changes from the original budget. Revenue is above budget expectations due to new membership, along with higher investment earnings than expected; and expenses are down due to effective expense management. In terms of website costs, K. Martin was able to negotiate all deliverables to fall under \$70K, meaning CAFII will have a net saving of over \$20K from what was in the original budget. There will also be net savings in terms of salary expenses due to the departure of CAFII's Operations Manager and the delay in replacing that role. In terms of the current trajectory, CAFII is expected to have a small or no deficit by December if spending remains as expected. The Association also has a solid operating ratio relative to expenses of over 50%.

K. Martin then mentioned an unexpected and erroneous deposit of \$452K into the CAFII bank account. The bank that made the error is aware (as are its senior executives), but it is proving difficult to return the money. CAFII is monitoring the situation closely.

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that the CAFII financial statements as at August 31/24 be and are approved.*

Item 3(b): CAFII Forecast as at August 31/24

CAFII Executive Director Keith Martin informed the Board that CAFII's forecast is projecting a much lower deficit, and possibly no deficit, as opposed to what was in the original budget. K. Martin and CAFII's Treasurer Donald Hinnecke are currently working on the forecast for presentation at the December Board meeting. This includes finalizing some key spends like the Deloitte research project and the CAFII website rebuild costs. Generally, however, CAFII is in a very strong financial position.

Item 3(c): CAFII 2025 Operating Budget Critical Path

CAFII Executive Director Keith Martin informed the Board that he is currently working with the EOC Chair, Karyn Kasperski, and Vice-Chair, John Burns, to finalize CAFII's 2025 Operating Budget. By the December 3/24 Board meeting, K. Martin expects to have a recommended operating budget for 2025.

Item 4: Strategic and Regulatory Matters

Item 4(a): Debrief Discussion on Just-Completed Industry Issues Dialogue with AMF Executives, as well as earlier Breakfast with Valerie Gillis, Keith Martin, Hug Lacroix, and Mari Beaudoin

CAFII Board Chair Valerie Gillis informed the Board of the breakfast meeting between the AMF and CAFII that occurred earlier in the day. She thought there were great discussions, and the AMF expressed an interest in maintaining open and amicable dialogue. CAFII's Executive Director, Keith Martin, added that he thought the whole day was positive. His key takeaway was that Hugo Lacroix expressed his committed to maintaining the AMF's relationship with CAFII and its members and wants to develop an independent line of communication. He also said that he does not anticipate any major policy issues arising in the next three to four years. Overall, CAFII's meetings with the AMF went very well.

Item 4(b): Motion to Approve EOC-Endorsed Rescindment of CAFII Reimbursement Policy

CAFII Executive Director Keith Martin explained to the Board that CAFII is seeking approval from the Board to rescind the CAFII Reimbursement policy. This item was presented to the EOC and endorsed. In short, the CAFII bylaws allow for a member to claim reimbursement of up to \$7500 for hosting a reception and/or CAFII event. Over the entire course of his time with CAFII, only one member has ever used this policy. Therefore, to maintain fairness and consistency, CAFII wants to rescind the policy since it is essentially unused.

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that the motion to approve the EOC-endorsed rescindment of CAFII's reimbursement policy be and is approved.*

Item 4(c): Review of EOC-Endorsed CAFII 3-5 Year Strategic Plan

CAFII Executive Director Keith Martin updated the Board on the EOC-endorsed CAFII 3-5-year strategic plan. At a high level, after several conversations with the Board, the feedback received was approval of the general direction the Association is taking, with only some minor tweaks recommended. The EOC has been discussing and working on these tweaks during many meetings held in recent months, including the July EOC meeting, which was on the Strategic Plan alone. CAFII's vision statement remains focused on credit protection insurance, but the Association can address other topics if that is the desire of the membership. CAFII's mission statement is to advocate for financial institutions in insurance and to commit to policies and practices consistent with the fair treatment of customers. The strategic plan emphasizes that CAFII is customer-focused through its members. The following are more overarching principles of the mission statement:

- Prioritizing fair regulation;
- Working towards an open and flexible marketplace;
- Fostering relationships with regulators;
- Prioritizing and promoting DEI;
- Engaging in research and education initiatives;

- Investing in digital assets like the website;
- Focusing on key trends like digitalization, international policies, or technology developments.

