

CAFII Executive Operations Committee In-Person/Hybrid Meeting Agenda

Date: Tuesday, September 19, 2023 **Time:** 3:00 – 5:00 p.m. EST
Chair: R. Dobbins **Dial-in:** 437-703-4263
Location: BMO Insurance, First Canadian Place, 100 King St. West, **Phone Conference ID:** 583 839 248#
68th Floor, Toronto; and [Virtual MSTeams Meeting](#)

1. Call to Order, Welcome, and Priority Matters	3:00 p.m.	Presenter	Action	Document
a. Call to Order; and Welcome to New CAFII Staff and Support Team Members: - Robyn Jennings, Research Analyst; - Shanay Smith, Operations Manager; and - Troy Woodland, CAFII Association Co-ordinator (at Managing Matters)		R. Dobbins		

2. Consent Items	3:03 p.m.	Presenter	Action	Document
a. Consultations/Submissions Timetable				✓
b. September 2023 Regulatory Update				✓
c. Regulator and Policy-Maker Visit Plan Recap				✓
d. Summary of Board and EOC Action Items				✓
e. Board-Approved Schedule of CAFII 2023 Meetings and Events				✓

3. Financial Management	3:04 p.m.	Presenter	Action	Document
a. CAFII Financial Statements as at August 31/23	3:04 p.m.	D. Hinnecke	Update	✓
b. Forecast for CAFII 2023 Fiscal Year as at August 31/23	3:08 p.m.	D. Hinnecke	Update	✓
c. Planned Updates and Changes to Current CAFII Cheque Signing Authorities Policy (To Be Approved by Board at October 10/23 Meeting)	3:11 p.m.	B. Wycks	Update	✓
d. Proposal from Operatic Agency for Development of New Back-End of CAFII Website (for Inclusion in CAFII 2024 Operating Budget)	3:14 p.m.	K. Martin	Update/ Endorsement	✓

4. Committees and Working Groups	3:18 p.m.	Presenter	Action	Document
a. Diversity, Equity and Inclusion	3:18 p.m.			✓ (Written Update)
i. Current Priorities and Initiatives for the Working Group	3:18 p.m.	T. Harri-Morar/ K. Martin	Update	✓
b. Market Conduct & Licensing	3:22 p.m.			✓ (Written Update)
i. Approach That CAFII Should Take in Raising Issues of Industry Concern Re Compliance with Rule INS-001 and with Restricted Insurance Representative (RIR) Licensing Regime Generally in September 22/23 Liaison Meeting with New Brunswick Superintendent of Insurance A. Mazerolle and FCNB Insurance Division Colleagues	3:22 p.m.	K. Martin/ B. Wycks	Update/ Discussion	✓ (2)
ii. Market Conduct & Licensing Committee's Recommended Next Steps Re CAFII's Raising with FCNB of Insurer Proprietary/Competitive Issue Identified Re Complying with Section 45(1) of Rule INS-001 Re RIR Licensee Disclosure of Compensation/Inducement/Benefit Received from Insurer that Exceeds 30% of Premium to be Paid by Consumer	3:32 p.m.	B. Wycks/ K. Martin	Update/ Discussion	✓
c. Quebec/AMF Issues	3:37 p.m.			
i. Issues Discussed at and Insights/Initiatives Emerging from September 13/23 Committee Meeting	3:37 p.m.	J. Russell/ K. Martin	Update	✓
ii. Plans for September 28/23 Presentation of CAFII's 2023 Research Results-Focused PowerPoint Deck to AMF Staff Executives in a Special Purpose In-Person (in Quebec City)/Hybrid Meeting in French Only	3:42 p.m.	K. Martin	Update/ Discussion	✓
iii. Plans for September 29/23 Quarterly Virtual Liaison Meeting Between CAFII Board Chair P. Thompson and AMF Superintendent E. Jacob	3:46 p.m.	K. Martin	Update/ Discussion	
iv. Re-opening Dialogue with AMF on Spousal Insurance Issue	3:50 p.m.	K. Martin	Update/ Discussion	

d. Media Advocacy	3:55 p.m.			✓ (Written Update)
i. CAFII Website Video on How to Make a Credit Protection Insurance Claim	3:55 p.m.	K. Martin	Update	
ii. Transition to a New CAFII Media Consultant	3:58 p.m.	J. Marcus/ K. Martin	Update	✓
e. Research and Education	4:01 p.m.	A. Stuska		✓ (Written Update)
i. EOC-Approved CAFII 2023 Research Project with LIMRA on CPI's Accessibility to and Utility for Canadian Consumer Segments	4:01 p.m.	K. Martin	Update	✓
ii. Arranging an Opportunity to Present CAFII's 2023 Research Results-Focused PowerPoint Deck to FSRA Staff Executives	4:05 p.m.	K. Martin	Update	
f. Networking & Events	4:08 p.m.	C. Manno		✓ (Written Update)
i. September 26/23 CAFII Webinar with Stuart Wilkinson, FSRA's Chief Consumer Officer	4:08 p.m.	K. Martin	Update	✓
g. Travel Insurance Experts	4:11 p.m.	K. Umtoniwase		✓ (Written Update)

5. Strategic and Regulatory Initiatives	4:13 p.m.	Presenter	Action	Document
a. a. Feedback Received from Western Canada Insurance Regulators and Policy-Makers Upon CAFII's Post-Tour Dissemination of Research Results-Focused Presentation Deck	4:13 p.m.	K. Martin	Update	
b. Survey of CAFII Member Companies on Distribution of CPI Fulfilment Packages	4:16 p.m.	K. Martin	Update/ Discussion	✓
c. Confirmed Itineraries/Plans for an In-Person Representation at CAFII 2023 Atlantic Canada Insurance Regulators and Policy-Makers Visits Tour: Phase 1 (PEI and New Brunswick) and Phase 2 (Nova Scotia and Newfoundland)	4:21 p.m.	B. Wycks	Updates	✓ (2)

6. Governance	4:25 p.m.	Presenter	Action	Document
a. CAFII Board Vice-Chair Succession	4:25 p.m.	K. Martin	Update	
b. Implementation of Board-Approved 'New CAFII Management Structure'	4:28 p.m.	K. Martin	Update	✓
c. Proposed 2024 CAFII Schedule of Meetings and Events	4:32 p.m.	B. Wycks	Update/ Discussion/ Endorsement	✓
d. Plans for September 19/23 EOC Appreciation Dinner	4:35 p.m.	B. Wycks	Update	✓
e. Plans for October 10/23 CAFII/AMF Informal Liaison Lunch; CAFII/AMF 'Industry Issues Dialogue'; and Abbreviated CAFII Board Meeting in Montreal	4:37 p.m.	B. Wycks	Update	
f. Draft Minutes of July 18/23 EOC Meeting	4:39 p.m.	B. Wycks	Approval	✓

7. Read Only Items		Presenter	Action	Document
a. Retirement of Joanne Abram as CEO of Alberta Insurance Council				✓

8. In-Camera Session	4:40 p.m.	Presenter	Action	Document

9. Tracking Issues and Bring-Forward Items		Presenter	Action	Document
a. AMF Consultation on Declaration of Operational Incidents				
b. FCAC: Phase 2 of Domestic Bank Retail Sales Practices Review				

Reminder: EOC Members are requested to remain after the conclusion of the open, minuted portion of each EOC meeting for an informal, unminuted *In-Camera Session* discussion involving CAFII Member representatives alone – i.e. absent CAFII management/staff – typically of 10 to 15 minutes duration

Next Board Meeting: Tuesday, October 10/23, 2:15 to 4:00 p.m. EST, immediately following CAFII Informal Liaison Lunch and Industry Issues Dialogue with AMF Staff Executives, to be hosted by RBC Insurance in Montreal.

Next EOC Meeting: Tuesday, October 24/23, 2:00 to 3:30 p.m. Virtual-Only Meeting.

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 1(a) Call to Order, Welcome, and Priority Matters—Call to Order

Purpose of this Agenda Item—Start of Meeting

Start meeting and welcome to two new CAFII staff members – Robyn Jennings and Shanay Smith – along with Troy Woodland, CAFII’s new Account Co-ordinator at Managing Matters.

Background Information

The meeting will be called to order by EOC Chair Rob Dobbins.

Recommendation / Direction Sought—Start of Meeting

No action required.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 2(a-e) Consent Items

Purpose of this Agenda Item— Information Only

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

Background Information

The consent items that do not require any discussion or decisions are:

- a. Consultations/Submissions Timetable;
- b. September 2023 regulatory Update;
- c. Regulator and Policy-Maker Visit Plan Recap;
- d. Summary of Board and EOC Action Items; and,
- e. Board-Approved Schedule of CAFII 2023 Meetings and Events.

Recommendation / Direction Sought— Information Only

No action is required.

Attachments Included with this Agenda Item

Five (5) attachments.

CAFII Consultations/Submissions Timetable, 2023

Regulatory Issue	Deliverable	Deadline	Accountable
Financial Consumer Agency of Canada (FCAC)	<ul style="list-style-type: none"> CAFII submission on “Proposed Guideline on Appropriate Products and Services For Banks and Authorized Foreign Banks” CAFII meets virtually with FCAC staff executives to present highlights of submission on “Proposed Guideline on Appropriate Products and Services For Banks and Authorized Foreign Banks” FCAC virtual meeting with K. Martin and B. Wycks to present its decisions on elements in CAFII’s submission on “Proposed Guideline” FCAC releases final version of “Guideline on Appropriate Products and Services For Banks and Authorized Foreign Banks” 	<ul style="list-style-type: none"> January 6/22 January 15/22 February 17/22 February 24/22 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Committee; Co-EDs to monitor
BC Ministry of Finance 10-Year Review of FIA (Public Consultation Paper issued June/15); and Resulting Restricted Insurance Agency (RIA) Licensing Regime To Be Developed and Launched By Insurance Council of BC	<ul style="list-style-type: none"> Ministry releases consultation paper on introducing a Restricted Insurance Agent licensing regime in BC (October 3/22 submission deadline) CAFII submission on BC RIA licensing regime consultation paper Ministry advises that Rule to empower RIA Regime and ensuing Insurance Council implementation work to be developed by Spring 2023 <i>Insurance Council of BC arranges early consultation meeting with CAFII re RIA regime</i> CAFII meets in-person/hybrid with BC Ministry of Finance; and with Insurance Council of BC, as part of 2023 Western Canada Tour CAFII response submission on Insurance Council of BC Rule(s) developed to create framework for and implement Restricted Insurance Agency regime in BC (following Ministry of Finance Summer 2023 release of Council-empowering Regulation) <i>CAFII meetings with Insurance Council of BC around Rules for RIA regime</i> 	<ul style="list-style-type: none"> June 30/22 October 3/22 January 13/23 May 8/23 June 13 and June 14/23 Q4 2023 thru Q2 2024 (expected) Q4 2023 thru Q2 2024 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Committee; Co-EDs to monitor
British Columbia Financial Services Authority (BCFSA)	<ul style="list-style-type: none"> CAFII submission on BCFSA’s “Draft Insurer Code of Market Conduct” CAFII submission on Two Follow-up Questions from BCFSA on Its Draft Insurer Code BCFSA releases update promising update report on ‘Insurer Code of Market Conduct’ in 2023 BCFSA holds short virtual meeting with CAFII to advise re how it intends to proceed with a BC “Insurer Code of Market Conduct CAFII meets in-person/hybrid with BCFSA, as part of 2023 Western Canada Tour BCFSA releases final version of its principles-based BC Insurer Code of Market Conduct (derived from CCIR/CISRO Guidance: Conduct of Insurance Business and Fair Treatment of Customers) BCFSA’s BC Insurer Code of Market Conduct to come into force 	<ul style="list-style-type: none"> September 9/22 November 11/22 December 15/22 May 8/23 June 13/23 July 10/23 April 1/24 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Committee; Co-EDs to monitor
Quebec Bill 141 and Related Regulations (including Regulation Respecting Alternative Distribution Methods, RADM)	<ul style="list-style-type: none"> CAFII submission on AMF draft ‘Incentive Management Guidance’ CAFII submission on Draft 2 of ‘Regulation Respecting Complaint Processing’ CAFII and AMF resolve impasse issue re Regulation respecting Alternative Distribution Methods (RADM)’s applicability to credit card-embedded insurance benefits via an “unwritten understanding” that Fact Sheet and Notice of Rescission do not have to be distributed to card holders CAFII and AMF hold special purpose virtual meetings on AMF’s ‘Regulation Respecting Complaint Processing’ (as outgrowth from quarterly one-on-one meetings of CAFII Board Chair and AMF Superintendent, Client Services and Distribution Oversight) CAFII and AMF hold special purpose virtual meeting on purpose behind AMF’s gathering of CAFII member company statistics on claims denial rates and “return of premium” to customers CAFII and AMF begin dialogue, via a quarterly CAFII Board Chair/AMF Supt. one-on-one meeting, about AMF possibly relaxing/amending/dropping requirement to complete runoff termination of in-force CPI spousal coverage by January 1/25 	<ul style="list-style-type: none"> February 18/22 February 15/23 February/March 2022 May 11/23 and June 21/23 June 8/23 July 4/23 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Committee; Co-Eds to monitor

Regulatory Issue	Deliverable	Deadline	Accountable
CCIR/CISRO	<ul style="list-style-type: none"> CCIR/CISRO FTC Working Group accepts proposal in CAFII's July 2/20 letter CAFII submission on CCIR/CISRO Draft "Incentives Management Guidance" CAFII submission on CCIR/CISRO proposed "Incentives Management Guidance" CAFII written submission on CCIR's Draft 2023-2026 Strategic Plan (following preliminary feedback provided via Virtual Stakeholder Session on November 4/22) CCIR releases "2021 Annual Statement on Market Conduct Public Report" CCIR launches 'Annual Statement on Market Conduct: Life and Health Form (2023 data)' consultation; CAFII passes on formal written submission, in favour of informal verbal feedback to Laurie Balfour, Chair of CCIR CSOC, during regulator visits tour in May 2023 CAFII in-person/hybrid stakeholder meeting with CCIR/CISRO Incentives Management Committee re questions/clarifications around final "Incentives Management Guidance" published in November 2022 CAFII makes submission (in both official languages) on CISRO's embargoed Consultation Draft of 2023-2026 Strategic Plan 	<ul style="list-style-type: none"> August 31/20 September 17/21 April 4/22 November 30/22 December 15/22 January 12/23 February 28/23 April 21/23 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Ctte; Co-Eds to monitor
FCNB Insurance Act Rewrite and Introduction of RIA Regime	<ul style="list-style-type: none"> FCNB Releases "Proposed Rule INS-001: Insurance Intermediaries Licensing and Obligations" for consultation, with February 7/22 submission deadline CAFII submission on FCNB's "Insurance Act Rewrite: Questions For Industry, Dec.'21" CAFII submission on Proposed Rule INS-001: Insurance Intermediaries Licensing and Obligations CAFII submission on Proposed Rule INS-002: Insurance Fees CAFII submission on FCNB legislative change proposals re Life Insurance and Accident & Sickness Insurance sections of Insurance Act (informal sounding board consultation) FCNB releases 'Notices to Industry' on coming into force of final versions of Rule INS-001 and Rule INS-002 (having received Ministerial approval) on February 1/23 FCNB Rules INS-001 and INS-002 come into force. CAFII meets with FCNB to discuss implementation questions/clarifications re Rule INS-001 At CAFII's behest, FCNB removes RIR licence applicant requirements to submit Disclosure Forms and Criminal Record Checks for Board Directors FCNB grants CAFII request for deadline extension (60 days to June 30/23) for filing initial RIR licence application on FCNB Portal; exempts OSFI- and FCNB-regulated RIR licensees from having to maintain trust accounts; and clarifies RIR licence application issues <i>CAFII delegation meets with FCNB Superintendent of Insurance and other staff executives for relationship-building and, in part, to discuss lingering problems/issues re INS Rule-001 and RIR regime, as part of Fall 2023 Atlantic Canada tour</i> 	<ul style="list-style-type: none"> November 2021 January 31/22 February 7/22 February 18/22 May 20/22 December 13-14/22 February 1/23 February 24/23 March 9/23 April 14/23 <u>September 22/23</u> 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Ctte; Co-Eds to monitor
Financial Services Regulatory Authority of Ontario (FSRA) Regulatory Consultations	<ul style="list-style-type: none"> CAFII responds to FSRA "Information Guidance on Complaints Resolution" consultation CAFII submission on FSRA's "Principles-Based Regulation" consultation document CAFII submission on FSRA's "Principles of Conduct for Insurance Intermediaries" CAFII submission on FSRA's "Use of Retained Revenues Guidance" FSRA provides feedback on CAFII's submission on "Use of Retained Revenues Guidance" CAFII submission on FSRA's Proposed 2023-24 Statement of Priorities and Budget CAFII submission on FSRA's "Proposed Rule 2022-001: Assessments and Fees" CAFII decides not to make a submission on FSRA's "Proposed Guidance on IT Risk Management", determining it to be largely "out of scope" FSRA launches consultation on "Proposed Guidance: Administrative Monetary Penalties" with May 31/23 submission deadline CAFII submission on FSRA's "Proposed Guidance: Administrative Monetary Penalties" 	<ul style="list-style-type: none"> February 15/22 April 29/22 May 3/22 May 31/22 Sept 9/22 November 15/22 February 27/23 March 31/23 March 27/23 May 31/23 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Ctte; Co-EDs to monitor