CAFII is focused on both reactive and proactive advocacy with policymakers. Reactive advocacy is focused on formal written submissions coming out of consultations, while proactive advocacy is a long-term effort to share key messages with regulators and policy-makers and influence their thinking. A key element of the Strategic Plan is continued work with regulators on consumer education through communication. This collaboration on shared priorities allows CAFII to achieve its goals. Research is a lynchpin for these various priorities because it creates talking points with regulators, new educational tools for consumers, and better industry knowledge for CAFII members.

Digital assets, like the CAFII website and LinkedIn, are important parts of CAFII's new strategic plan. Both will promote consumer and industry education. This also ties into CAFII's new media strategy, which is assertive but not aggressive, cautious but nevertheless more visible.

Board Member Konstance Allain suggested removing the term "friendly association" in the Strategic Plan and felt there could be better language; the wording was changed to "CAFII will collaborate with Associations aligned with the interests of our members." Board member Elisabeth Gandolfi noted that the measures of success were qualitative rather than quantitative and asked if CAFII would or could attribute a metric to its success measurement to demonstrate progress in 3-5 years. EOC Chair Karyn Kasperski commented that, as the strategic plan is implemented, CAFII can develop quantitative metrics. She added that media is an area where the Association will be able to see actual quantitative metrics like the number of articles published and shared.

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that the motion to approve the EOC-endorsed CAFII's 3-5-year strategic plan be and is approved.*

Item 4(d): Review of EOC-Endorsed CAFII Media Plan

CAFII's Media Consultant, Wendy Bairos, updated the Board on CAFII's EOC-endorsed media strategy. She explained that the media plan accounts for many of CAFII's diverse objectives, including educating the public and building relationships with regulators. In the package, a proposed final draft of the media plan has been included. CAFII's own blog articles, published on the website, are another part of the media plan. The strategy also includes publishing on LinkedIn and ongoing content to be added to the CAFII website, both of which can improve search results (search engine optimization or SEO).

Considering that CAFII is cautious around engaging with the media, another way to achieve the Association's objectives while increasing public visibility is through a byline op-ed. This allows for CAFII to speak to a broader audience while controlling the narrative. W. Bairos added that something to remember is that byline articles and op-ed editors may edit for length or other things; it is important to know that while the article is CAFII's narrative, there will likely be adjustments.

Another part of the media plans includes paid editorials; this is something to be considered at a future date and CAFII has no budget currently for sponsored media. CAFII's Executive Director Kieth Martin explained that at the last EOC meeting, concerns were raised around the cost of sponsored content. Therefore, it was agreed that the

language in the media plan would be modified so that paid content is not something recommended but rather an option if desired in future.

Board Chair Valerie Gillis suggested that CAFII consider having at least one member's legal department review external media articles as part of the process of review, and noted that a lawyer from TD had reviewed the current article being considered for publication with the National Post. Val Gillis also suggested rotating distribution responsibilities between member companies to mitigate the potential issue of high volumes of comments. EOC Chair Karyn Kasperski agreed with the suggestion and added that CAFII could look at engaging in this going forward.

A matter raised by the Board Chair is the importance of EOC and Committee members raising concerns or views consulting first internally within their organizations to ensure that they reflect the views of that organization more generally.

*On a motion duly made, seconded, and unanimously carried, **IT WAS RESOLVED** that the motion to approve the EOC-endorsed CAFII Media Plan be and is approved.*

Item 4(e): Review of EOC-Endorsed Article for National Post

It was agreed that this item would not be approved at the meeting but by email-approval by the board after the article is updated.

[Action Item: Edit National Post article to reflect the feedback received from TD's legal team; K. Martin and W. Bairos, 2024].