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

Summary of CAFII Board and EOC Action Items					
	Source	Action Item	Responsible	Deadline	Status September 15, 2023
		Association Strategy, Governance and Financial Management			
1	BOD: June 9, 2020	Revisit the launch of the CAFII Working Group On A Proposed Lower Dues Category Of CAFII Membership once the economic environment stabilizes, via a first meeting and a draft Terms of Reference for this Working Group.	K. Martin	31-Dec-23	In Progress
2	EOC May 29, 2018	Develop a summary job description for the CAFII EOC Chair role and circulate it to EOC Members.	B. Wycks/ K. Martin	31-Dec-23	In Progress
3	EOC February 27, 2018	Document in writing the process for reviewing, approving, and admitting applicants for CAFII Members and Associate status	B. Wycks	31-Dec-23	In Progress
		Regulatory Initiatives			
4	BOD December 6, 2022	Maintain ongoing dialogue with AMF Superintendent Eric Jacob and keep CAFII management and EOC Chair and Vice-Chair informed of any developments re resolving impasse issue re RADM's applicability to credit card-embedded insurance benefits and any other CAFII Member-relevant issues	P. Thompson	Ongoing	Ongoing
5	BOD April 4, 2023	At an appropriate time, suggest to the FCNB that they broaden the language of Clause 46 to include consulting a representative of a financial advisor or a representative of the insurance company	B. Wycks/ K. Martin	Ongoing	In Progress
		Association Operations			
6	EOC May 17, 2022	Regularly scan website videos to ensure that they are up-to-date and don't include broken links	K. Martin/ B. Wycks	Ongoing	Ongoing
7	BOD June 6, 2023	If necessary, request from the Board a financial provision, outside of the approved 2023 Operating Budget, for a partial rebuild of the CAFII back-end website in 2023	K. Martin	Ongoing	Ongoing

Agenda Item 2(e)

September 19/23 EOC Meeting

Board-Approved Schedule of CAFII 2023 Meetings and Events

(Approved At October 11/22 CAFII Board Meeting)

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

- **Tuesday, January 17, 2023** (2:00–4:00 p.m. MS Teams virtual-only meeting)
- **Tuesday, February 14, 2023** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)
(Family Day Stat Holiday in Ontario: Monday, February 20)
- **Tuesday, March 21, 2023** (2:00–3:30 p.m. MS Teams virtual-only meeting)
(Quebec Spring Break: March 6 – March 10. Ontario March Break: March 13 – March 17)
- **Tuesday, April 25, 2023** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)
(Passover: Wednesday, April 5 – Thursday, April 13. Good Friday: Friday, April 7. Easter Monday: Monday, April 10)
- **Tuesday, May 16, 2023** (2:00–3:30 p.m. MS Teams virtual-only meeting)
(Victoria Day Stat Holiday: Monday, May 22)
- **Tuesday, June 27, 2023** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)
- **Tuesday, July 18, 2023** tentative summer meeting (2:00–3:30 p.m. MS Teams virtual-only meeting)
- **Tuesday, August 15, 2023** tentative summer meeting (2:00–3:30 p.m. MS Teams virtual-only meeting)
(Civic Stat Holiday: Monday, August 7)
- **Tuesday, September 19, 2023** (3:00–5:00 p.m. in-person/virtual-hybrid meeting, followed by EOC Annual Appreciation Dinner)
(Labour Day: Monday, September 4. Rosh Hashanah: September 15 – 17. Yom Kippur: September 24 – 25. National Day for Truth and Reconciliation: Saturday, September 30)
- **Tuesday, October 24, 2023** (2:00–3:30 p.m. MS Teams virtual-only meeting)
(Thanksgiving Stat Holiday: Monday, October 9)
- **Tuesday, November 14, 2023** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)
(Remembrance Day: Saturday, November 11. Diwali: Sunday, November 12)

Board Meetings:

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

2023 Annual Members and Associates Luncheon:

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

2023 EOC Annual Appreciation Dinner:

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

Webinars:

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

2022 Board meetings Hosted by:

TD Insurance, Desjardins Insurance, CIBC Insurance

2021 Board meetings Hosted by:

None, due to COVID-19 pandemic situation

2020 Board meetings Hosted by:

None, due to COVID-19 pandemic situation

2019 Board meetings Hosted by:

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

2018 Board Meetings Hosted by:

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

2017 Board Meetings Hosted by:

TD Insurance; CAFII; Desjardins Insurance; CIBC Insurance

Recent Years' Annual Members and Associates Luncheons

2022 Annual Members and Associates Luncheon

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

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

Speaker: Mark White, CEO, FSRA

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

2021 Annual Members and Associates Virtual Luncheon Webinar

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

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

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

Venue: Virtual-Only Webinar

2020 Annual Members and Associates Virtual Luncheon Webinar

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

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

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

Venue: Virtual-Only Webinar

2019 Annual Members and Associates Luncheon

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

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

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

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

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 3(a) Financial Management – CAFII Financial Statements as at August 31/23

Purpose of this Agenda Item– Update

To update the EOC on the Association's financial position as at 31 August, 2023.

Background Information

CAFII Treasurer Donald Hinnecke will provide an update based on CAFII's financial statements as at 31 August, 2023.

Recommendation / Direction Sought– Update

This is an update only.

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 Aug 31st, 2023

	Current Month	Budget Aug-23	Variance to Monthly Budget	Current YTD	Budget '23 YTD	Variance Budget to YTD	Budget 2023
Revenue							
Membership Dues	\$79,425	\$77,497	\$1,928	\$635,399	\$619,976	\$15,423	\$929,964
Interest	\$1,069	\$458	\$611	\$7,269	\$3,664	\$3,605	\$5,500
Investments - Interest-Savings, Short-term CD	\$1,151	\$0	\$1,151	\$6,904	\$0	\$6,904	\$0
Misc (One time event fees)	\$0	\$0	\$0	\$380	\$0	\$380	\$0
TOTAL REVENUE	\$81,644	\$77,955	\$ 3,689	\$649,952	\$623,640	\$26,312	\$935,464
Expenses							
Office Costs							
Management Fees (CAFII staff and Managing Matters)	\$51,442	\$44,899	(\$6,543)	\$381,587	\$359,192	(\$22,395)	\$538,784
New hire for 6 months overlap	\$0	\$17,149	\$17,149	\$0	\$34,298	\$34,298	\$102,895
Audit Fees	\$1,367	\$1,367	\$0	\$10,434	\$10,936	\$502	\$16,402
Insurance	\$722	\$575	(\$147)	\$4,793	\$4,600	(\$193)	\$6,902
Member Communication and Technology Tools	\$668	\$734	\$66	\$7,620	\$5,672	(\$1,748)	\$8,810
Telephone/Fax/Internet	\$545	\$482	(\$63)	\$3,665	\$3,856	\$191	\$5,789
Postage/Courier	\$0	\$7	\$7	\$73	\$49	(\$24)	\$86
Office Expenses	\$51	\$896	\$845	\$1,387	\$7,168	\$5,781	\$10,751
Bank Charges	\$174	\$52	(\$122)	\$346	\$416	\$70	\$628
New Office Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation Computer/Office Equipment	\$132	\$235	\$103	\$550	\$1,880	\$1,330	\$2,821
Miscellaneous Expense	\$0	\$0	\$0	\$0	\$250	\$250	\$500
Total Office related expenses	\$55,101	\$66,396	\$11,295	\$410,457	\$428,517	\$18,060	\$694,369
Legal and consulting costs associated with regulatory submissions and initiatives	\$0	\$8,040	\$8,040	\$17,987	\$58,240	\$40,253	\$90,400
Board/EOC/AGM							
Annual Members and Associates Luncheon	\$0	\$0	\$0	\$13,577	\$16,120	\$2,543	\$16,120
Board Hosting (External)	\$0	\$0	\$0	\$7,500	\$16,050	\$8,550	\$24,075
Board/EOC Meeting Expenses	\$0	\$3,454	\$3,454	\$7,827	\$17,270	\$9,443	\$31,089
Industry Conferences and Events	\$0	\$0	\$0	\$0	\$2,800	\$2,800	\$3,627
EOC Annual Appreciation Dinner	\$0	\$0	\$0	\$0	\$0	\$0	\$5,676
Speaker fees & travel	\$0	\$0	\$0	\$0	\$1,500	\$1,500	\$1,500
Gifts	\$0	\$107	\$107	\$0	\$856	\$856	\$1,284
Networking Events	\$90	\$0	(\$90)	\$9,262	\$2,825	(\$6,437)	\$5,650
CAFII 25th Anniversary Celebration	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Board/EOC/AGM	\$90	\$3,561	\$3,471	\$38,166	\$57,421	\$19,255	\$89,021
Regulatory and Industry							
Provincial Regulatory Visits and Relationship-Building	\$736	\$0	(\$736)	\$7,791	\$24,600	\$16,809	\$41,000
Federal Regulatory Visits and Relationship-Building	\$0	\$0	\$0	\$0	\$2,500	\$2,500	\$5,000
Research/Studies	\$0	\$0	\$0	\$8,814	\$16,950	\$8,136	\$67,800
Webinar Fees	\$0	\$0	\$0	\$7,684	\$7,683	(\$1)	\$15,368
Website SEO and Enhancements	\$0	\$0	\$0	\$22,600	\$22,600	\$0	\$45,200
CAFII Benchmarking Study/RSM Canada	\$16,950	\$0	(\$16,950)	\$33,900	\$35,596	\$1,696	\$71,190
Media Outreach	\$72	\$0	(\$72)	\$1,351	\$4,520	\$3,169	\$9,040
Media Consultant Retainer	\$3,058	\$3,125	\$67	\$22,508	\$25,000	\$2,492	\$37,500
Marketing Collateral	\$0	\$0	\$0	\$1,462	\$0	(\$1,462)	\$7,000
Total Regulatory and Industry	\$20,816	\$3,125	(\$17,691)	\$106,110	\$139,449	\$33,339	\$299,098
TOTAL EXPENSE	\$76,007	\$81,122	\$5,115	\$572,719	\$683,627	\$110,908	\$1,172,888
NET INCOME	\$5,637	(\$3,167)	8,804	\$77,233	(\$59,987)	\$ 137,220	(\$237,424)
proof	-	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 caffi.com, subscription and website improvements.

CAFII

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

Balance Sheet As at Aug 31st, 2023

	CAFII Operations		
	31-Aug 2023	31-Jul 2023	31-Dec 2022
ASSETS			
Current Assets			
Bank Balance	\$71,171	\$113,220	\$324,108
Savings Account	\$424,514	\$423,445	\$417,244
TD Investment in GIC- 1104 8045480 01	\$600,000	\$600,000	\$0
Accounts Receivable	\$0	\$0	\$0
Interest Receivable	\$6,904	\$5,753	\$0
Prepaid Expenses	\$7,058	\$8,004	\$6,397
Computer/Office Equipment	\$14,369	\$10,878	\$10,878
Accumulated Depreciation -Comp/Equip	(\$9,280)	(\$9,148)	(\$8,730)
Total Current Assets	\$1,114,737	\$1,152,153	\$749,898
TOTAL ASSETS	\$1,114,737	\$1,152,153	\$749,898
	-	-	
LIABILITIES			
Current Liabilities			
Accrued Liabilities	\$10,750	\$9,383	\$15,916
Credit Card	\$352	\$580	\$566
Account Payable	\$39,427	\$4,195	\$64,141
Deferred Revenue	\$317,699	\$397,124	\$0
Total Current liabilities	\$368,229	\$411,283	\$80,623
TOTAL LIABILITIES	\$368,229	\$411,283	\$80,623
	-	-	
UNRESTRICTED NET ASSETS			
Unrestricted Net Assets, beginning of year	\$669,275	\$669,275	\$505,900
Excess of revenue over expenses	\$77,233	\$71,596	\$163,374
Total Unrestricted Net Assets	\$746,508	\$740,871	\$669,275
Total Unrestricted Net Assets	\$746,508	\$740,871	\$669,275
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$1,114,737	\$1,152,153	\$749,898
	-	0	-
Financial Reserves Targets as per 2023 Budget:			
Minimum 3 months (25%) of Annual Operating Expenses=		\$ 293,222	- 0.04
Maximum 6 months (50%) of Annual Operating Expenses=		\$ 586,444	- 0.08
Current Level of Financial Reserves (total unrestricted net assets):		\$746,508	
Current Level of Financials Reserve (%) :		64%	0.00

C A F I I

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

Membership Fees

		<u>Feb-23</u>		<u>Method of Payment</u>	<u>Received Date</u>
		<u>Billed</u>	<u>Received</u>		
TD Insurance	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Cheque	23-Feb-23
BMO Bank of Montreal	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	16-Mar-23
CIBC Insurance	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	27-Feb-23
RBC Insurance	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	02-Mar-23
Scotia Insurance	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	28-Feb-23
Desjardins Financial Security Life Assura	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Cheque	28-Feb-23
National Bank Insurance	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	16-Feb-23
Manulife Financial	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	13-Feb-23
The Canada Life Assurance Company	2023 Upper Tier Member	\$ 77,110	\$ 77,110	Direct Payment - EFT	19-Apr-23
Securian Canada	2023 Lower Tier Member	\$ 38,555	\$ 38,555	Cheque	23-Feb-23
Assurant	2023 Lower Tier Member	\$ 38,555	\$ 38,555	Direct Payment - EFT	23-Mar-23
Valeyo	2023 Lower Tier Member	\$ 38,555	\$ 38,555	Direct Payment - EFT	03-Mar-23
CUMIS Group Ltd	2023 Lower Tier Member	\$ 38,555	\$ 38,555	Cheque	28-Mar-23
Canadian Tire Bank	2023 Lower Tier Member	\$ 38,555	\$ 38,555	Direct Payment - EFT	20-Apr-23
Chubb Life Insurance Company of Canada	2023 Initiation Members (Lower Tier)	\$ 23,133	\$ 23,133	Cheque	04-Apr-23
RSM Canada	Associate	\$ 4,800	\$ 4,800	cheque	11-Apr-23
Willis Towers Watson	Associate	\$ 4,800	\$ 4,800	Direct Payment - EFT	13-Apr-23
KPMG LLP	Associate	\$ 4,800	\$ 4,800	Cheque	18-Apr-23
Optima Communications	Associate	\$ 4,800	\$ 4,800	Direct Payment - EFT	17-Feb-23
RGA Life Reinsurance Company of Canada	Associate	\$ 4,800	\$ 4,800	Direct Payment - EFT	31-Mar-23
Torlys LLP	Associate	\$ 4,800	\$ 4,800	Direct Payment - EFT	28-Feb-23
Stikeman Elliott	Associate	\$ 4,800	\$ 4,800	Cheque	21-Mar-23
Norton Rose Fulbright Canada	Associate	\$ 4,800	\$ 4,800	Direct Payment - EFT	04-Apr-23
Royal & Sun Alliance Insurance Company	Associate	\$ 4,800	\$ 4,800	Cheque	28-Mar-23

Feb Invoices

\$953,098 \$953,098

Total Membership Fees

\$953,098

Total amount to realocate monthly Jan-Dec. 2023

\$79,424.83

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 3(b)

Financial Management – Forecast for CAFII 2023 Fiscal Year as at August 31/23

Purpose of this Agenda Item– *Update*

To provide an update to the EOC on the Association's financial forecast through to the end of the fiscal year 2023, as at 31 August, 2023.

Background Information

CAFII Treasurer Donald Hinnecke will provide an update based on the CAFII 2023 fiscal year forecast as at 31 August, 2023.

Recommendation / Direction Sought– *Update*

This is an update only.

Attachments Included with this Agenda Item

One (1) attachment.

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 3(c)

Financial Management – Planned Updates and Changes to Current CAFII Cheque Signing Authorities Policy

Purpose of this Agenda Item– Update

To provide an update to the EOC on planned updates and changes to CAFII's current cheque signing authorities policy.

Background Information

CAFII's Co-Executive Director Brendan Wycks will present an update on the ways in which CAFII plans to change its current cheque signing authorities policy. Any updates and changes will be reviewed and approved by the Board of Directors on 10 October, 2023.

Consideration will also be given to renaming the policy, as most financial settlements by CAFII are no longer done through cheques, but through electronic payment methods.

Recommendation / Direction Sought– Update

This is an update only.

Attachments Included with this Agenda Item

One (1) attachment.

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 3(d)

Financial Management – Proposal from Operatic Agency for Development of New Back-End of CAFII Website

Purpose of this Agenda Item– Update/Endorsement

To update the EOC on CAFII's website and present a development proposal from Operatic Agency for a new back-end for the website; this will require the EOC's endorsement.

Background Information

CAFII's password-protected website back-end, commonly known as an "intranet," is not user-friendly. It also uses a program, Drupal, that is not well-supported and requires ongoing updates.

CAFII's website support firm Operatic Agency has recommended a complete rebuild of the back-end of the site, which will make it more intuitive, easier to navigate, and will include added functionality. The recommended software to rebuild the back-end, WordPress, is what is already used for the CAFII front-end website.

The new back-end of the site will continue to be a repository for consolidated packages for EOC and Board meetings, which is how it is principally used by members currently, but it will also include new capabilities for storing materials that members may wish to access, including past regulatory submissions, past Regulatory Updates, and past Weekly Digests, among other materials.

CAFII's Media Advocacy Committee held a meeting on 12 September, 2023, at which Operatic Agency's proposal was reviewed, and the Committee is recommending to the EOC that the proposal be endorsed. If endorsed by the EOC, the Board will be asked to approve moving forward with the proposal as part of the Association's 2024 Operating Budget.

Recommendation / Direction Sought– Update/Endorsement

This is a recommendation to the EOC for discussion and possible endorsement.

Attachments Included with this Agenda Item

One (1) attachment.