Item 4(f): Federal Department of Finance Proposed Amendment to the Criminal Code to Include Insurance Costs in the Calculation of Interest

CAFII's Board Chair, Valerie Gillis, informed the Board that CAFII submitted a submission to the Federal Department of Finance on its proposed amendment to the criminal code to include insurance costs in the calculation of interest. The issue is that the Department clearly did not consider some of the amendment's implications, particularly the fact that organizations that are not engaged in predatory lending will be affected. The Department has not responded yet to CAFII's submission or offer to meet.

Item 4(g): Update on Research with Deloitte on Technology Trends and AI

CAFII's Executive Director, Keith Martin, updated the Board on CAFII's research on technology trends and AI with Deloitte. Deloitte has interviewed most of CAFII's members and will soon send out a written survey. K. Martin is currently working with Deloitte to make some minor edits to the survey, but it is nearing completion. In terms of timelines, the intention is to continue to collect information in the coming months with the intention to publish the report in early 2025.

Item 4(h): Update on Plans to Visit FCAC and the Federal Department of Finance in Ottawa

CAFII's Executive Director, Keith Martin, update the Board on CAFII's plans to visit the FCAC and the Federal Department of Finance in Ottawa. He explained that since CAFII's last visit to the FCAC was in March 2020, CAFII should try to visit again soon. The Association did not go this year due to an active consultation on the extension of complaints regimes to insurance companies, which CAFII had made a submission on. Now that this has

concluded, CAFII intends to visit, but it may be prudent to wait until a permanent Commissioner is named. If CAFII does go to Ottawa to visit the FCAC, it is also recommended that CAFII should also meet with the Department of Finance

Item 4(i): Update on Executive Director September 17-18 Meetings with Regulators in Alberta and BC

CAFII Executive Director Keith Martin informed the Board of his meeting with several regulators from Alberta and British Columbia on September 17 and 18, 2024. K. Martin was invited to participate in an industry panel for the Insurance Council of BC in Richmond, BC, with CLHIA, Advocis, and CAILBA also participating. In conjunction with that visit out west, K. Martin also met with the new Superintendent of Insurance in Alberta, Chris Merriman, and the new CEO of the Alberta Insurance Council, Amina Deiab, along with two members of her staff. The meetings were cordial and productive, and both regulators were very engaged and interested in CAFII's priorities and key messages.

Item 4(j): Update on Hiring New Operations Manager

CAFII's Executive Director, Keith Martin, informed the Board that CAFII has not yet hired a new Operations Manager. He is actively working with Managing Matters to find someone suitable. While the process is taking longer than expected, the intention is to find a strong fit as soon as possible.

Item 4(k): Update on Expansion of Quarterly RSM Canada Benchmarking Study to Include HELOC Penetration Rates

CAFII's Executive Director, Keith Martin, updated the Board on the expansion of the quarterly RSM Canada Benchmarking study to include HELOC penetration rates. RSM Canada can incorporate HELOC penetration rates into the study, there will likely be a modest additional investment increase. Once the cost of this expansion is confirmed, K. Martin will present this to the Board for approval.

Briefing Note

CAFII EOC Meeting October 29, 2024—Agenda Item 7(a-b) Read Only Items

Purpose of this Agenda Item – *Informational*

To provide documentation for the EOC to review, which does not require updates, discussion, or decision-making.

Background Information

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

- a. Submission to the Federal Department of Finance on Proposed Amendments to the Criminal Code to Include Insurance in the Calculation of Interest Rates
- b. Submission to BCFSa on Adjusters in Life and Health Insurance

Recommendation / Direction Sought – *Informational*

This is a read-only item.

Attachments Included with this Agenda Item

Two (2) attachments.

September 11, 2024

Mr. Mark Radley
Director, Consumer Affairs, Financial Sector Policy
Department of Finance
14th Floor, 90 Elgin Street
Ottawa, Ontario K1A 0G5

Copy to:

Ms. Anne Loosen, Economist, Department of Finance
Ms. Tanjana Islam, Analyst, Department of Finance
Mr. Connor Ward, Economist, Department of Finance

Dear Mr. Radley,

Re: Department of Finance Draft Amendments to the Criminal Code

The Canadian Association of Financial Institutions in Insurance (CAFII) would first like to thank you for the opportunity to provide feedback to proposed amendments to the Criminal Code, specifically with respect to provisions to include all insurance costs in the calculation of interest.