Scope of Work May 5, 2023

Member Portal

Prepared for CAFII

Table of Contents

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Member Portal	2-3
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Overview

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

Objective

CAFI has identified a need to update their Member Portal. The current content management system (CMS), Drupal, is cumbersome for administrators and does not allow for easy, seamless updating. Additionally, there are brand inconsistencies that exist between CAFI's Member Portal and the consumer-facing website. Our objective in updating the Member Portal is to:

- Implement a user-friendly CMS platform, that is easier to manage and update
- Improve the user experience (look and feel)

To achieve this objective, Operatic recommends implementing WordPress (or similar) as the new CMS platform and retiring Drupal.

Requirements

WordPress (or similar) is not only the world's most popular CMS, but it is also user-friendly, easy to manage and update, and meets your criteria as outlined below:

- The ability to upload and post all the individual materials for each EOC and board meeting
- The ability to store historical documentation from each EOC and board meeting
- The ability to post and update 'Regulatory Updates'
- The ability to store and upload historical regulatory submissions (this will be implemented as a future project)
- The ability to navigate regulatory submissions and other documentation in an organized fashion such as:
 - chronologically (year, month, day)
 - by regulator and;
 - by topic (privacy, fair treatment of customers, IT reporting etc.)
- The ability to post and update the 'Weekly Digest'
- The ability to migrate all existing material (documents, etc) from the current Member Portal site into WordPress (or similar)
- Create brand consistency and improve the member experience

Member Portal

Foundation

Our WordPress (or similar) builds are future-friendly, leveraging advanced custom fields which allow you to easily edit existing pages and add new ones in the future.

There's truly no limit to what you can accomplish, and with peace of mind, because our WordPress (or similar) builds use best-in-class security measures to keep your Member Portal safe and secure. We follow WordPress



(or similar) best practices including modifying table prefixes, changing the default login URL, limiting login attempts and enabling two-factor authentication.

Features You'll Enjoy

- Consistent look and feel from the front end of the site
- Fully mobile-compatible design captures & retains mobile users
- Lightning fast speed delivers outstanding user experience and search engine optimization advantages
- Includes best practices for on-page search engine optimization enhancements
- Optimized for conversions
- Secured with leading-edge encryption
- Built with a platform that allows us to utilize a large ecosystem of integrations and apps
- Includes the page layouts and initial pages that you need to get started
- You're able to add as many additional pages as you want
- Comprehensive analytics dashboard shows progress towards KPIs
- Hosted and supported by our dedicated, in-house support team who knows you and your brand

WireFrame

Taxonomy is a reference to the general structure of your Member Portal, and the individual web pages that will exist within that structure. Information Architecture (IA) is in reference to the information provided on each one of those pages. The sitemap/wireframe is the overall picture of those two elements. We will rebuild the Member Portal using the existing taxonomy and will improve the IA based on user experience best practices.

Features & Functionality

Your Member Portal has been estimated to include the following specific features and functionality:

- Page Templates – Up to 6
- Total Pages – Up to 90 (EN/FR)
- Gated Portal
- Image Sliders
- Video Embed
- Map Embeds
- Contact Form
- AODA/WCAG Launch Compliant
- Site Search
- FR/EN Versions
- Blog-Style Pages

Member Portal Strategy & Design Process

Our efforts here will focus on creating an exceptional user experience and solid foundation for growth and will include:

- A kickoff meeting to finalize the taxonomy (navigation/pages)
- Outline of the information architecture (what content needs to be on which pages) in the form of a wireframe for your review and approval
- Design of the member homepage, a main navigation page and a sub navigation page for your review and feedback
 - One round of feedback implementation (please ensure feedback is consolidated)
 - Client approval



- Design of remaining pages for your review
 - One round of feedback implementation (please ensure feedback is consolidated)
 - Client approval

Content Requests

Our team of content experts will outline the copy needs of each individual page on your Member Portal and create the necessary content request documents to be shared with David Moorecroft who will write the copy.

Stock Images

In addition to the assets we receive from you, if any additional stock imagery is required, we'll purchase necessary imagery through our licenses on your behalf.

Responsive Design & Visibility Compliance

We'll ensure an optimal experience on mobile devices and that your Member Portal will comply with launch-level, applicable accessibility standards in Ontario (AODA) and in Canada (WCAG).

Upon completion of our designs and after the input of content, you'll have your final opportunity to share feedback. Once you've provided a comprehensive list of your final touches, we'll apply your feedback through one round of revisions as part of this scope.

Development

Our development approach is focused on bringing back-end platforms to life and delivering fast, responsive, secure and maintainable solutions. The following activities and deliverables comprise our development process:

- **Creation of functional layouts:** Consists of transforming the visual design produced in the design phase into functional HTML, CSS and Javascript-based templates.
- **Testing and quality assurance:** Includes cross-browser and cross-platform testing to ensure a high-quality experience across multiple browsers and devices.
- **Deployment to staging:** We'll deploy the finished product to staging for our final run through.
- **Deployment to production:** We'll ensure that the final and approved product will be successfully launched to your production environment.

Analytics & Tracking

Upon collaboratively defining the key performance indicators that you should measure on your Member Portal, we'll implement the following:

- Google Analytics (GA4 - newest version)
- Google Tag Manager
- 301 redirects of each of your old Member Portal pages to the appropriate pages on your new portal

Quick Reference Guide & Training:

Finally, we'll create a quick reference guide to assist you in understanding the CMS which your site uses, enabling you to make small tweaks quickly and easily, and we'll provide a up to 90 minute training session to get you acquainted with your Member Portal and guide.



Website Hosting & Maintenance

Our website hosting and maintenance plan incorporates several important components. It includes flowthrough fees related to the technical upkeep of the website, and proactive maintenance updates by the Operatic development team. The following are included:

- Hosting fee
- SSL certificate fee
- CDN fee
- Automated website backups
- Uptime monitoring
- Proactive CMS updates, which can include:
 - Plugin updates
 - Core updates
 - Application package updates

Project Governance

What About Feedback?

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

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

Scope & Scope Changes

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

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

Timeline

Upon signing of this scope we'll create a detailed timeline and will share it with you. This exercise can take up to 5 business days as we brief the team and assign the appropriate resources to support this project. Additionally, this effort will require some of your time and attention for reviews and approvals, and timely cooperation from you is necessary for us to stay on track.

Investment

Item	One-time	Monthly
Member Portal <ul style="list-style-type: none">• Strategy and Design• Stock Imagery• Content Requests• Development• Analytics and Tracking• Quick Reference Guide and Training	\$37,500	
Website Hosting & Maintenance		\$200
HST (13%)*	\$4,875	
TOTAL	\$42,375	\$2,712

Terms and Conditions

- *Investment is shown in CAD and includes HST.
- 1/3 of the investment due upon acceptance of this proposal
- 1/3 of the investment invoiced upon design sign-off
- 1/3 of the investment invoiced upon site launch
- Monthly hosting invoiced on the first of each month, beginning once the Member Portal has gone live.
- All invoices are net thirty (30).
- Operatic reserves the right to charge a late interest fee of 2.75% per month on invoices past due thirty (30) days.
- Accepted payment methods include cheque, EFT, and credit card. A 2.75% processing fee will apply to all credit card transactions.

Christy Cusack , VP Consumer Engagement
Sept 11, 2023

Signature of authorized representative
Date:



Agenda Item 4(a)
September 19/23 EOC Meeting

From: Harri-Morar, Tejal <Tejal.HarriMorar@bmo.com>
Sent: Thursday, September 7, 2023 12:24 PM
To: Keith Martin <Keith.Martin@cafii.com>; Brendan Wycks <brendan.wycks@cafii.com>
Cc: Troy Woodland <Troy.Woodland@cafii.com>; Shanay Smith <Shanay.Smith@cafii.com>; Robyn Jennings <Robyn.Jennings@cafii.com>
Subject: FW: EOC Meeting - Diversity, Equity and Inclusion Committee Update

Hi Keith and Brendan,

Hope you both had a good summer.

Given that we all returned back from the summer and are all still catching up, can I propose the following:

1. Cancel the meeting for 11 September, 2023;
2. In the interim send the research out to everyone that was done for review;
3. In the same email, we can then invite other members to contribute to any other research that they have done or embark on in the next month for open discussion at our next meeting?

Let me know if this approach works for you and Brendan too?

Thanks, Tejal

From: Harri-Morar, Tejal <Tejal.HarriMorar@bmo.com>
Sent: Thursday, July 13, 2023 2:02 PM
To: Keith Martin <Keith.Martin@cafii.com>; Brendan Wycks <brendan.wycks@cafii.com>
Cc: Jake Becker <jake.becker@cafii.com>
Subject: RE: CAFII Board Diversity Working Group Meeting

Dear Keith and Brendan,

Kindly find attached hereto the initial research that I put together into a spreadsheet for purposes of having an overview as to what other or relevant industry associations currently have in place for diversity. It is high level but we can distribute it to other members and they can add research they have done into this spreadsheet. This will allow everyone to have an overall idea on what is currently out there, what CAFII members can build on and leverage for the work done by this working group.

Please feel free to amend or refine as you both see fit.

Thanks
Tejal

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 4(a)i

Committees and Working Groups – Diversity, Equity, and Inclusion – Current Priorities and Initiatives for the Working Group

Purpose of this Agenda Item– Update

To update the EOC on the current priorities and initiatives of the Diversity, Equity, and Inclusion Working Group.

Background Information

Working Group Chair Tejal Harri-Morar and CAFII Co-Executive Director Keith Martin will provide an update to the EOC on the current priorities of the Diversity, Equity, and Inclusion Working Group.

Recommendation / Direction Sought– Update

This is an update only.

Attachments Included with this Agenda Item

One (1) attachment.

CAFI Board Diversity Working Group Meeting				
Organization / Government Department	Link to public website	Outcome of investigation	Contact details of organization (if any)	Comments
United Nations - Guidance for Banks Gender Equality Setting	https://www.unepfi.org/industries/banking/guidance-on-gender-equality/	1) Looks at Sustainable Development Goals and examples that the banking industry can use to develop goals and provide practical examples to enhance gender equality in the workplace.		1) Can have a look at the practical examples to help us determine how to enhance gender equality and participation by members in CAFI.
Global Federation of Insurance Associations (GFIA)	https://gfainsurance.org/search?q=Diversity&=&r=&y=2023&from=&to=#publications	<p>1) GFIA has a document entitled principles on diversity, equity and inclusion (DEI)</p> <p>2) GFIA favours the development of voluntary DEI policies, governed by anti-trust laws, based on global best practice examples. Any DEI policies should assure proportionality and confidentiality.</p> <p>3) Current Status: GFIA welcomes the commitment of the International Association of Insurance Supervisors (IAIS) to continue its work on DEI. GFIA stands ready to engage on this topic with the IAIS and other international organisations and standard-setters, such as the G20. GFIA recognises that, while financial inclusion and access to insurance have been a subject of considerable work by the IAIS and numerous international organisations, the development of policy on DEI will necessitate broad consideration and consensus, at both national and international levels.</p>	<p>GFIA contacts Francisco Astelarra, Chair, Diversity, Equity & Inclusion WG (fastelarra@fidese-guros.com)</p> <p>GFIA secretariat (secretariat@gfiainsurance.org)</p>	1) Principle based and therefore broad principles will evolve after the engagement with IAIS.
International Association of Insurance Supervisors (IAIS)	https://www.iaisweb.org/2023/01/stakeholder-session-on-the-iais-work-on-diversity-equity-and-inclusion-dei-in-the-insurance-industry/	<p>1) Currently beginning on work: The IAIS gave an overview of the DEI stocktake report (published in December 2022) and the IAIS' planned next DEI projects:</p> <p>a) Examine the link between DEI within an insurers' institution and its governance, risk management and corporate culture.</p> <p>b) The other will examine how DEI considerations in insurers' conduct of business, and in their supervision, may result in fairer treatment of consumers who are vulnerable, under-served or have different needs in comparison with a normative or majority consumer profile.</p> <p>In advance, registered participants were told the IAIS is particularly interested to hear from them on topics such as:</p> <p>Institutional DEI: What are the corporate governance, risk management and corporate culture implications and risks when an insurer/intermediary lacks diversity and has poor inclusion within its workforce and leadership? (i.e. what does it look like when it is done badly?)</p> <p>Institutional DEI: What are the most important and impactful 'ingredients' an insurer/intermediary should put in place to improve diversity, equity and inclusion within its workforce and leadership? (i.e. what does it look like to implement a meaningful commitment to doing better?)</p> <p>DEI in conduct of business: In what ways can an insurer/intermediary ensure that products and services are accessible and the treatment of customers is fair, when you accept that a customer cohort involves diversity with people being different one from another? (i.e. how to treat customers fairly and not expect customers to have the same demographics, abilities, knowledge, experience etc.?)</p>		1) Still beginning the work on approach etc.

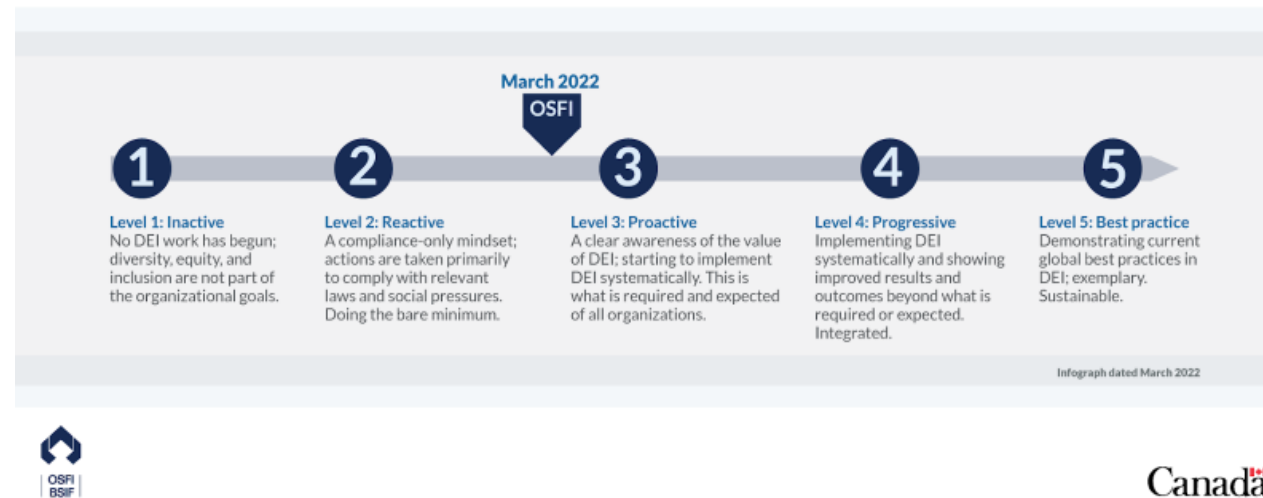
<p>Canadian Government Centre on Diversity and Inclusion</p>	<p>https://www.canada.ca/en/treasury-board-secretariat/corporate/organization/centre-diversity-inclusion.html</p>	<p>Mosaic Leadership Development program: leadership development program for employees at the EX minus 1 level that equips equity-seeking employees to enter the EX group.</p> <p>Mosaic has three main components: sponsorship, learning and an experience-building opportunity.</p> <p>Sponsorship: participants are supported throughout their participation in the Mosaic program and are offered access to opportunities they wouldn't otherwise have</p> <p>Experience-building: participants have opportunities for assignments and secondments to practise and develop their leadership skills and competencies</p> <p>Learning: participants are provided with a customized curriculum to target the behaviours and skills needed to succeed as an executive.</p> <p>Increasing the diversity of executives will boost diversity and inclusion overall, as leaders have a significant influence on organizational culture. More diverse and representative senior ranks will accelerate the culture shift that the Government of Canada desires, toward a better and more inclusive federal public service.</p> <p>Mentorship Plus The Mentorship Plus program supports career progression for equity-seeking groups.</p> <p>The program is unique as it is co-developed with equity seeking groups and enhances traditional mentorship by adding the element of sponsorship. As such, the program pairs employees with Executive mentors/sponsors to:</p> <p>navigate the system for upward career mobility provide better visibility in informal networks access development opportunities to build skills necessary for the executive cadre</p>	<p>1) To be looked at for board diversity and might assist in that regard.</p>
<p>Office of the Superintendent of Financial Institutions</p>	<p>https://www.osfi-bsif.gc.ca/Eng/osfi-bsif/rep-rapport/Pages/dei-strat-2225</p>	<p>1) Ensure HR policies, processes and practices align with and promote the concepts of diversity, equity and inclusion.</p> <p>2) Gather Employment Equity data and information on DEI-related activities taking place at OSFI, and report out in a timely manner.</p> <p>3) Close representation gaps of designated EE and equity-seeking groups.</p> <p>1) The internationally recognized Centre for Global Inclusion's Diversity, Equity and Inclusion Benchmarks (GDEIB) will form the basis of the KPIs that will help us track our progress against our broader vision for DEI at OSFI.</p> <p>2) Strategy lays the groundwork to transform OSFI into an organization that truly embodies DEI at every level.</p> <p>3) Focus of the DEI strategy is currently on 3 main areas: Culture, Career and Commitment.</p> <p>a) Culture: OSFI is a workplace where every employee feels included, driving better decision-making, stimulating innovation and increasing organizational agility.</p> <p>b) Career: OSFI develops a workforce that is representative of the diversity of Canada, through thoughtful hiring and retention.</p> <p>c) Commitment: OSFI reviews and improves OSFI policies and processes in order to remove systemic barriers and create an inclusive workplace.</p>	<p>1) Need to look at what we can leverage from OSFI.</p>

(OSFI)

<https://pages.uei-sui.ca/2222.aspx>

 Office of the Superintendent of Financial Institutions Canada
Bureau du surintendant des institutions financières Canada

OSFI's DEI Maturity Index



Canadian Bankers Association (CBA)	https://www.ibc.ca/about/who-we-are	1) No policies available for members as can be seen from the public website.	2) Has response been received from CBA?
Insurance Bureau of Canada (IBC)	https://www.ibc.ca/about/who-we-are	1) Nothing available on the public website.	
Canadian Life and Health Insurance Association (CLHIA)		1) DEI statement in employee handbook	1) Response as provided for by CLHIA. Cathy Goudreau
CFA Institute	https://www.cfainstitute.org/en/ethics-standards/codes/diversity-equity-inclusion?s_cid=olm_DEIConsult_PR	CFA Institute has developed a voluntary code to guide DEI, beginning in the United States and Canada. 1) Diversity, Equity, and Inclusion Code (USA and Canada) <i>Principle 1: Pipeline—We commit to expanding the diverse talent pipeline.</i> <i>Principle 2: Talent Acquisition—We commit to designing, implementing, and maintaining inclusive and equitable hiring and onboarding practices.</i> <i>Principle 3: Promotion and Retention—We commit to designing, implementing, and maintaining inclusive and equitable promotion and retention practices to</i>	1) Something to look at as seems the more established approach.
Travel Health Insurance Association (THIA)	https://www.thiaonline.com/	1) Nothing available on the public website.	

<p><u>National Association of Insurance Commissioners in the United States</u></p>	<p><u>DE&I Approach</u></p> <p>At the NAIC, DE&I is integral to sustainability, so they intentionally integrate it into their operations and business units. Goals are to:</p> <ul style="list-style-type: none"> • Have our talent pool reflect the country we serve. • Partner with community organizations and universities that support underrepresented groups for career opportunities. • Minimize bias and inequality through awareness and education. • Ensure our guiding principles include the values we aspire to achieve as we transform our culture. • Assess and update current employment policies to reflect the future workplace <p>Have <u>strategic initiatives</u> in place to enable them to seamlessly embed DE&I into the organization.</p> <p>These initiatives will help guide business operations, processes, products and services; protect the brand; and enhance the culture:</p> <ul style="list-style-type: none"> • Communication • Awareness Campaigns • Cultural Awareness events • Training and development • Policy and Procedure Review • Employee Network & Affinity Groups 	<p>1) Consider leveraging some of the approaches taken and look at whether it would be to our benefit to adopt some approaches.</p>
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Agenda Item 4(b)
September 19/23 EOC Meeting

Market Conduct & Licensing Committee (Chair: Brad Kuiper; Vice-Chair: Fay Coleman)

While there have not been any active regulatory consultations requiring a CAFII submission since June, the Market Conduct & Licensing met on August 10/23 for the purpose of formulating a recommendation re CAFII's approach to raising with the Financial and Consumer Services Commission of New Brunswick (FCNB) the CAFII Member Insurer-related proprietary/competitive issue which has been identified re complying with Section 45(1) of Rule INS-001 re Restricted Insurance Representative (RIR) licensee disclosure of the compensation/inducement/benefit received from an insurer that exceeds 30% of the premium to be paid by the consumer.

Briefing Note

**CAFII EOC Meeting 19 September 2023—Agenda Item 4(b)i
Committees and Working Groups – Market Conduct and Licensing - Approach That CAFII Should Take in
Raising Issues of Industry Concern Re Compliance with Rule INS-001 and with Restricted Insurance
Representative (RIR) Licensing Regime Generally in September 22/23 Liaison Meeting With New
Brunswick Superintendent of Insurance A. Mazerolle and FCNB Insurance Division Colleagues**

Purpose of this Agenda Item– Update/Discussion

To discuss with the EOC what approach CAFII should take in the Association's upcoming (September 22/23) in-person/hybrid liaison meeting with the Financial and Consumer Services Commission of New Brunswick (FCNB) around concerns related to its consultation and implementation approach with respect to its new Restricted Insurance Representative (RIR) licensing regime.

Background Information

CAFII members had major concerns with the consultation approach taken by FCNB around Rule INS-001 (Restricted Insurance Representative licensing regime), as well as with many issues related to implementation of the Rule. On 22 September, 2023, CAFII will be meeting with New Brunswick Superintendent of Insurance Angela Mazerolle, along with several of her FCNB Insurance Division colleagues.

EOC members will be asked to provide their views on the approach that CAFII should take to this meeting. Should CAFII outline in detail the many issues that arose and the concerns that our members had, or should the concerns be expressed at a higher level, with a focus on the benefits of a more collaborative approach going forward?

Recommendation / Direction Sought– Update/Discussion

This is an update for the EOC, with an opportunity to discuss an appropriate course of action.

Attachments Included with this Agenda Item

Two (2) attachments.

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

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

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

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

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

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

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

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

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

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

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

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

***Agenda Item 4(b)(i)(2)
September 19/23 EOC Meeting***

From: Brendan Wycks

Sent: Wednesday, April 12, 2023 3:58 PM

To: EOC Members, Market Conduct & Licensing Committee Members, and Board Surrogates

Cc: Keith Martin <Keith.Martin@cafii.com>; Jake Becker <jake.becker@cafii.com>; 'Keith Martin' <kmartin@rogers.com>; MacLennan, Darren <Darren.MacLennan@CIBC.com>; 'denise.milan@cumis.com' <denise.milan@cumis.com>; 'Marisa Hocuklik' <marisa.hocuklik@cumis.com>; 'jason.beauchamp@gwl.ca' <jason.beauchamp@gwl.ca>

Subject: FCNB Grants 60 Day Extension -- To July 1, 2023 -- For Submission Of Completed Restricted Insurance Representative (RIR) Licence Applications; and Other Updates Re Complying With FCNB Rule INS-001

CAFII EOC Members, Market Conduct & Licensing Committee Members, and Board Surrogates:

This morning, Luke O'Connor and Brent Mizzen of CLHIA graciously shared with Keith Martin and me at CAFII a written summary of the key outcomes/highlights of a virtual meeting which they had with FCNB staff executives yesterday around industry compliance with Rule INS-001 and related Restricted Insurance Representative (RIR) licence application requirements.

In the meeting outcomes highlighted below, I have paraphrased and re-oriented CLHIA's summary in order to make the outcome updates more directly relevant to CAFII members:

1. 60 Day Extension Granted – To July 1, 2023 – For Restricted Insurance Representative Licence Applicants To Submit Their Completed Applications Via The FCNB Portal

While CLHIA had not requested an RIR application deadline extension on behalf of its members (Luke O'Connor had informed CAFII in late March that that was not something which CLHIA members had asked the Association to press for) and it was, in fact, CAFII which had requested a 90 day extension on behalf of its members (see attached CAFII letter to FCNB, to which FCNB has not yet responded, save and except for a brief acknowledgement of receipt from Robert Picard, Acting Director of Insurance), FCNB shared with CLHIA on April 11/23 that it will be granting and announcing a 60-day extension for Restricted Insurance Representative (RIR) licence applicants to get their applications submitted via the FCNB portal. Previously, the stated deadline was May 1, 2023. This means that RIR licence applicants will now have until July 1, 2023 to submit their completed applications. FCNB also re-confirmed that RIR licence applicants who have submitted their applications via the FCNB portal by July 1, 2023 can continue to distribute restricted insurance products after that date while they await a licensing determination from FCNB.

2. Deposit-Taking Institutions Will Not Have To Comply With Trust Account Sections (Sections 99 and 101); and Premiums Can be Remitted To Insurers Monthly

FCNB will not be requiring deposit-taking institutions to comply with sections 99 and 101, the trust account sections of *Rule INS-001*. They are currently preparing a Bulletin that will provide for this exemption and they expect it to be ready soon. FCNB stated that deposit-taking institutions should continue 'business as usual' until the Bulletin is ready. FCNB stated that there will be some conditions imposed upon this exemption, which will be spelled out in the Bulletin granting the exemption. For example, it will stipulate that insurance premiums collected by an RIR licensee must be remitted to the insurer within 15 days of receipt of the insurer's invoice; and refunds must be issued to customers by an RIR licensee within 90 days of receipt of the money from the insurer, or within 15 days of a customer demand for the refund.

3. Director Disclosure Forms and Criminal Record Checks Will Not Be Required of RIR Licence Applicants That Are Federally Regulated By OSFI Or Already Licensed With FCNB

As was previously communicated to CAFII by Catherine Haines, FCNB's Deputy Director, Licensing, on March 9/23, FCNB confirmed to CLHIA that it will not be requiring RIR licence applicants that are federally regulated by OSFI, and those already licensed with FCNB, to upload criminal record checks and Director Disclosure Forms when applying for a licence. FCNB indicated that it is currently updating the RIR application forms on its licensing portal so as to not require Director Disclosure Forms and related criminal record checks for those categories of applicants. FCNB expects that the updated RIR application forms will be complete by later this week or early next week. In the meantime, affected RIR licence applicants should continue uploading a blank page confirming they are either federally regulated by OSFI or already licensed with FCNB.

4. FCNB To Develop and Launch An *RIR and MGA Licensee Online Search Portal*

FCNB indicated to CLHIA that it will be developing and launching a *Restricted Insurance Representative and MGA Licensee Online Search Portal*, similar to what it already makes available with respect to individual life insurance licensees. FCNB expects to have this up and running towards the end of 2023, but they do not have a target launch date yet.

5. Co-operation Assistance Requested In Socializing The New RIR Licence Requirements With Distribution Partners

FCNB requested the industry's co-operation assistance in socializing the new Restricted Insurance Representative licence requirements with distribution partners. FCNB has noted that a number of affected business entities in New Brunswick are not yet aware of the new requirements. "Please kindly ensure that when you are meeting with your distribution partners in New Brunswick that you are making them aware of the new requirement to get licensed for restricted insurance sales."

Any further updates received from FCNB (or CLHIA) will be shared promptly, including FCNB's expected response to CAFII's "Summary of Problem Issues/Difficulties Being Encountered By CAFII Member Companies In Applying For A Restricted Insurance Representative (RIR) Licence Via The FCNB Licensing Portal" set out in Appendices A, B, and C of our attached letter.

Best regards,

Brendan Wycks, BA, MBA, CAE

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

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Making Insurance Simple and Accessible for Canadians

Rendre l'assurance simple et accessible pour les Canadiens

From: Brendan Wycks

Sent: Friday, April 14, 2023 3:30 PM

To: EOC Members, Market Conduct & Licensing Committee Members, and Board Surrogates

Martin' <kmartin@rogers.com>; 'MacLennan, Darren' <Darren.MacLennan@CIBC.com>;

'denise.milan@cumis.com' <denise.milan@cumis.com>; 'Marisa Hocuklik' <marisa.hocuklik@cumis.com>;

'jason.beauchamp@gwl.ca' <jason.beauchamp@gwl.ca>

Subject: FCNB Official Response To CAFII Granting 60-Day Extension On Deadline For Applying For An RIR Licence; and Clarifying Other Rule INS-001 Licensure and Compliance Matters

CAFII EOC Members, Market Conduct & Licensing Committee Members, and Board Surrogates:

FYI, see FCNB's just-received official response -- from Catherine Haines, FCNB's Deputy Director, Licensing -- to CAFII's letter of March 30/23 (attached), which is provided in two parts: (i) via the email below, directly beneath my signature block; and (ii) via the attached response PDF.

Have a great weekend,

Brendan Wycks, BA, MBA, CAE

Co-Executive Director

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Making Insurance Simple and Accessible for Canadians

Rendre l'assurance simple et accessible pour les Canadiens

From: Haines, Catherine (FCNB) Catherine.Haines@fcnb.ca
Sent: Friday, April 14, 2023 2:36 PM
To: Brendan Wycks brendan.wycks@cafii.com
Cc: Keith Martin Keith.Martin@cafii.com; Jake Becker jake.becker@cafii.com; 'Keith Martin' kmartin@rogers.com; Picard, Robert (FCNB) Robert.Picard@fcnb.ca; Weir, David (FCNB) david.weir@fcnb.ca; Haines, Catherine (FCNB) Catherine.Haines@fcnb.ca
Subject: RE: Please Respond Asap Re CAFII Follow-up Letter Re FCNB Implementation Of Rule INS-001, Including Official Written Request For 90-Day Extension Beyond Existing May 1/23 Deadline For Obtaining Initial RIR Licence In New Brunswick

Hi Brendan,

As Robert is out of the office, he asked me to follow up with you on the outstanding items. The official notice regarding the extension and bulletin regarding the exemption related to trust accounts will be coming out soon, but in the meantime you may advise your members of the following:

- The Superintendent of Insurance has granted a 60-day extension for Restricted Insurance Representatives to submit their licence application. Any Restricted Insurance Representative licence applications submitted via the [FCNB Portal](#) on or prior to June 30, 2023, will be considered compliant with insurance [Rule INS-001 Insurance Intermediaries Licensing and Obligations](#).
- The Superintendent of Insurance exempts any restricted insurance representatives who are from deposit-taking institutions (as defined in the [Rule INS-001 Insurance Intermediaries Licensing and Obligations](#)) and exempts those restricted insurance representatives who are subject to the *Insurance Companies Act*, SC 1991, c. 47, from the requirement to hold a trust account under section 364(a) of the *Insurance Act* and Part 14 of Rule INS-001.

The exemption is subject to the following terms and conditions:

- a. Premiums received from an insured for an insurance contract shall be paid to the insurer within 15 days of receiving a written demand from the insurer, less commission and any other deductions authorized in writing by the insurer.
- b. Any money or premium credit received from an insurer which represents return premium due to an insured, shall be paid along with any unearned commission or other refund to which the insured is entitled within 90 days of receipt or within 15 days after written demand from the insured, whichever is earliest.
- c. All books and records in connection with the business are to be kept current and readily distinguish:

- (i) All money received from or on behalf of and all money paid to or on behalf of each insurer and insured; and
- (ii) All money received and paid on the business's behalf.

I have also attached a document with answers to your other questions sent to our office on March 30, 2023.

Please let us know if you have any further questions.

Have a great weekend!

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

From: Brendan Wycks
Sent: Monday, April 17, 2023 3:58 PM
To: EOC Members, Market Conduct & Licensing Committee Members, and Board Surrogates
Cc: Keith Martin <Keith.Martin@cafii.com>; Jake Becker <jake.becker@cafii.com>; 'MacLennan, Darren' <Darren.MacLennan@CIBC.com>; 'denise.milan@cumis.com' <denise.milan@cumis.com>; 'Marisa Hoculik' <marisa.hoculik@cumis.com>; 'jason.beauchamp@gwl.ca' <jason.beauchamp@gwl.ca>
Subject: FCNB Issues Insurance Notice On "Restricted Insurance Representative Licensing Period Extended"; Along With "Insurance Bulletin 2023-01 - Deposit-Taking Institutions and Trust Accounts"

CAFII EOC Members, Market Conduct & Licensing Committee Members, and Board Surrogates:

FYI, see the CAFII Member-relevant FCNB Insurance Notice and the FCNB Insurance Bulletin at the links in the eblasts below, both of which were issued today.

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

From: New Brunswick Financial and Consumer Services Commission (FCNB) <info@fcnb.ca>
Sent: Monday, April 17, 2023 3:42 PM
To: Brendan Wycks <brendan.wycks@cafii.com>
Subject: New Brunswick Financial and Consumer Services Commission (FCNB) - Update



The following item was posted by the New Brunswick Financial and Consumer Services Commission (FCNB)

[Insurance Notice - Restricted Insurance Representative Licensing Period Extended](#)

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FCNB
85, rue Charlotte Street
Suite/bureau 300
Saint John, (N.-B.) E2L 2J2
Canada



From: New Brunswick Financial and Consumer Services Commission (FCNB) info@fcbn.ca

Sent: Monday, April 17, 2023 3:40 PM

To: Brendan Wycks brendan.wycks@cafii.com

Subject: New Brunswick Financial and Consumer Services Commission (FCNB) - Update



The following item was posted by the New Brunswick Financial and Consumer Services Commission (FCNB)

[Insurance Bulletin 2023-01 - Deposit-Taking Institutions and Trust Accounts](#)

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C

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 4(b)ii

Committees and Working Groups – Market Conduct and Licensing - Market Conduct & Licensing Committee's Recommended Next Steps Re CAFII's Raising with FCNB of Insurer Proprietary/Competitive Issue Identified Re Complying with Section 45(1) of Rule INS-001 Re RIR Licensee Disclosure of Compensation/Inducement/Benefit Received from Insurer that Exceeds 30% of Premium to be Paid by Consumer

Purpose of this Agenda Item– Update/Discussion

To discuss, with the EOC, the Market Conduct & Licensing Committee's recommendations for CAFII's approach to FCNB's Rule INS-001 requirement that customers be informed when the distributor compensation for an insurance product sold under New Brunswick's new RIR licensing regime will exceed 30% of the premium to be paid by the consumer.

Background Information

Section 45(1) of Rule INS-001 requires that consumers be told either the percentage of the premium paid as compensation to a distributor when that percentage exceeds 30% or the method to be used for calculating that percentage.

This is problematic because different distributors may be paid different percentages by insurers, and revealing the exact percentage is sensitive and proprietary information. In Quebec, the parallel requirement is only to inform the consumer that the percentage paid is higher than 30% when that is the case.

The Market Conduct & Licensing Committee has met to discuss this issue. It was felt that this is not a central issue for CAFII, but that because it was of importance to some insurer members of the Association, it would be appropriate to mention this as an example of many of the implementation challenges arising from some of the requirements of Rule INS-001. It was not recommended, however, that CAFII expend too much political capital on this issue as it is not core to the mandate of the Association.

Recommendation / Direction Sought– Update/Discussion

This is an update for the EOC, with an opportunity to discuss an appropriate course of action.