Amendments do not Align with Policy Intent

CAFII understands that the amendments to the Criminal Code intend to better regulate predatory lending and payday loans; however, the department's proposed approach has the unintentional potential to make insurance less accessible to Canadians. The proposed amendments take a broad approach to including all insurance premiums in the calculation of interest. As a result, the amendments risk capturing products like optional credit protection insurance (CPI) and optional balance protection insurance (BPI)¹ offered by Federally Regulated Financial Institutions (FRFIs). These insurance protections, as discussed in more detail later in this letter, offer critically important insurance protections to Canadians, a majority of which are underinsured or uninsured.

¹ Credit Protection Insurance and Balance Protection Insurance are included in the class of insurance named Creditor's Group Insurance within provincial insurance acts.

The proposed amendments could capture optional CPI and optional BPI because they are "related to" the lending product in the sense that if the insured borrower incurs a life or health related event and makes a claim under the policy, a claims payout will be applied against their lending obligation.

Although our comments focus on CPI and BPI, CAFII notes that the current definition of "insurance charge" in the amendments could be interpreted to include many forms of insurance beyond CPI and BPI, such as mortgage default insurance, property insurance, and auto insurance distributed by either the lender or other third parties to the borrower where a lender is named as loss payee.

CAFII does not believe that CPI or BPI offered by FRFIs, or the other aforementioned insurance products were the products or lenders that the Department of Finance intended to target in this effort. These FRFIs are already well-regulated, tied-selling is prohibited, and they have robust consumer protections in place. As drafted, the proposed amendments could have a number of unintended consequences on consumers, lenders, and insurers.

For group policies such as CPI, insurance policy pricing is also not based on interest calculations or credit risk but instead is based on actuarial modeling tied to such factors as longevity and morbidity risks. These proposed amendments could make accessing insurance more difficult for Canadians who may need it the most. For example, less healthy, older clients who require credit will face greater challenges getting insurance if these amendments are passed since their insurance premiums may be higher given their insurance health risks being covered, which could bring the cumulative "interest" into the criminal range.

The core issue here is that the definition appears to include any optional insurance product offered in conjunction with (but separate from) a credit instrument like a mortgage, loan, Home Equity Line of Credit (HELOC), or credit card from any insurance provider. There seems to be no consideration that optional insurance fills an important consumer need to provide life, health, or job loss protection that is unrelated to the extension of credit. In summary, the scope of this definition seems much broader than necessary to adequately address predatory lending and payday loans.

Further, if CPI/BPI insurance is no longer available to certain consumers, they will have lost access to the benefit of insurance payments that could have kept their credit obligation in good standing during difficult times, which could, in turn, negatively impact their credit rating and ultimately push them towards the predatory lending market. This would actually be contrary to the policy objective of protecting consumers from predatory lending.

Therefore, any adjustment to the definition of “credit charge” or “interest” needs to be narrowed to ensure that it does not capture more than intended to avoid any negative consequences for consumers.

It is also unclear whether the amendments are intended to capture personal products only or include business credit cards, loans, operating lines of credit, or mortgages as well.

CPI and BPI Premiums Should Not be Included in the Determination of Interest Rate Levels

CPI and BPI is a category of optional group insurance products that provides coverage if a consumer passes away, becomes critically ill or disabled, or in some instances, loses their job. Enrolling in creditor insurance does not impact the credit decision or the extension of credit or borrowing rate from the lender, and it is completely optional. The choice to enrol for CPI or BPI is based on whether the consumer believes it is appropriate based on their financial circumstances. It is often chosen by consumers for peace of mind and its ease of execution since no medical assessment is required. The premium charged can fluctuate on a monthly basis based on outstanding balance of the debt and the consumer's age along with other actuarially determined health risk factors. This product can be cancelled at any time by the consumer with a refund of pro-rated premiums.