Attachments Included with this Agenda Item

One (1) attachment.



**FINANCIAL AND CONSUMER SERVICES COMMISSION
RULE INS-001
INSURANCE INTERMEDIARIES LICENSING AND OBLIGATIONS**

PART 1 – DEFINITIONS AND INTERPRETATION

Definitions

1. (1) In this Rule

“accident and sickness insurance” means insurance:

- (a) against loss resulting from bodily injury to or the death of a person caused by an accident;
- (b) under which an insurer undertakes to pay a certain sum or sums of insurance money in the event of bodily injury to or the death of a person caused by an accident;
- (c) against loss resulting from the sickness or disability of a person, excluding loss resulting from an accident or death;
- (d) under which an insurer undertakes to pay a certain sum or sums of insurance money in the event of the sickness or disability of a person not caused by an accident; or
- (e) under which an insurer undertakes to pay insurance money with respect to the health care, including dental care and preventative care, of a person; (*assurance accident et maladie*)

“Act” means the *Insurance Act* (New Brunswick); (*Loi*)

“adjusting firm” means a partnership, corporation, or sole proprietorship that is conducting insurance activity as an adjuster; (*cabinet d’expertise en sinistres*)

“agency” means a corporation, partnership or sole proprietor that is conducting insurance activity as an agent, and for greater certainty includes a brokerage; (*agence*)

“collector of insurance premiums” means a person who only collects insurance premiums and does not solicit, negotiate, sell or arrange insurance contracts or the renewal of insurance contracts; (*encaisseur de primes d’assurance*)

“general insurance” means all classes of insurance but does not include accident and sickness insurance, life insurance and travel insurance; (*assurances I.A.R.D.*)

“insurance intermediary” means an adjuster, an adjusting firm, an agency, an agent, a managing general agent, a restricted insurance representative and a special insurance broker; (*intermédiaire d’assurance*)

“level 1 assistant adjuster” means an individual who is authorized to act as an adjuster under the supervision of a level 2 adjuster or level 3 senior adjuster who meets the requirements for supervision; (*expert en sinistres adjoint de niveau 1*)

“level 2 adjuster” means an individual who is authorized to act as an adjuster; (*expert en sinistres de niveau 2*)

“level 3 senior adjuster” means an individual who is authorized to act as an adjuster and to manage an adjusting firm; (*expert en sinistres principal de niveau 3*)

“level 1 general insurance agent” means an individual who is authorized to act as a general insurance agent for all personal lines of insurance; (*agent d’assurances I.A.R.D. de niveau 1*)

“level 2 general insurance agent” means an individual who is authorized to act as a general insurance agent for all personal and commercial lines of insurance; (*agent d’assurances I.A.R.D. de niveau 2*)

“level 3 general insurance agent” means an individual who is authorized to act as a general insurance agent for all personal and commercial lines of insurance and is authorized to manage an insurance agency; (*agent d’assurances I.A.R.D. de niveau 3*)

“licensed firm” means an adjusting firm, agency or managing general agent; (*cabinet autorisé*)

“life insurance agent” means an individual who is authorized to solicit, negotiate, sell or arrange life insurance and accident and sickness insurance; (*agent d’assurance-vie*)

“managing general agent” means a corporation, partnership or sole proprietorship that carries out specific activities to facilitate insurance transactions between an insurer and agencies or agents, and includes an associate general agent, that:

- (a) in connection with life insurance and accident and sickness insurance, conducts any of the following activities:
 - (i) soliciting and submitting applications for life insurance or accident and sickness insurance arranged by itself or through an agency or agent with whom it has a written agreement;
 - (ii) entering into a written agency agreement with an agency or agent for life insurance or accident and sickness insurance; or
 - (iii) supervising and monitoring the activities of a life insurance or accident and sickness insurance agency and agent with whom it has a written agreement;
- (b) in connection with general insurance and travel insurance, conducts any of the following activities:
 - (i) soliciting, negotiating or accepting applications from an agency or agent;
 - (ii) quoting and binding insurance for applications from an agency or agent;
 - (iii) effecting and countersigning contracts of insurance;
 - (iv) collecting and accepting premiums from an agency or agent;
 - (v) underwriting insurance contracts;
 - (vi) processing claims on behalf of an insurer;
 - (vii) supervising and monitoring the activities of agencies and agents with whom it has entered into written agency agreements on behalf of an insurer; (*agent de gestion générale*)

“restricted insurance representative” means a corporation, partnership or sole proprietorship who is authorized to solicit, negotiate, sell or arrange the class or type of insurance specified on the restricted insurance representative licence; (*représentant d’assurance restreinte*)

“special insurance broker” means a person who is authorized under the Act to negotiate, continue or renew contracts of insurance with unlicensed insurers; (*courtier spécial d’assurance*)

“supervision” means reasonable and prudent oversight of all insurance activities carried on by the individual being supervised; (*supervision*)

“third party administrator” means a person that, for compensation, carries out activities to administer a contract of insurance on behalf of an insurer, other than solely clerical activities, but does not include a person that is licensed as an agency or a managing general agent; (*tiers administrateur*)

“travel insurance” means any of the following:

- (a) in respect of a trip by a person away from the place where the person ordinarily resides, without any individual assessment of risk, insurance for any of the following:
 - (i) loss of, or damage to, personal property that occurs while on a trip;
 - (ii) loss that is caused by the delayed arrival of personal baggage while on the trip;

- (iii) loss that is incurred from the rental of a motor vehicle while on the trip;
- (b) in respect of a trip by a person away from the place where the person ordinarily resides, insurance for any of the following:
 - (i) against expenses incurred while on the trip that result from an illness or disability of the person that occurs on the trip;
 - (ii) against expenses incurred while on the trip that result from bodily injury to, or the death of, the person caused by an accident while on the trip;
 - (iii) whereby the insurer undertakes to pay one or more sums of money in the event of an illness or the disability of the person that occurs on the trip, or of bodily injury to, or the death of, the person that is caused by an accident on the trip;
 - (iv) against expenses incurred by the person for dental care necessitated by an accident while on the trip;
 - (v) in the event that the person dies while on the trip, against expenses incurred for the return of that person's remains to the place where the person was ordinarily resident before death, or travel expenses for a person to go and pick up that person's remains;
- (c) insurance against loss that results from the cancellation or interruption of the trip; (*assurance voyage*)

“travel insurance agent” means an individual who is authorized to solicit, negotiate, sell or arrange travel insurance; (*agent d’assurance voyage*)

“trust money” means all monies or other consideration received or receivable by any licence holder in the course of carrying on insurance business:

- (a) from the public on behalf of insurers; or
- (b) from insurers on behalf of the public. (*fonds en fiducie*)

- (2) Unless the context requires otherwise, words and expressions used in the *Insurance Act*, whether or not defined in that *Act*, have the same meaning for the purposes of this Rule.

Licences

- 2. The Superintendent may issue the following classes of licence authorizing an individual to act in New Brunswick as:
 - (a) an adjuster with the following levels of authority:
 - (i) Level 1 assistant adjuster;
 - (ii) Level 2 adjuster;
 - (iii) Level 3 senior adjuster;
 - (b) a general insurance agent with the following levels of authority:
 - (i) Level 1 general insurance agent;

- (ii) Level 2 general insurance agent;
- (iii) Level 3 general insurance agent;
- (c) a life insurance agent;
- (d) an accident and sickness insurance agent;
- (e) a restricted insurance representative;
- (f) a travel insurance agent;
- (g) a special insurance broker.

Exemptions for individuals

3. A collector of insurance premiums who does not solicit, negotiate, sell or arrange insurance contracts or the renewal of insurance contracts may carry on such activity without a licence, if the collection fee does not exceed five per cent of any amount collected.
4. (1) Unless the Superintendent directs otherwise, the requirement to be licensed as an agent does not apply to an individual acting for an insurer or reciprocal or inter-insurance exchange in the negotiation of any contracts of insurance or in the negotiation of the continuance or renewal of any contracts that the insurer or exchange may lawfully undertake, if the individual is either of the following:
 - (a) an officer or salaried employee of a licensed insurer, who does not receive commissions;
 - (b) acting as an attorney or salaried employee of a reciprocal or inter-insurance exchange at which no commission is paid except to the attorney.
- (2) In the case of an insurer authorized to undertake life insurance or accident and sickness insurance, the requirement to be licensed as an agent does not apply to an officer or salaried employee only if that officer or salaried employee works at the head office of the insurer, and does not receive commissions.
- (3) An officer or employee who has been refused a license, or whose licence has been suspended, revoked or cancelled, shall not act as provided in subsection (1) without written authorization from the Superintendent.
5. (1) The Superintendent may prohibit an individual from relying on an exemption if the Superintendent is of the opinion, on reasonable grounds, that an individual relying on an exemption from licensing under the *Act* or this Rule:
 - (a) violated or failed to comply with a written undertaking to the Superintendent;
 - (b) committed a fraudulent act or practice;
 - (c) demonstrated incompetency or untrustworthiness; or
 - (d) is otherwise unsuitable.

- (2) The Superintendent shall provide the individual with an opportunity to be heard prior to a decision to prohibit the individual from relying on an exemption from licensing.

Application for a licence

6. (1) The Superintendent may issue a licence to an individual if the Superintendent is satisfied that the applicant meets the requirements of the *Act* and the following licensing requirements:
 - (a) is 19 years of age or older;
 - (b) provides a satisfactory criminal record check from an accepted provider;
 - (c) identifies the applicant's sponsoring insurer, as required;
 - (d) identifies the licensed firm the applicant will represent, as required;
 - (e) identifies the applicant's supervisor, as required;
 - (f) provides details on trust accounts, as required;
 - (g) provides evidence that the applicant maintains or is covered by errors and omissions insurance, as required;
 - (h) provides employment details;
 - (i) has successfully completed the licensing qualifications and educational requirements for the respective licence as required or an educational program or course established by the Superintendent;
 - (j) submits a completed licensing application;
 - (k) is suitable to hold a licence and the proposed licence is not for any reason objectionable.
- (2) The Superintendent may require additional information or documentation to assess the licensing requirements, including the applicant's qualifications and suitability to hold the licence and to ensure that the proposed licence is not for any reason objectionable.
- (3) The Superintendent may waive some or all of the requirements for a licence, if an applicant satisfies the Superintendent that the applicant has:
 - (a) equivalent licensing qualifications and educational requirements based on education, training and experience;
 - (b) been issued a substantially similar licence in another jurisdiction; or
 - (c) engaged in equivalent or comparable work in the insurance industry.
- (4) The licensing application shall be completed in a form provided by the Superintendent.
- (5) An adjuster, agent or special insurance broker who changes their adjusting firm or agency shall file a new application and pay the appropriate application fee.
- (6) The Superintendent may designate conditions for the writing and the re-writing of licensing qualification exams.

Renewal of licence

7. (1) The Superintendent may renew a licence for an individual if the Superintendent is satisfied that the applicant continues to:
 - (a) meet the licensing requirements and educational qualifications for the licence;
 - (b) be suitable to hold a licence and that the proposed licence renewal is not for any reason objectionable.
- (2) The Superintendent may require additional information or documentation to assess the applicant's qualifications and suitability and to ensure that the proposed licence renewal is not for any reason objectionable.
- (3) The Superintendent will not accept an application to renew a licence submitted 30 days after the expiration of the licence.

Certification

8. (1) The applicant shall certify that all information provided in an application is true, accurate and complete.
- (2) The Superintendent may require an applicant to verify, by affidavit or otherwise, the authenticity, accuracy or completeness of any information or material submitted as part of the application process.

Requirement to be licensed in home jurisdiction

9. (1) To obtain a licence in New Brunswick, an individual who resides in another jurisdiction shall be licensed in the jurisdiction in which they reside.
- (2) The Superintendent may, in exceptional circumstances or where the home jurisdiction does not have an equivalent licence, waive the requirement for the individual to hold a licence in the jurisdiction in which the individual resides.
- (3) An applicant or licensee shall provide proof of being licensed in the other jurisdiction.

Sponsorship by an Insurer

10. (1) An insurer who sponsors a person for a licence shall establish and document reasonable and demonstrable screening procedures to assess the suitability of the person to hold a licence.
- (2) An insurer shall follow such procedures in sponsoring an application for a licence.

Termination of Sponsorship

11. (1) An insurer who terminates sponsorship of a licensed person shall provide written notice and reasons for such termination to the Superintendent within 20 days of termination of sponsorship.
- (2) The notice of termination of sponsorship shall be in a form provided by the Superintendent.

Expiration of licence

12. (1) The following licences shall expire and no longer be valid on the date specified on the licence:
 - (a) a life insurance agent licence;
 - (b) an accident and sickness insurance agent licence;
 - (c) a general insurance agent licence;
 - (d) a travel insurance agent licence; and
 - (e) a special insurance broker's licence.
- (2) For the initial licence and first renewal of the classes of licences listed in subsection (1), the licence shall expire and no longer be valid on the expiration date listed on the licence, which date shall not be more than one year from the date the licence was issued or renewed.
- (3) For the second renewal and every subsequent renewal, the licence shall expire and no longer be valid on a date that shall not exceed two years after the date the licence was renewed.
- (4) The Superintendent may issue a licence for a lesser duration than set out in this section.
13. (1) An adjuster licence expires and is no longer valid on the date specified in the licence.
- (2) A person who has held an adjuster licence for two consecutive years, may apply on their next renewal for a licence with a two-year term.
- (3) The Superintendent may issue a licence for a lesser duration than set out in this section.
14. A restricted insurance representative licence, an adjusting firm licence, an agency licence and a managing general agent licence expire and each is no longer valid on the date specified in the licence.
15. A licence issued to a non-resident is subject to any restrictions and terms and conditions imposed on a substantially similar licence by the jurisdiction where the licence holder resides.
16. The Superintendent may extend the duration of a licence under exceptional circumstances.

PART 2 – GENERAL INSURANCE AGENTS

Licensing qualifications and educational requirements – general insurance agents

17. (1) An applicant for a level 1 general insurance agent licence shall have successfully completed one of the following educational requirements:
- (a) the Fundamentals of Insurance Examination offered by the Insurance Brokers Association of Canada achieving a mark of at least seventy-five per cent (75%);
 - (b) course CAIB I of the Canadian Accredited Insurance Brokers Program offered by the Insurance Brokers Association of Canada;
 - (c) course C11 – Principles and Practice of Insurance and course C130 – Essential Skills for the Insurance Broker and Agent, offered by the Insurance Institute of Canada;
 - (d) courses C81 and C82 – General Insurance Essentials Parts 1 and 2 offered by the Insurance Institute of Canada;
 - (e) the ILS Level 1 General and Adjuster Insurance Licensing Program offered by ILS Learning Corporation.
- (2) The educational requirements shall have been completed by the applicant within 24 months prior to submitting the licensing application, unless the applicant held a level 1 general insurance agent licence, or equivalent licence, within the 5 years prior to submitting the licensing application.
18. (1) An applicant for a level 2 general insurance agent licence shall meet the following licensing qualifications and educational requirements:
- (a) the educational requirements for a level 1 general insurance agent licence in section 17;
 - (b) successful completion of one of the following educational requirements:
 - (i) course CAIB II and course CAIB III of the Canadian Accredited Insurance Broker Program offered by the Insurance Brokers Association of Canada; or
 - (ii) course C130 – Essential Skills for the Insurance Broker and Agent and course C131 - Advanced Skills for the Insurance Broker and Agent offered by the Insurance Institute of Canada.
- (2) An applicant without an existing level 1 general insurance agent licence shall have completed all the educational requirements within 24 months prior to submitting the licensing application, unless the applicant held a licence equivalent to a level 2 general insurance agent, or higher level licence in another jurisdiction within the 5 years prior to submitting the licensing application.
19. An applicant for a level 3 general insurance agent licence shall meet the following licensing qualifications and educational requirements:
- (a) the educational requirements for a level 1 general insurance agent licence in section 17;
 - (b) the licensing qualifications and educational requirements for a level 2 general insurance agent licence in section 18;
 - (c) successfully completed one of the following educational requirements:

- (i) course CAIB IV of the Canadian Accredited Insurance Broker Program offered by the Insurance Brokers Association of Canada; or
- (ii) course C132 - Practical Issues to Broker Management offered by the Insurance Institute of Canada;
- (d) have a minimum of four years of experience as a general insurance agent within the six years prior to submitting the licensing application, including a minimum of two years of experience as a level 2 general insurance agent or at an equivalent level in another jurisdiction.

Supervision – level 1 and level 2 general insurance agents

- 20. (1) A level 1 general insurance agent shall be under supervision for 12 months from the date the level 1 licence is issued.
- (2) During the period of supervision, a level 1 general insurance agent shall be supervised by an individual who is licensed as one of the following:
 - (a) a level 3 general insurance agent; or
 - (b) a level 1 or level 2 general insurance agent who has been licensed for at least 24 months.
- 21. (1) A level 2 general insurance agent shall be under supervision for 12 months from the date the level 2 licence is issued.
- (2) A level 2 general insurance agent shall be supervised by an individual who is licensed in one of the following:
 - (a) a level 3 general insurance agent, or
 - (b) a level 2 general insurance agent who has held this licence for at least 24 months.
- 22. The Superintendent may waive the requirement for supervision or reduce the duration of supervision where the level 1 or level 2 agent has been licensed in another jurisdiction within the previous 24 months.
- 23. The supervisor of a level 1 or a level 2 general insurance agent has the following responsibilities:
 - (a) provide appropriate instruction consistent with the type of activity conducted by the person being supervised;
 - (b) adopt and follow a written supervision plan that demonstrates reasonable and prudent supervision of the general insurance activities of the person being supervised;
 - (c) provide the Superintendent, when requested, with information with respect to the person being supervised.
- 24. (1) An individual who is required to be under supervision shall not conduct any general insurance agent activities without a supervisor.
- (2) The supervisor shall be acceptable for the position.