At a policy level and as a matter of principle, CAFII is of the view that insurance premiums charged by FRFIs in association with loan instruments offered by them do not constitute interest either conceptually or practically, and that it is inaccurate to include those premiums in the calculation of interest rate. These products are not tied to the extension of credit, nor do they protect against credit risk, but rather they provide optional insurance risk protection against a borrower's life, health, and employment-related risks. These insurance coverages stand separate from the credit instrument and are transacted under separate contracts for customers who choose to purchase this protection.

The calculation of the cost of borrowing in the *Financial Consumer Protection Framework Regulations* aligns with this approach by excluding charges for optional insurance (and costs for other types of insurance) from the cost of borrowing calculation. On the other hand, including interest charges in the calculation of criminal rates of interest does not align with the cost of borrowing calculations currently disclosed to customers under federal law.

More specifically, the Financial Consumer Agency of Canada (FCAC) has specified which charges are and are not associated with the cost of borrowing:

Section 48 (2) Charges not included in the cost of borrowing:

The cost of borrowing for a loan does not include any of the following fees or charges:

- a) *Charges for insurance on the loan if*
 - i) *The insurance is optional*
 - ii) *The borrower is its beneficiary, and the amount insured reflects the value of an asset that is security for the loan*

Similarly, s.70 of the Quebec CPA also specifically excludes optional insurance when defining “credit charges”:

Section 70. ...Despite any provision to the contrary, the following do not constitute credit charge components: (a) the premium for insurance of persons if the merchant does not subject the entering into of the credit contract to subscribing to or participating in the insurance...

Optional CPI and BPI fill an important need of providing Canadian consumers with life, health, disability and job loss protection based on consumer personal circumstances. The amendments could limit access to insurance for consumers who might not be able to afford or qualify for more traditional individual insurance products. Some customers might not receive an offer of CPI or BPI from the lender based on where the interest rate calculation falls for their credit product following calculation with insurance included, to avoid the risk of breaching the criminal rate of interest provisions. This could result in unintended negative consequences for consumers, leading to increased complaints associated with unfair treatment and limited access

to insurance that they desire, and could result in underserved or unserved consumers not having access to these protections and coverages.

For example, one use case which may result in undue consumer harm would be a client in their mid-50s who is seeking an unsecured debt consolidation loan. These loans are often used to combine multiple repayment obligations, which helps improve cash flow and credit history for consumers. Clients seeking debt consolidation help may not have access to traditional insurance coverage. As a result of these proposed changes, these same clients may no longer be in a position to benefit from the protection offered by CPI. This could leave consumers unreasonably exposed should job loss, critical illness, or death occur.

The calculation of interest would be very difficult to administer on a month-to-month basis as a calculation would need to consider the fluctuation of insurance charges based on outstanding debt amount and changes in the customer's age to ensure that the interest charge does not exceed the criminal interest rate threshold. Furthermore, it is possible that a customer could obtain optional CPI and BPI through a channel other than a lender, and thus, the lender may not know about the existence or cost of the coverage, leading to the risk of inadvertent non-compliance. The possibility also exists that a one-month fluctuation would result in the threshold being met, and then unmet in a subsequent month. Is the FRFI required to reinstate the insurance in those months where the threshold is not met?

The lending institution's lack of visibility regarding insurance premiums requires emphasizing. Lending institutions do not determine the premiums, rates, or conditions for insurance offered in conjunction with a loan instrument. More specifically, lending institutions are not "charging" the premium; they are treating it as a bill payment. The money does not go to the lending institution; it goes to the insurance company.

In some situations, it is not possible to monitor charges from third-party insurers so they can be added to other charges. Lending institutions do not directly control what insurers will charge for optional insurance and sometimes have no visibility in terms of the premiums being charged to customers obtaining insurance against their loan. For example, if a mortgage is sold through a broker to be held by a bank who then arranges for the credit to be optionally insured by an insurance company not affiliated with that bank, it would not be able to monitor the 35% threshold as the lending institution would have no visibility on the existence of optional Insurance being in place and even less information about the specific rate.