- (3) An individual who is required to be under supervision shall report a change in supervisor to the Superintendent within 10 days of the change in supervisor.
 - (4) The Superintendent may remove a supervisor who is not fulfilling the supervisor's responsibilities or is otherwise not acceptable to act as a supervisor.
 - (5) The Superintendent shall not remove a supervisor without giving the individual an opportunity to be heard.
25. A supervisor shall only supervise a reasonable number of level 1 or level 2 general insurance agents having regard to the circumstances, including:
- (a) the training and experience of the level 1 or level 2 general insurance agent being supervised;
 - (b) the training and experience of the supervisor; and
 - (c) the nature and complexity of the activity conducted.

Reinstatement – general insurance agents

26. (1) A person who has not held a level 1, level 2 or level 3 general insurance agent licence for five consecutive years or more shall requalify for a level 1 or level 2 general insurance agent licence, as applicable.
- (2) A level 1 or level 2 general insurance agent licence issued under subsection (1), shall be under supervision in accordance with subsection 20(2) and 21(2).

PART 3 - LIFE INSURANCE AGENTS AND ACCIDENT AND SICKNESS INSURANCE AGENTS

Licensing qualifications and educational requirements

27. (1) An applicant for a life insurance agent licence shall have successfully completed both of the following educational requirements:
- (a) the Life Licence Qualification Program course approved by the Superintendent; and
 - (b) an examination approved by the Superintendent for the approved Life Licence Qualification Program.
- (2) The examination for the approved Life Licence Qualification Program shall have been completed within 12 months prior to submitting the licensing application, unless the applicant held a life insurance agent licence, or equivalent licence, within the 24 months prior to submitting the licensing application.
- (3) A person who has not held a life insurance agent licence for 24 consecutive months or more shall satisfy the educational requirements.
28. (1) An applicant for an accident and sickness insurance agent licence shall have successfully completed both of the following educational requirements:

- (a) the accident and sickness component of the Life Licence Qualification Course approved by the Superintendent; and
 - (b) an examination approved by the Superintendent for the accident and sickness component of the approved Life Licence Qualification Program.
- (2) The examination for the approved accident and sickness component of the Life Licence Qualification Course shall have been completed within 12 months prior to submitting the licensing application, unless the applicant held an accident and sickness insurance agent licence, or equivalent licence, within the 24 months prior to submitting the licensing application.
- (3) A person who has not held an accident and sickness insurance agent licence for 24 consecutive months or more shall satisfy the educational requirements.

Life insurance agent's duty to disclose

- 29. (1) A life insurance agent shall disclose in writing, to a prospective insured at the time of application, renewal or replacement of a policy of life insurance, the names of all the insurers that the agent represents.
- (2) A life insurance agent shall disclose in writing to every prospective purchaser prior to the purchase of a financial product or service, the names of all the providers of financial products or services that the agent represents.

PART 4 – TRAVEL INSURANCE AGENTS

- 30. (1) An applicant for a travel insurance agent licence shall have successfully completed an education program for a travel insurance agent approved by the Superintendent.
- (2) An applicant for a travel insurance agent licence who holds a life insurance agent licence, or an accident and sickness insurance agent licence is not required to complete an approved education program.

PART 5 – RESTRICTED INSURANCE REPRESENTATIVES

Definitions

- 31. In this Part

“cargo insurance” means insurance within the class of property insurance that provides coverage only against damage to or the loss of goods in transit; (*assurance des marchandises*)

“creditor's critical illness insurance” means group insurance or creditor's group insurance as defined in section 186 of the *Act*, that is within the class of accident and sickness insurance and will pay all or part of the amount of a debt of a debtor to the creditor named under the policy, in the event of a diagnosis of a covered illness or medical condition with respect to:

- (a) where the debtor is a natural person, the debtor or the spouse of the debtor;
- (b) a natural person who is a guarantor of all or part of the debt;
- (c) where the debtor is a body corporate, any director or officer of the body corporate; or

- (d) where the debtor is an entity other than a natural person or a body corporate, any natural person who is essential to the ability of the debtor to meet the debtor's financial obligations; (*assurance crédit en cas de maladie grave*)

"creditor's disability insurance" means group insurance or creditor's group insurance as defined in section 186 of the *Act*, that is within the class of accident and sickness insurance and will pay all or part of the amount of a debt of a debtor to the creditor named under the policy, in the event of bodily injury to, or an illness or disability of any of the following:

- (a) where the debtor is a natural person, the debtor or the spouse of the debtor;
- (b) a natural person who is a guarantor of all or part of the debt;
- (c) where the debtor is a body corporate, any director or officer of the body corporate;
- (d) where the debtor is an entity other than a natural person or a body corporate, any natural person who is essential to the ability of the debtor to meet the debtor's financial obligations; (*assurance crédit en cas d'invalidité*)

"creditor's life insurance" means group insurance or creditor's group insurance as defined in section 132 of the *Act*, that is within the class of life insurance and that will pay all or part of the amount of the debt of a debtor to the creditor insured under the policy or, where a debt is in respect of a small business, a farm or fishery, all or part of the amount of the credit limit of a line of credit owing to the creditor, in the event of the death of any of the following:

- (a) where the debtor is a natural person, the debtor or the spouse of the debtor;
- (b) a natural person who is a guarantor of all or part of the debt;
- (c) where the debtor is a body corporate, any director or officer of the body corporate;
- (d) where the debtor is an entity other than a natural person or a body corporate, any natural person who is essential to the ability of the debtor to meet the debtor's financial obligation; (*assurance-vie de crédit*)

"creditor's loss of employment insurance" means insurance within the class of credit protection insurance that will pay, without any individual assessment of risk, all or part of the amount of a debt of a debtor to the creditor named under the policy in the event of either of the following:

- (a) the debtor, if the debtor is a natural person, becomes involuntarily unemployed;
- (b) a natural person who is a guarantor of all or part of the debt becomes involuntarily unemployed; (*assurance crédit en cas de perte d'emploi*)

"creditor's vehicle inventory insurance" means insurance within the class of credit protection insurance that provides coverage against direct and accidental loss or damage to vehicles that are held in stock for display and sale purposes by a debtor of a creditor, if some or all of those vehicles have been financed by the creditor; (*assurance crédit pour stocks de véhicules*)

"deposit-taking institution" means any of the following institutions:

- (a) a bank under the *Bank Act* (Canada);
- (b) a credit union incorporated or continued under the *Credit Unions Act* or a similar Act of the Parliament of Canada or an Act of the legislature of another province or a territory of Canada; or

- (c) a loan company or trust company incorporated by or pursuant to the *Loan and Trust Companies Act*, or a similar Act of the Parliament of Canada or Act of the legislature of another province or a territory of Canada; (*établissement qui reçoit des dépôts*)

“employee of a restricted insurance representative” means an employee or other person acting on behalf of the restricted insurance representative in the business of insurance; (*employé d’un représentant d’assurance restreinte*)

“export credit insurance” means insurance within the class of surety insurance that provides coverage to an exporter of goods or services against a loss incurred by the exporter due to non-payment for exported goods or services; (*assurance crédit à l’exportation*)

“funeral expense insurance” means insurance that is within the class of life insurance and under which the insurer undertakes to pay a maximum of \$20,000 to the insured for funeral services; (*assurance des frais funéraires*)

“funeral provider” means a person or a corporation licensed under the *Embalmers, Funeral Directors and Funeral Providers Act* who owns, controls or has a beneficial interest in or manages a funeral home or holds themselves out as a provider of funeral services; (*fournisseur de services funèbres*)

“guaranteed asset protection insurance” means insurance within the class of property insurance or automobile insurance that provides coverage to a motor vehicle, recreational vehicle, watercraft, farm implement or equipment owner or lessee, in the event of the unrecovered theft of the motor vehicle, recreational vehicle, watercraft, farm implement or equipment or its total loss, for some or all of the amount owed on the purchase financing for the motor vehicle, recreational vehicle, watercraft, farm implement or equipment or on the lease agreement, after credit for money received in respect of the theft or loss from any other insurance under which the owner or lessee has coverage for the value of the motor vehicle, recreational vehicle, watercraft, farm implement or equipment; (*assurance de protection garantie de l’actif*)

“line of credit” means a commitment on the part of a deposit-taking institution or sales finance company to lend one or more amounts to a debtor without a predetermined repayment schedule; (*marge de crédit*)

“mortgage associate” means a mortgage associate, as defined in the *Mortgage Brokers Act*, that is licensed in accordance with that Act; (*associé en hypothèques*)

“mortgage broker” means a mortgage broker, as defined in the *Mortgage Brokers Act*, that is licensed in accordance with that Act; (*courtier en hypothèques*)

“mortgage brokerage” means a mortgage brokerage, as defined in the *Mortgage Brokers Act*, that is licensed in accordance with that Act; (*maison de courtage d’hypothèques*)

"mortgage insurance" means insurance against loss caused by default on the part of a borrower under a loan secured by a mortgage or charge on, or other security interest in, real property; (*assurance prêt hypothécaire*)

"rented vehicle" means a vehicle that is rented for a period of 90 days or less; (*véhicule loué*)

"rented vehicle accidental injury or death insurance" means insurance within the class of automobile insurance that provides coverage to a vehicle renter and other occupants of the rented vehicle for bodily injury or death and reimbursement for medical expenses resulting from a vehicular accident involving the rented vehicle that occurs during the rental period; (*assurance en cas de lésion accidentelle ou de décès associés à un véhicule loué*)

"rented vehicle contents insurance" means insurance within the class of property insurance that provides coverage to a vehicle renter and other occupants of the rented vehicle against damage to or the loss of personal property in the rented vehicle during the rental period; (*assurance sur le contenu d'un véhicule loué*)

"rented vehicle liability insurance" means insurance within the class of automobile insurance that provides coverage to a vehicle renter and other authorized drivers of the rented vehicle for liability arising from its operation; (*assurance responsabilité pour véhicule loué*)

"replacement cost insurance" means insurance within the class of property insurance or automobile insurance that provides coverage for some or all of the cost of purchasing or leasing a replacement motor vehicle, replacement recreational vehicle, replacement watercraft, replacement farm implement or replacement equipment; (*assurance valeur à neuf*)

"sales finance company" means a corporation that provides consumer loans, or provides or arranges for credit but does not include:

- (a) a deposit-taking institution;
- (b) an entity licensed to transact insurance under the *Insurance Act*, or an entity incorporated, continued or licensed under a similar Act of Parliament or an Act of any province or territory of Canada;
- (c) an entity that is incorporated, continued or licensed under an Act of Parliament or of any province or territory of Canada and is primarily engaged in dealing in securities, including portfolio management and investment counselling; (*société de financement de ventes à crédit*)

"small business" means

- (a) a business that is a small business corporation as defined in subsection 248(1) of the *Income Tax Act* (Canada); or

- (b) an unincorporated business that would, if incorporated, be a small business corporation as defined in subsection 248(1) of the *Income Tax Act* (Canada). (*petite entreprise*)

Restricted insurance representative

- 32. The Superintendent may issue a restricted insurance representative licence to any of the following applicants:
 - (a) an automobile dealership, a watercraft dealership, a recreational vehicle dealership, a farm implement dealership or a construction equipment dealership;
 - (b) a customs brokerage;
 - (c) a deposit-taking institution;
 - (d) a freight forwarding business;
 - (e) a funeral provider;
 - (f) a mortgage brokerage;
 - (g) a sales finance company;
 - (h) a transportation company that provides transportation service for goods;
 - (i) a vehicle rental business;
 - (j) a person engaged on behalf of one of (a) to (i) to solicit, negotiate, sell or arrange insurance.
- 33. (1) The Superintendent may issue a restricted insurance representative licence for any of the following classes or types of insurance:
 - (a) cargo insurance;
 - (b) creditor's critical illness insurance
 - (c) creditor's disability insurance;
 - (d) creditor's life insurance;
 - (e) creditor's loss-of-employment insurance;
 - (f) creditor's vehicle inventory insurance;
 - (g) export credit insurance;
 - (h) funeral expense insurance;
 - (i) guaranteed asset protection insurance;
 - (j) mortgage insurance;
 - (k) rented vehicle accidental injury or death insurance;
 - (l) rented vehicle contents insurance;
 - (m) rented vehicle liability insurance;
 - (n) replacement cost insurance;
 - (o) travel insurance.
- (2) A restricted insurance representative licence for travel insurance will only be issued to a deposit-taking institution.
- 34. Where a restricted insurance representative is a mortgage brokerage, only a mortgage broker or a mortgage associate licensed under the *Mortgage Brokers Act* is authorized to solicit, negotiate, sell or arrange the insurance specified on the licence.

Licensing criteria – restricted insurance representative

35. (1) The Superintendent may issue a restricted insurance representative licence if the Superintendent is satisfied that the applicant meets the requirements of the *Act* and the following licensing requirements:
- (a) provides the applicant's legal name and any business name that the applicant is using;
 - (b) provides particulars of the business activity conducted by the applicant;
 - (c) identifies the applicant's sponsoring insurer;
 - (d) provides the address of the head office and any branches soliciting, negotiating, selling or arranging insurance in the Province;
 - (e) provides the name of and information regarding the designated representative;
 - (f) provides evidence that the applicant maintains or is covered by errors and omissions insurance as required by this Rule;
 - (g) provides information respecting any trust account as required by this Rule;
 - (h) provides the number of employees who will be authorized to transact on behalf of the applicant and the types of insurance they will be transacting;
 - (i) identifies the classes or types of insurance that the applicant wishes to transact under its licence;
 - (j) submits a completed licensing application;
 - (k) completes a director, officer, partner disclosure form, if requested;
 - (l) the applicant is suitable to hold a licence and that the proposed licence is not for any reason objectionable.
- (2) The Superintendent may require additional information or documentation to assess the applicant's qualifications and suitability to hold a licence and to ensure that the proposed licence is not for any reason objectionable.

Obligations for restricted insurance representatives

36. A restricted insurance representative shall comply with the following:
- (a) have a business name registered with the New Brunswick Corporate Registry, where applicable;
 - (b) have a designated representative; and
 - (c) maintain errors and omissions insurance as required by this Rule.
37. On request by the Superintendent, a restricted insurance representative shall provide a list of individuals who have engaged or are engaging in the business of insurance on behalf of the licence holder.

Suitability

38. A restricted insurance representative shall take reasonable steps to ensure that an employee of a restricted insurance representative is:

- (a) suitable and trained for the type of insurance activity being conducted;
- (b) conducting only insurance activities that are within the scope of the individual's training and experience.

39. A restricted insurance representative shall take reasonable steps to ensure that it:

- (a) is not engaging an employee of a restricted insurance representative who has had an insurance licence refused, revoked or suspended, unless the Superintendent gives prior written approval;
- (b) does not make representations that the restricted insurance representative is authorized to sell insurance products other than those permitted under the restricted insurance representative licence;
- (c) is not conducting insurance activities that are outside the scope of the licence;
- (d) does not permit an employee of a restricted insurance representative to do any of (b) or (c).

Separate application

40. (1) An application for the following classes or types of insurance shall use a form separate from the application or transaction for the related product or service:

- (a) creditor's critical illness insurance;
- (b) creditor's disability insurance;
- (c) creditor's life insurance;
- (d) creditor's loss of employment insurance;
- (e) funeral expense insurance;
- (f) guaranteed asset protection insurance; and
- (g) replacement cost insurance.

(2) The application for insurance in subsection (1) can cover multiple classes or types of insurance.

Prohibition against tied selling

41. (1) A restricted insurance representative, or an employee of a restricted insurance representative shall not:

- (a) make the provision of goods or services conditional on the purchase of insurance from the restricted insurance representative or from an insurer specified by the restricted insurance representative;
- (b) advise a person who wishes to purchase insurance for a good or service, that the person may only purchase insurance through the restricted insurance representative or from an insurer specified by the restricted insurance representative.

(2) A restricted insurance representative, or employee of a restricted insurance representative may, when making a loan to, or arranging a loan for, a person, inform the borrower that the

borrower is required to obtain insurance coverage to protect the lender against default of the borrower;

- (3) For the purpose of subsection (2), the restricted insurance representatives shall not advise the person that they may only purchase insurance through the restricted insurance representative or from an insurer specified by the restricted insurance representative.