For these reasons, the proposed amendments would only increase the costs of providing loans, which may, in turn, restrict access to credit.

We also note that insurers can amend premiums on notice to customers from time to time. In addition, if the legislation is broad enough to capture other insurance where the lender is named as a loss payee (like property insurance or auto insurance), then compliance with the legislation becomes even more challenging. Lenders would not know the premiums consumers pay for such insurance.

Lenders should not face the risk of criminal sanctions because of changes to the cost of insurance determined by the actions of the consumer or the insurer.

If interest does exceed the threshold as a result of premiums for CPI or BPI, it is unclear what the consequences would be. If the Department of Finance believes insurance should be cancelled, we note that CPI and BPI are normally set up as a group insurance policy with individual insurance certificates issued to customers. The lender or insurer normally cannot unilaterally cancel the coverage unless the group policy is terminated, which would impact all customers who have enrolled in the insurance product.

It is an important principle of insurance that, once obtained, the provider cannot cancel the coverage unless premiums have not been paid or some other termination event specified in the terms of the insurance has occurred. Forcing the cancellation of CPI or BPI would be harmful to consumers as they would lose the insurance coverage they believed they needed. If the expectation is that the insurance should stay in place, then would the Department of Finance expect lenders to reduce interest rates on the underlying credit product, all while the insurer providing CPI or BPI retains the full premium?

It should also be noted that financial reporting and taxation requirements have different definitions of interest than what is being proposed. With an expanded definition of interest, multiple calculations of interest would be required to demonstrate compliance with these amendments, which could potentially impact financial statements or tax return filings.

Life, Health, and Job Loss Products Provide Critical Protection for Underinsured and Uninsured Canadians

By incorporating the costs of CPI and BPI into the criminal insurance rates, the Department of Finance risks both deterring and preventing Canadians' optional purchase of insurance even though these products serve an important role in the marketplace. The credit instruments that CPI and BPI are associated with are not at all similar to payday loans and any implication that they should be viewed similarly is misleading and inaccurate.

CAFII believes that restricting access to these optional insurance products for these loan instruments will have an undesirable and harmful impact on Canadian consumers. We believe it could result in consumers who would otherwise benefit from these coverages not having the opportunity to obtain these protections, which could very well compound an existing underinsurance problem.

A March 2024 survey of Canadians commissioned by CAFII and conducted by independent research organization LIMRA found that Canadians are underinsured and uninsured against their lives and health.² The study found a concerning trend among Canadian homeowners: a significant 80% lack sufficient insurance coverage, being either uninsured or underinsured with CPI or traditional life insurance³. This shortfall in coverage leaves many families inadequately protected against unforeseen life events. Low-income homeowners are significantly more likely to be uninsured compared to those in higher income brackets. Of those who are insured, 75% of low-income homeowners are underinsured, meaning they lack sufficient coverage to protect their financial well-being.

Despite the alarming rate of underinsurance, only 55% of all homeowners with credit own some form of CPI. This discrepancy is even more pronounced among low-income homeowners, who have notably less CPI coverage compared to their high-income counterparts. This suggests a gap in understanding of and access to CPI, highlighting the need for increased awareness and education about this form of insurance and its benefits.

² The full study can be found on the CAFII website here: <https://www.cafii.com/cafii-limra-insurance-among-canadian-homeowners/>

³ Underinsured is defined as Canadians with insurance coverage of less than 7-10 times their income, which is the definition used by the Financial Consumer Agency of Canada (FCAC).

While 80% of Canadian homeowners are underinsured or uninsured, among low-income homeowners with credit, 24% have no life or health insurance and another 10% rely solely on CPI for their insurance needs. This is significantly more than other income groups and highlights the importance of this form of protection for financially vulnerable households.

Finally, a significant portion of Canadian homeowners, 38%, fall into the category of “at risk.” These are homeowners with credit, who are uninsured or underinsured, and have survivors such as partners or dependents. This group is particularly vulnerable to financial hardship in the event of unexpected life events. Taken together, these findings demonstrate the importance of not impeding access to these insurance protections, and not unfairly tarnishing the reputation of this industry or the access to these products by underinsured and uninsured Canadians.

These products offered by banks and credit unions provide critical protections in the marketplace and treat consumers fairly. The insurance is optional; full disclosure of premiums, exclusions, and limitations are made; and the industry has a strong record around claims payout. For example, separate research commissioned by CAFII and conducted by polling company Pollara Insights found that 95% of mortgage life insurance claims were paid out.

Life and Health Insurance Is Regulated by Provinces and Territories, and Bank Distributors are Regulated by the Bank Act and the FCAC

Credit protection insurance and balance protection insurance are a class of life, health, and job loss insurance products that are regulated across the country under the jurisdiction of provincial and territorial regulators and policy-makers. While we recognize the authority of the federal government with respect to the Criminal Code, the outcome of these amendments will have an impact on the perception and possible availability of products that are squarely within the jurisdiction of provinces and territories.

CAFII understands that the Department of Finance may be intending to address practices by parties not regulated by the Bank Act, federal regulation, and provincial and territorial regulators. If that is the case, we believe that the approach to take is to explicitly exempt those regulated parties and associated optional CPI and BPI products that do meet the Department’s regulatory expectations and to make clear in your definitions of key terms what the legislation is intending to achieve and what parties are subject to it. The definitions should make clear that your focus is on issues related to the extension of credit by non-regulated lenders.

For greater clarity, Charter I and Charter II banks are subject to all the applicable federal regulatory requirements, including the Bank Act and oversight by the FCAC, and all CAFII members offering CPI and BPI are subject to provincial regulations and oversight. Tied-selling is prohibited, and CAFII members are committed to fair disclosure, rigorous oversight of products offered, and the fair treatment of customers.

Consultation Period is Short

While in principle, we are very concerned if optional credit protection insurance and balance protection insurance are intended to be captured by the proposed amendments, in practice, we are also concerned about such a short consultation period for a change of this magnitude. CAFII has fifteen members that represent large, complex financial institutions and there are many other industry stakeholders who would be impacted by this change. We believe that better regulatory outcomes and protections occur when there is dialogue and detailed consultation with industry; the compressed timeline for this consultation has compromised the ability to achieve this important outcome. As a result, we feel that the amendments should not be moved forward until there has been an opportunity for a fulsome engagement between the Department of Finance and industry.

Final Comments and Recommendations

If the policy intent of the proposed amendments is to address concerns around optional insurance offered in conjunction with predatory lending and payday loans, we are concerned that many other legitimate loan instruments offered by FRFIs have associated optional insurance like CPI and BPI that are being inadvertently captured by these amendments, which could lead to negative consequences for consumers. CAFII respectfully suggests that criminal provisions are not the appropriate mechanism to address concerns that the government might have relating to the cost of insurance or sales practices by non-regulated lenders. This unfairly casts a shadow of criminality over what are legitimate forms of insurance that benefit consumers. It can also have the consequence of limiting access to insurance to consumers who may benefit from it, particularly those who may be underinsured. We strongly believe that insurance premiums should continue to be excluded from the calculation of interest, as was the approach prior to the introduction of these draft amendments and as is the current approach for calculating the cost of borrowing.

To the extent the Department of Finance is not open to removing insurance charges from the calculation of interest, the amendments should explicitly define the specific products offered that are targeted by this change as opposed to a broad, all-encompassing definition of insurance. The definition should make it clear that optional CPI and BPI insurance offered by regulated entities is not intended to be captured by the amendments and should consider an exemption for parties offering this optional insurance that are not the intended subjects of these amendments. As it stands, the broad definition could produce unintended consequences on consumers and is a disservice to many Canadian consumers who need these products and whose access to them should not be limited. At a practical level, it would be extremely difficult for industry to operationalize these proposed changes.

We encourage the Department of Finance, if it has not already done so, to engage in consultations with the provinces' and territories' insurance regulators on the amendments as insurance regulation falls under the jurisdiction of provinces and territories.