Disclosure obligations of restricted insurance representative

42. At the time a person applies for insurance, a restricted insurance representative shall:
- (a) ensure that the person is informed of all of the following:
 - (i) that the person is contracting with the insurer and not with the restricted insurance representative;
 - (ii) that the person should contact the insurer for further information or clarification;
 - (iii) the name of the insurer providing the insurance and how the insurer may be contacted; and
 - (iv) the cost of the insurance;
 - (b) provide the person with all of the following:
 - (i) a summary of the terms, including limitations, exclusions and restrictions, of the insurance offered;
 - (ii) a summary of the circumstances under which the insurance commences or terminates and the procedures to follow in making a claim;
 - (c) notify the person applying for insurance that, on approval of the application:
 - (i) the application, policy and documentation describing the insurance will be sent to that person; or
 - (i) in the case of a contract of group insurance, the application and a certificate will be sent to that person.
43. A restricted insurance representative, or an employee of a restricted insurance representative, shall provide the insured in writing, within 20 days of the insurance coverage coming into force, with all of the following:
- (a) the disclosure set out in paragraph 42(a) and (b)
 - (b) the application and documentation describing the insurance;
 - (c) the policy or, in the case of group insurance, the certificate;
 - (d) written documentation that evidences the insurance.
44. If a person is applying for creditor's disability insurance, creditor's life insurance, creditor's critical illness insurance or creditor's loss of employment insurance, the summary of terms referenced in subparagraph 42(b)(i) shall include, in a prominent manner:
- (a) the limitations, exclusions and restrictions of the insurance offered;

- (b) information on the coverage and pre-existing conditions that may disqualify an applicant from coverage; and
 - (c) the consequences of any misrepresentation in the application for insurance.
- 45. (1) If a restricted insurance representative, or an employee of a restricted insurance representative, receives, or will receive any direct or indirect compensation, inducement or benefit from the insurer that exceeds 30% of the price paid by the consumer for an insurance product, the restricted insurance representative shall, at the time the applicant applies for insurance, inform the applicant of the amount of compensation, inducement or benefit or the basis for calculating the amount of the compensation, inducement or benefit.
- (2) A restricted insurance representative, or an employee of a restricted insurance representative, shall provide the insured in writing, within 20 days of the insurance coverage coming into force the disclosure set out in subsection (1).
- (3) For clarity, subsection (1) does not include a salary paid to an employee of the restricted insurance representative.
- 46. A restricted insurance representative, or an employee of a restricted insurance representative, shall advise potential clients that he or she is not a licensed insurance agent and that the potential client may wish to seek advice from a licensed insurance agent.
- 47. A restricted insurance representative, or an employee of a restricted insurance representative, shall, at the time a person applies for insurance, provide that person with a statement that sets out the right to rescind the insurance contract and to obtain a full refund of the premium for the following classes or types of insurance:
 - (a) creditor's critical illness insurance;
 - (b) creditor's disability insurance;
 - (c) creditor's life insurance;
 - (d) creditor's loss of employment insurance;
 - (e) funeral expense insurance;
 - (f) guaranteed asset protection insurance; and
 - (g) replacement cost insurance.
- 48. A restricted insurance representative, an employee of a restricted insurance representative, shall provide an applicant, at the time the person applies for insurance, with a statement that the duration of the insurance is less than the term of the amortization period of any related loan, or that the amount of the insurance is less than the indebtedness, if that is the case, for the following classes or types of insurance:
 - (a) creditor's critical illness insurance;
 - (b) creditor's disability insurance;
 - (c) creditor's life insurance;
 - (d) creditor's loss of employment insurance; and
 - (e) guaranteed asset protection insurance.

49. A restricted insurance representative, or an employee of a restricted insurance representative, shall inform the applicant, at the time the person applies for insurance, that the insurance may provide a duplication, or a partial duplication, of coverage that may be available through the standard automobile insurance policy for the following classes or types of insurance:
- (a) guaranteed asset protection insurance; and
 - (b) replacement cost insurance.
50. A restricted insurance representative, or an employee of a restricted insurance representative, shall inform the applicant, at the time the person applies for insurance, that the insurance may provide a duplication or partial duplication of coverage already provided by the vehicle renter's automobile insurance policy or by another source of coverage for the following classes or types of insurance:
- (a) rented vehicle accidental injury or death insurance;
 - (b) rented vehicle contents insurance; and
 - (c) rented vehicle liability insurance.

Oversight obligations of insurer

51. An insurer shall ensure that a restricted insurance representative acting on its behalf has:
- (a) reasonable and demonstrable procedures respecting the disclosure requirements under this Rule;
 - (b) a process in place to verify that the procedures are being followed; and
 - (c) the knowledge and skills to carry on the type of insurance activity being conducted.

Right to rescind

52. (1) A purchaser may rescind the contract of insurance on or before the expiry of 20 days after the date the purchaser received the documents referred to in section 43 and subsection 45(2) of this Rule, or any longer period specified in the policy or certificate for all of these insurance products:
- (a) creditor's critical illness insurance;
 - (b) creditor's disability insurance;
 - (c) creditor's life insurance;
 - (d) creditor's loss of employment insurance;
 - (e) funeral expense insurance;
 - (f) guaranteed asset protection; or
 - (g) replacement cost insurance.
- (2) A person who rescinds a contract of insurance in accordance with subsection (1) is entitled to receive a refund from the insurer of the whole premium that has been paid.

PART 6 – EXEMPT SALES OF INSURANCE

53. In this Part

“portable electronic device” means any self-contained, easily carried, battery-operated electronic equipment for personal use for communicating, viewing, listening, recording, playing video games, computing or global positioning, including a cellular or satellite telephone, paging device, personal global positioning system unit, portable computer, audio listening or audio recording device, video viewing or video recording device, digital camera, portable video game system, telephone answering machine, docking or charging station for any portable electronic device, and other similar device; (*appareil électronique portatif*)

“portable electronics insurance” means insurance within the class of property insurance that provides coverage against damage to or the loss of a portable electronic device; (*assurance sur les appareils électroniques portatifs*)

“portable electronics vendor” means a business that sells or leases portable electronic devices or provides the devices in connection with a transaction between the business and a consumer; (*fournisseur d’appareils électroniques portatifs*)

Exemption from licensing requirement for portable electronics vendors

54. (1) The requirement to be licensed does not apply to the sale of portable electronics insurance f related to a portable electronic device by a portable electronics vendor, or a person acting on their behalf, if the portable electronics vendor provides the purchaser with the following at the time of sale:
- (a) a written summary of the terms, including limitations, exclusions and restrictions of the portable electronics insurance displayed in a prominent manner;
 - (b) a written summary of the circumstances under which the product commences or terminates and the procedures to follow in making a claim;
 - (c) written notice of the person’s right to rescind the insurance contract and obtain a full refund of the premium.
- (2) A portable electronics vendor, or a person acting on their behalf, shall not make the sale of a portable electronics device conditional on the purchase of portable electronics insurance from the vendor or any insurer or other person specified by the vendor.
55. (1) The Superintendent may prohibit a person from selling portable electronics insurance if the Superintendent is of the opinion, on reasonable grounds, that the person:
- (a) violated or failed to comply with the Act or this Rule;
 - (b) violated or failed to comply with a written undertaking to the Superintendent;
 - (c) committed a fraudulent act or practice;
 - (d) demonstrated incompetency or untrustworthiness in conducting insurance activities; or
 - (e) is otherwise unsuitable.

- (2) The Superintendent shall provide the person with an opportunity to be heard prior to a decision to prohibit the person from selling portable electronic insurance.

Right to rescind – portable electronics insurance

- 56. (1) A purchaser may rescind a contract of portable electronics insurance on or before the expiry of 20 days after the purchase of the contract or any longer period specified in the contract.
- (2) A person who rescinds a contract of insurance in accordance with subsection (1) is entitled to receive a refund of the whole premium that has been paid related to the contract of insurance.

PART 7 – ADJUSTERS

- 57. A person who adjudicates a claim related to accident and sickness insurance or life insurance is not acting as an adjuster for the purposes of the *Act* or this Rule.
- 58. (1) An adjuster licence is not required for a person who adjusts claims under the following contracts of insurance:
 - (a) aircraft insurance;
 - (b) guaranteed asset protection insurance;
 - (c) legal expense insurance;
 - (d) marine insurance; or
 - (e) travel insurance.
- (2) An insurance company or an adjusting firm that uses the services of a person that is exempt from the requirement to be licensed under subsection (1) shall ensure that the person has the appropriate qualifications and competency to deal with any insurance claim that the person is involved in on behalf of the insurance company or adjusting firm, and shall oversee the activities of the person with respect to any insurance claim.

Licensing qualifications and educational requirements – adjusters

- 59. (1) An applicant for a level 1 assistant adjuster licence shall have successfully completed one of the following educational requirements offered by the Insurance Institute of Canada:
 - (a) course C-11 Principles and Practice of Insurance;
 - (b) courses C81 and C82 – General Insurance Essentials Parts 1 and 2; or
 - (c) course C110 Essentials of Loss Adjusting or course C17 Claims 1.
- (2) The educational requirements shall have been completed by the applicant within 24 months prior to submitting the licensing application, unless the applicant held a level 1 assistant adjuster licence, or equivalent licence, within the 5 years prior to submitting the licensing application.

60. An applicant for a level 2 adjuster licence shall have successfully completed the following licensing qualifications and educational requirements:
- (a) 24 months of experience acting as a level 1 assistant adjuster or equivalent adjusting experience; and
 - (b) all of the following educational requirements offered by the Insurance Institute of Canada:
 - (i) course C11 Principles and Practice of Insurance or courses C81 and C82 – General Insurance Essentials Parts 1 and 2;
 - (ii) course C110 Essentials of Loss Adjusting or course C17 Claims 1;
 - (iii) course C111 Advanced Loss Adjusting or course C46 Claims 2; and
 - (c) any two of the following educational requirements offered by the Insurance Institute of Canada:
 - (i) course C12 Insurance on Property;
 - (ii) course C13 Insurance Against Liability - Part 1;
 - (iii) course C14 Automobile Insurance - Part 1; or
 - (iv) course C32 Bodily Injury Claims.
61. (1) An applicant for a level 3 senior adjuster licence shall have successfully completed the following licensing qualifications and educational requirements:
- (a) 48 months of experience as an adjuster, including 24 months experience acting as a level 2 adjuster or equivalent adjusting experience; and
 - (b) all of the following educational requirements offered by the Insurance Institute of Canada:
 - (i) course C11 Principles and Practice of Insurance or courses C81 and C82 – General Insurance Essentials Parts 1 and 2;
 - (ii) course C12 Insurance on Property;
 - (iii) course C13 Insurance Against Liability - Part 1;
 - (iv) course C14 Automobile Insurance - Part 1;
 - (v) course C32 Bodily Injury Claims;
 - (vi) course C110 Essentials of Loss Adjusting or C17 Claims 1;
 - (vii) course C111 Advanced Loss Adjusting or C46 Claims 2; and
 - (viii) course C112 Practical Issues in Claims Management.
62. (1) An adjuster who is issued a level 1 assistant adjuster licence under subsection 6(3) will be required to meet the minimum experience requirements in paragraph 60(a) and successfully complete the following educational requirements to obtain a level 2 adjuster licence:
- (a) course C110 Essentials of Loss Adjusting or course C17 Claims 1;
 - (b) course C111 Advanced Loss Adjusting or course C46 Claims 2; and
 - (c) any two of the following:
 - (i) course C12 Insurance on Property;
 - (ii) course C13 Insurance Against Liability - Part 1;
 - (iii) course C14 Automobile Insurance - Part 1; or

- (iv) course C32 Bodily Injury Claims.
- (2) An adjuster who is issued a level 2 adjuster licence under subsection 6(3) will be required to meet the minimum experience requirements in paragraph 61(1)(a) and successfully complete the following educational requirements to obtain a level 3 senior adjuster licence:
 - (a) course C112 Practical Issues in Claims Management; and
 - (b) any two of the following:
 - (i) course C12 Insurance on Property;
 - (ii) course C13 Insurance Against Liability - Part 1;
 - (iii) course C14 Automobile Insurance - Part 1; or
 - (iv) course C32 Bodily Injury Claims.
- 63. (1) A level 2 adjuster may only adjust claims for which he or she has appropriate training and experience.
- (2) A level 1 and level 2 adjuster cannot act as a manager of an adjusting firm or a designated representative.

Supervision – adjusters

- 64. (1) A level 1 assistant adjuster shall be supervised by a level 3 senior adjuster, or a level 2 adjuster who has held this licence for at least 12 months.
- (2) The supervisor is responsible for:
 - (a) provide appropriate instruction consistent with the type of activity conducted by the person being supervised;
 - (b) adopt and follow a written supervision plan that demonstrates reasonable and prudent supervision of the adjusting activities of the person being supervised;
 - (c) review and approve all claim reports and settlement offers of the person being supervised for 12 months from the date of the licence;
 - (d) document the review and approval through countersignatures or notations in paper or electronic systems for 12 months from the date of licence;
 - (e) provide the Superintendent, when requested, with information with respect to the person being supervised.
- 65. (1) An individual who is required to be under supervision shall not conduct any adjusting activities without a supervisor.
- (2) The supervisor shall not be objectionable to the Superintendent.
- (3) A level 1 adjuster shall report a change in supervisor to the Superintendent within 10 days of the change in supervisor.
- (4) The Superintendent may remove a supervisor who is not fulfilling the supervisor's responsibilities or is otherwise objectionable.

- (5) The Superintendent shall not remove a supervisor without giving the individual an opportunity to be heard.
66. A supervisor shall only supervise a reasonable number of level 1 assistant adjusters having regard to the circumstances, including:
- (a) the training and experience of the level 1 assistant adjusters being supervised;
 - (b) the training and experience of the supervisor; and
 - (c) the nature and complexity of the claims being adjusted.

Reinstatement - adjusters

67. A person who has not held an adjuster licence for five years or more may only apply for a level 1 assistant adjuster licence and shall satisfy the licensing qualifications and educational requirements set out in the *Act* and this Rule.

PART 8 – ADJUSTING FIRMS, AGENCIES OR MANAGING GENERAL AGENTS

68. (1) The Superintendent may issue an adjusting firm, agency or managing general agent licence to a corporation, a partnership or a sole proprietorship if the Superintendent is satisfied the applicant meets the requirements of the *Act* and the following licensing requirements:
- (a) provides the applicant's legal name and any business name the applicant is using;
 - (b) provides particulars of any other business activity conducted by the applicant;
 - (c) identifies the applicant's sponsoring insurer, as required;
 - (d) provides the classes or types of insurance that the applicant wishes to transact under its licence;
 - (e) provides the address of the head office and any branches soliciting, negotiating, selling or arranging insurance in the Province;
 - (f) provides the name of and information regarding the designated representative;
 - (g) provides evidence that the applicant maintains or is covered by errors and omissions insurance as required by this Rule;
 - (h) provides information respecting any trust account as required by this Rule;
 - (i) submits a completed licensing application;
 - (j) completes a director, officer, partner disclosure form, if requested;
 - (k) any additional information or documentation required by the Superintendent to assess the applicant's qualifications and suitability to hold a licence and that the proposed licence is not for any reason objectionable.
- (2) The Superintendent may, at any time, require additional information or documentation of an adjusting firm, agency or managing general agent or any director, officer or partner.
69. (1) The Superintendent may issue an agency licence or a managing general agent licence to a corporation, a partnership or a sole proprietorship for any of the following classes or types of insurance:
- (a) accident and sickness insurance;
 - (b) general insurance;
 - (c) life insurance; or

- (d) travel insurance.
 - (2) An agency or a managing general agent authorized to carry on life insurance business may also carry on accident and sickness insurance business in New Brunswick.
70. (1) An adjusting firm, an agency and a managing general agent shall:
- (a) have a legal name or business name registered with the New Brunswick Corporate Registry, where applicable;
 - (b) have a designated representative; and
 - (c) maintain errors and omissions insurance as required by this Rule.
- (2) In addition to the requirements in subsection (1), an agency and a managing general agent shall have an agency contract with at least one insurance company that is licensed to carry on business in New Brunswick.

Revocation or suspension of a licence

71. (1) If an adjusting firm licence or agency licence lapses or is revoked or suspended, the licence of any adjuster or agent acting on its behalf is automatically suspended.
- (2) If a managing general agent licence lapses or is revoked or suspended, the licence of any agent with the managing general agent listed on the licence is automatically suspended.

PART 9 – THIRD PARTY ADMINISTRATORS

72. A third party administrator is exempt from the requirement to be licensed under section 351.01 of the *Act*.

PART 10 – DESIGNATED REPRESENTATIVES

Requirements for a designated representative

73. A designated representative of a licensed firm or a restricted insurance representative shall be:
- (a) in the case of a corporation, a director, officer or management employee of the licensed firm or restricted insurance representative;
 - (b) in the case of a partnership, a partner or a management employee designated by the partnership; or
 - (c) in the case of a sole proprietorship, the sole proprietor or a management employee designated by the sole proprietor.
74. A designated representative shall satisfy the following qualifications:
- (a) in the case of a general insurance agency, the person shall hold a level 3 general insurance agent licence;
 - (b) in the case of a managing general agent, the person shall hold one of the following:
 - (i) a level 3 general insurance agent licence;

- (ii) a life insurance agent licence and have been licensed as a life insurance agent for two years;
 - (iii) an accident and sickness insurance agent licence and have been licensed as an accident and sickness insurance agent for two years;
 - (c) in the case of a life insurance agency, the person shall hold a life insurance agent licence and have been licensed as a life insurance agent for two years;
 - (d) in the case of an accident and sickness insurance agency, the person shall have been licensed for at least two year as either:
 - (i) an accident and sickness insurance agent licence; or
 - (ii) a life insurance agent licence;
 - (e) in the case of an adjusting firm, the person shall hold a level 3 senior adjuster licence.
75. (1) A licensed firm or a restricted insurance representative shall satisfy the Superintendent that the individual nominated as the designated representative is suitable.
- (2) On request by the Superintendent, an individual nominated as the designated representative shall provide the Superintendent with any information or documentation required by the Superintendent to assess the nominated individual's suitability to be the designated representative.

Removal of a designated representative

76. (1) The Superintendent may remove an individual from being a designated representative if the individual:
- (a) no longer meets the requirements to be the designated representative;
 - (b) is not fulfilling the designated representative's responsibilities;
 - (c) is otherwise unsuitable.
- (2) The Superintendent shall not remove a designated representative without giving the individual an opportunity to be heard.