Thank you again for the opportunity to provide input and feedback on the Department of Finance's consultation on amendments to the Criminal Code. Should you require further information from CAFII or wish to meet with representatives from our Association at any time, please contact Keith Martin, CAFII Executive Director, at keith.martin@cafii.com or 647.460.7725.

Sincerely,



Karyn Kasperski
Board Secretary and EOC Chair

About CAFII

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

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

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

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

October 11, 2024

Mr. Blair Morrison
CEO, BC Financial Services Authority
600-750 West Pender Street
Vancouver, B.C. V6C 2T8
insurance@bcfsa.ca

Copy to:

Thomas Taller, Acting VP of Client and Stakeholder Engagement
Marina Makhnatch, Director, Market Conduct Financial Institutions
Harry James, Senior Regulatory Advisor

Dear Mr. Morrison,

Re: Expectations of “Adjusters” in the Life and Health Insurance Industry in BC

The Canadian Association of Financial Institutions in Insurance (CAFII) would like to thank the British Columbia Financial Services Authority (BCFSA) for the opportunity to provide feedback on your interpretation of the *Financial Institutions Act; Insurance Licensing Exemption Regulation*.

BCFSA Interprets Certain Activities to be Adjusting

It is a common interpretation in the insurance sector that adjusting refers to making decisions around whether an event triggers a payout of insurance and if so, the amount of that payout. These decisions are made for events that can trigger losses that must be calculated, and which require investigation and discussion between representatives of insurance companies (adjusters) and policy-holders.

This is typical in the auto insurance industry, where an auto accident could result in losses that need to be calculated; and in home insurance where a fire, flood, or other event could result in losses that need to be calculated. An auto accident does not result in a pre-determined or automatic payout, but rather requires determining the extent of the damage and the cost of returning the vehicle to its pre-accident state, or alternatively if the costs to repair the vehicle exceed its value a decision may be made to write off the vehicle and pay the insured for the value of the vehicle at the time of the accident. A flood, fire, or other house event similarly requires determining the extent of the loss and how to return the home to its pre-event state. These determinations are made by adjusters who specialize in making these determinations, often in conjunction with the policy-holder.

This is fundamentally different from the life and health insurance industry where there is not “adjusting” but rather “adjudication” as the question is whether the triggering event is consistent with existing contractual arrangements. A life insurance claim, for example, does not have any “adjusting” component focused on determining the extent of payout; the claim is valid claim or it is not, and if it is valid then the amount of the claims payout is what the contract specifies. These are straightforward administrative decisions that do not require adjusting or negotiation, but rather require simply determining if contractual terms were met.

We note that BCFSa’s interpretation of adjusting in the Regulatory Statement that was shared with us is as follows:

BCFSa’s position is that exercising significant judgment and/or discretion when handling or coordinating a claim file may attract the licensing requirement. Actively investigating, evaluating and arranging for significant steps in the settlement of claims made by policyholders and beneficiaries under insurance contracts (the “insured”) constitutes adjusting.

The administrative determinations made in the life and health insurance sector around determining eligibility with respect to existing contracts and validating if contract terms were met or not does not involve significant judgment or discretion or involve significant steps. As such, we do not agree with the BCFSa interpretation of adjudication being similar to P&C adjusting, and as such we do not believe that the people making these decisions within the life and health insurance sector require individual licenses.

We further note that the BC legislation provides for an exemption for salaried employees acting for an insurer processing these claims from the requirement for an individual license for an adjuster, and as such the requirement for an individual license would appear to apply to individuals operating solely in outsourced, third-party TPAs and MGAs. However, we are also of the view that such individuals are not making adjusting decisions about these claims, but rather are administratively determining eligibility against existing contracts.

Thank you again for the opportunity to provide input and feedback on the BCFSAs' consultation on adjusters in the life and health insurance industry. Should you require further information from CAFII or wish to meet with representatives from our Association at any time, please contact Keith Martin, CAFII Executive Director, at keith.martin@cafii.com or 647.460.7725.

Sincerely,



Karyn Kasperski
Board Secretary and EOC Chair

About CAFII

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

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

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

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