Responsibilities of a designated representative

77. (1) The designated representative of a licensed firm is the primary contact for the licensed firm for regulatory purposes.
- (2) The designated representative of a licensed firm is responsible for all insurance activities of the licensed firm.
- (3) The designated representative of a licensed firm is responsible to specifically ensure that:
- (a) staff are adequately trained and supervised, and appropriately licensed;
 - (b) the adjusting firm, agency or managing general agent and staff comply with the *Act*, regulations and rules;
 - (c) licence holders operate in accordance with any terms, conditions and restrictions on their licence;
 - (d) trust money is handled properly;

- (e) all books, records and accounts are properly maintained;
 - (f) errors and omissions insurance is properly maintained; and
 - (g) the adjusting firm, agency or managing general agent and staff comply with any instructions or guidelines from the Superintendent.
78. (1) The designated representative of a restricted insurance representative is the primary contact for the restricted insurance representative for regulatory purposes and is responsible for supervising all insurance activities of the licence holder and all individuals engaged in the business of insurance on behalf of the restricted insurance representative.
- (2) The designated representative of a restricted insurance representative is responsible to ensure that:
- (a) the restricted insurance representative is properly licensed;
 - (b) the restricted insurance representative and individuals engaged in the business of insurance on behalf of the restricted insurance representative comply with the *Act*, regulations and rules;
 - (c) the restricted insurance representative operates in accordance with any terms, conditions and restrictions on their licence;
 - (d) the restricted insurance representative has reasonable and demonstrable policies and procedures to ensure that any employee of the restricted insurance representative is knowledgeable, competent and suitable, taking into account the class or type of insurance, and that these individuals comply with the restricted insurance representative's policies and procedures;
 - (e) trust money related to insurance business is handled properly;
 - (f) all books, records and accounts related to insurance business are properly maintained;
 - (g) errors and omissions insurance is properly maintained; and
 - (h) the restricted insurance representatives and any individuals engaged in the business of insurance on behalf of the restricted insurance representative comply with any instructions or guidelines from the Superintendent.
79. Any notices or documents required to be served on a licensed firm or a restricted insurance representative under the *Act*, regulations or rules may be served on the designated representative.

Change of designated representative

80. (1) If the designated representative of a licensed firm or a restricted insurance representative ceases to be the designated representative, or in the case of a temporary absence due to illness or incapacity to act or other similar circumstance, the licensed firm or restricted insurance representative shall:
- (a) notify the Superintendent in writing and provide reasons for the change within 10 days; and
 - (b) provide, within 20 days, the name of a new candidate who meets the requirements to be the designated representative and provide any additional information required by the Superintendent to determine the candidate's suitability to be the designated representative.

- (2) The licence of a licensed firm or a restricted insurance representative that does not submit a new candidate or substitute within 20 days is automatically suspended.
- (3) The Superintendent may approve a designated representative who does not meet the requirements of the Act and regulations or rules, on a temporary basis, for up to 60 days.
- (4) In exceptional circumstances, the Superintendent may extend a temporarily designated representative beyond 60 days.

PART 11 – MARKET CONDUCT

Use of personal information

81. (1) An insurance intermediary and those acting on behalf of a restricted insurance representative shall comply with applicable privacy legislation and shall only collect and use personal information as permitted by applicable privacy legislation, that is:
- (a) necessary to carry out an insurance transaction,
 - (b) appropriate for the fulfillment of the service or product provided or a related purpose; and
 - (c) is kept only as long as necessary or required by law.
- (2) An insurance intermediary and those acting on behalf of a restricted insurance representative shall take all necessary and appropriate measures as required by applicable privacy legislation to protect the personal information.
- (3) An insurance intermediary shall notify the Superintendent, as soon as feasible, of any breach of privacy legislation including an unauthorized or otherwise non-compliant access, collection, use or disclosure of personal information collected by the insurance intermediary and the steps the insurance intermediary is taking to address the issue.
- (4) On the request of the Superintendent, an insurance intermediary shall disclose information requested by the Superintendent, including personal information collected by the insurance intermediary.

Market conduct

82. No person may represent or hold themselves out to the public as being or offering the services of an adjusting firm, adjuster, agency, agent, managing general agent, restricted insurance representative or special insurance broker or as being engaged in the insurance business, by means of advertisements, cards, circulars, email, letterheads, signs, websites or other means unless the person holds a valid licence or is relying on an exemption under the Act.
83. A licence holder shall only carry on business in the name that is on its licence.
84. Every licensed firm shall ensure that its business or legal name are shown in a conspicuous manner on all of its advertising, correspondence and contracts relating to the activities authorized by the licence.

Conflicts of interest

85. (1) An insurance intermediary shall disclose in writing to a prospective insured or claimant, any conflict of interest or potential conflict of interest of the licensee that is associated with a potential transaction or recommendation which could impact the prospective insured or claimant.
- (2) The disclosure in subsection (1) should be made at the earliest opportunity, and in all instances shall be made prior to entering into a transaction or prior to a recommendation.

Market conduct specific to agents

86. An accident and sickness insurance agent, a general insurance agent, and a life insurance agent shall not:
- (a) make a false or misleading statement or representation in the solicitation or negotiation of an insurance contract;
 - (b) make or deliver an incomplete comparison of any policy or contract of insurance with that of the same or any other insurer in the solicitation or negotiation of insurance;
 - (c) hold himself, herself or itself out, directly or indirectly, by representation or omission, in a way that is misleading in respect of the insurers on whose behalf the agent acts.

Market conduct specific to life insurance agents

87. A life insurance agent shall not:
- (a) offer an inducement or use coercion or undue influence in order to control, direct or secure insurance business;
 - (b) for the purpose of encouraging the insured under an existing contract of life insurance to enter into another contract of life insurance, directly or indirectly induce or attempt to induce the insured to:
 - (i) rescind the existing contract or allow the existing contract to lapse, contrary to the insured's interests;
 - (ii) surrender the existing contract for cash, paid up or extended insurance, or other valuable consideration, contrary to the insured's interests; or
 - (iii) borrow a substantial amount against the existing contract, whether in a single loan or over a period of time, contrary to the insured's interests;
 - (c) coerce, or attempt, directly or indirectly, to coerce a prospective buyer of life insurance through the influence of a professional or a business relationship or otherwise to give a preference with respect to the policy of life insurance that would not otherwise be given on the effecting of a life insurance contract.

Replacement of a life insurance contract

88. (1) For the purposes of this section:

“replacement of a contract of life insurance” means a transaction whereby life insurance is purchased in a single contract or in several related contracts by a person from an insurer and as a consequence of the transaction one or more contracts of the insurance are:

- (a) rescinded, lapsed or surrendered;
 - (b) changed to paid-up insurance or continued as extended term insurance or under automatic premium loan;
 - (c) changed in any manner so as to result in a reduction in benefits;
 - (d) changed so that cash values in excess of 50 per cent of the tabular cash value of the insurance contract are released;
 - (e) subjected to borrowing of any policy loan values whether in a single loan or under a schedule of borrowing over a period of time whereby an amount in excess of 50 per cent of the tabular cash value is borrowed on one or more contracts of life insurance;
 - (f) but does not include a transaction where:
 - (i) a new contract of life insurance is made with an insurer with whom the person has an existing contract of life insurance in furtherance of a contractual conversion privilege exercised by the person;
 - (ii) a contract is replaced by an annuity; or
 - (iii) a contract is replaced by group insurance. (*remplacement d'un contrat d'assurance-vie*)
- (2) As part of an application for a contract of life insurance, a life insurance agent shall obtain a statement signed by the applicant indicating whether or not replacement of a contract of life insurance is intended.
- (3) If replacement of a contract of life insurance is intended, before accepting an application for a replacement contract of insurance, the life insurance agent shall:
- (a) obtain from the applicant a list of all life insurance contracts to be replaced;
 - (b) complete and sign a life insurance replacement declaration in a form approved by the Superintendent;
 - (c) complete and sign a written explanation of the advantages and disadvantages of replacing the contract of insurance;
 - (d) review the completed life insurance replacement declaration and the written explanation with the applicant and provide a copy of each form to the applicant;
 - (e) obtain the applicant's signature on a copy of the completed life insurance replacement declaration, attesting to the receipt of the completed declaration from the agent; and
 - (f) obtain the applicant's signature on a copy of the written explanation, attesting to the receipt of the written explanation from the agent.

Market conduct specific to adjusters

89. With respect to the adjustment of claims, no adjuster may

- (a) possess an interest, other than professional, in the settlement of a claim;
- (b) fail to disclose to the insurer any information known with respect to policy violations and cases of fraud, misrepresentation, concealment, falsification of facts and records or any other information material to a claim;

- (c) fail, when acting for more than one insurer in the same matter, to immediately notify each insurer of the interests of all insurers for whom the person is acting or has been requested to act in the same matter;
- (d) seek or make a profit or seek or acquire an interest in any matter entrusted to the adjuster's care, other than the adjuster's fees or salary;
- (e) represent falsely to an insurer that the adjuster has been instructed by another insurer to act in the settlement of a claim;
- (f) act or hold out as acting for an insurer without authorization of that insurer;
- (g) give legal advice or discourage a claimant from seeking legal advice;
- (h) knowingly deal directly, including interview or settle a claim, with a claimant represented by a barrister or solicitor without the consent of that barrister or solicitor;
- (i) mislead an interested party as to the identity or the interest of the insurer;
- (j) mislead an interested party as to the adjuster's role in adjusting a claim;
- (k) fail to take reasonable steps to keep an insured informed of the status of a claim and respond to the insured's communications in a timely manner;
- (l) fail to fully inform a claimant in a timely manner of material information regarding policy coverage, limitation periods, claim denials and the claimant's rights and obligations in the claims process, as required in the circumstances;
- (m) accept any financial inducement or gift in exchange for recommending the services of a third party;
- (n) fail to deal with all formal and informal complaints or disputes in good faith and in a timely and forthright manner, including, when necessary, referring the complainant to other more appropriate people, processes, or organizations;
- (o) attempt to influence a claim through coercion, false or misleading statements or other improper means;
- (p) make or assist anyone to make a false insurance claim or a false declaration to an insurer;
- (q) counsel a claimant to misrepresent any aspect of a claim report or proof of loss to misrepresent information or knowingly transmit information which the person has reason to believe is not true; or
- (r) ask an insured or a claimant to sign statements, proofs of loss or other documents which are incomplete, unless those sections of the form are noted as 'to be advised' or 'information to follow' prior to the insured or the claimant signing the document.

PART 12 – DUTY TO REPORT

- 90. An adjuster, agent or special insurance broker shall report any change to the licence holder's name or contact information to the Superintendent within 10 days of any change to the licence holder's name or contact information.
- 91. An adjuster, agent, special insurance broker or applicant for an adjuster, agent or special insurance broker licence shall report to the Superintendent within 10 days of any of the following:
 - (a) a criminal charge or conviction for an offence under any jurisdiction involving theft, fraud, forgery, breach of trust, misrepresentation, perjury, furnishing of false information, conspiracy to commit any of these offences, carrying on any regulated business or career while not licensed or crimes of violence or moral turpitude;

- (b) an investigation commenced, disciplinary action taken, or decision rendered by a regulatory or professional body;
 - (c) a filing in bankruptcy or filing of a consumer proposal;
 - (d) a change in other employment or business activity;
 - (e) a change in employer;
 - (f) any civil actions commenced, or decision rendered in relation to financial activities, fraud or breach of trust;
 - (g) an errors and omissions claim against the licensee or applicant.
92. A designated representative of an adjusting firm, agency, managing general agent or restricted insurance representative shall notify the Superintendent in a form provided by the Superintendent within 10 days of:
- (a) a change in name of the licensed firm or restricted insurance representative;
 - (b) a change of ownership of the licensed firm or restricted insurance representative;
 - (c) a change in address of the main office or any branch office;
 - (d) the departure of any licensed individual, including where an individual is terminated, retires or leaves for any other reason;
 - (e) any misconduct by any individual related to the business of the licensed firm or the insurance business of a restricted insurance representative;
 - (f) any investigation commenced, disciplinary action taken, or decision rendered by a regulatory or professional body;
 - (g) any errors and omissions claim against the licensed firm or any licensed individual acting on behalf of a licensed firm;
 - (h) any errors and omissions claim related to the insurance business of a restricted insurance representative or any employee of the restricted insurance representative;
 - (i) any civil actions commenced, or decision rendered in relation to financial activities, fraud or breach of trust; or
 - (j) any criminal charges or conviction against the licensed firm or restricted insurance representative or against a director, officer or partner of the licensed firm or restricted insurance representative involving theft, fraud, forgery, breach of trust, misrepresentation, perjury, furnishing of false information, carrying on any regulated business or career while not licensed or crimes of violence or moral turpitude.
93. A designated representative of a managing general agency that has reasonable grounds to believe that an agent is not suitable to carry on business, shall, within 15 days from the date on which the designated representative becomes so aware, notify the insurer or insurers on whose behalf the agent acts that it believes that an agent is not suitable.

PART 13 – ERRORS AND OMISSIONS INSURANCE

94. (1) An insurance intermediary shall maintain or be covered by errors and omissions insurance, in a reasonable amount and no less than \$1,000,000 in respect of any one occurrence and an overall policy aggregate of at least \$2,000,000.
- (2) In determining the amount of insurance required, consideration shall be given to, among other considerations, the number of individuals carrying on insurance business on behalf of the

insurance intermediary, the type of licence, and the nature and volume of the insurance business being carried on by the insurance intermediary.

(3) Subsection (1) does not apply to:

- (a) an adjuster or agent who is a direct employee of an insurer and works exclusively for that insurer;
- (b) a restricted insurance representative that is any of the following:
 - i. a member institution of the Canada Deposit Insurance Corporation;
 - ii. a credit union incorporated or continued pursuant to the *Credit Unions Act* or an Act of the legislature of another province or a territory of Canada;
 - iii. a trust and loan company incorporated or continued pursuant to the *Trust and Loan Companies Act*.

(4) The errors and omissions required under this Part shall be issued by a licensed insurer, shall not be restricted to particular insurer's products and at a minimum shall include all of the following:

- (a) extended reporting for a period of 24 months;
- (b) extended coverage for fraudulent acts and dishonest acts;
- (c) coverage for the insurance activities of the licensee and persons acting on their behalf;
- (d) coverage for:
 - (i) financial planning services provided by the insured, if applicable,
 - (ii) the insured's supervisory activities, if applicable, and
 - (iii) any unlicensed individual acting on behalf of the insured for whose acts the insured is responsible.

- 95. An insurance intermediary shall provide proof of the required errors and omissions insurance on request by the Superintendent.
- 96. An insurer who issues an errors and omissions insurance policy shall provide the Superintendent with 30 days prior written notice before canceling, terminating or refusing to renew the policy or removing an insured from a group policy.
- 97. An insurance intermediary shall notify the Superintendent immediately of the cancellation or lapse in their errors and omissions insurance.
- 98. An insurance intermediary's licence is automatically suspended on cancellation, termination, lapse or refusal to renew the errors and omissions insurance coverage unless other coverage has been arranged.

PART 14 – TRUST ACCOUNTS

- 99. A licence holder that receives trust money shall, within two days, remit the trust money to the person entitled to the money or deposit the money into a trust account.
- 100. (1) A trust account shall be held with one of the following:

- (a) a bank authorized to accept deposits pursuant to the *Bank Act* (Canada);
 - (b) a credit union incorporated or continued pursuant to the *Credit Unions Act*;
 - (c) a corporation authorized to accept deposits pursuant to the *Loan and Trust Companies Act*; or
 - (d) a retail association as defined under the *Cooperative Credit Associations Act* (Canada).
- (2) The account shall be designated as a trust account and shall be kept separate from all other accounts held in the name of the licence holder.
- (3) The Superintendent may permit a licence holder who is resident in another jurisdiction to use a trust account held at a branch of a bank, a credit union or a trust or loan company in that jurisdiction, subject to any terms and conditions the Superintendent may impose.
101. An agent, agency, restricted insurance representative, special insurance broker, or managing general agent is not required to have a trust account if all of the following are satisfied:
- (a) all trust money or other consideration received from the public is deposited directly into the insurance company's account within two days of receipt;
 - (b) the agent, agency, restricted insurance representative, special insurance broker, or managing general agent is not able to access the trust money after it has been deposited into the insurance company's account;
 - (c) the agent, agency, restricted insurance representative, special insurance broker, or managing general agent does not receive trust money from insurers on behalf of the public.
102. An adjuster is not required to have a trust account if the adjuster is a salaried employee of an insurer.
103. A licence holder shall only withdraw money from a trust account for the following reasons:
- (a) direct payment to an insurer on behalf of an insured;
 - (b) payment of a refund to an insured on behalf of an insurer;
 - (c) payment of a claim to a claimant on behalf of an insurer;
 - (d) payment of commission owed to the licence holder as authorized by the insurer;
 - (e) money paid into the trust account by mistake;
 - (f) disbursements paid in the course of adjusting an insurance claim; and
 - (g) any other withdrawals authorized by the Superintendent.
104. (1) An agent, agency, managing general agent or restricted insurance representative that receives money or other consideration, directly or indirectly, from an insured as premium for an insurance contract shall pay the premium over to the insurer within 15 days of receiving a written demand from the insurer, less commission and any other deductions authorized in writing by the insurer.
- (2) Subsection (1) does not apply to life insurance contracts.
105. An agent, agency, managing general agent or restricted insurance representative who receives any money or premium credit from an insurer which represents return premium due to an insured, shall pay the return premium and any unearned commission or other refund to which

the insured is entitled, to the insured within 90 days of receipt or within 15 days after written demand from the insured, whichever is earliest.

106. An adjuster who receives money from an insurer on behalf of an insured, claimant or other person in the course of adjusting an insurance claim shall pay the money to the insured, claimant or other person within 15 days of the person becoming entitled to the money.
107. Failure to pay the amounts received as trust money in accordance with the *Act* and Rule shall be evidence that the licence holder applied the amounts to the licence holder's own use or to a use contrary to his or her trust.
108. The holder of a trust account shall:
 - (a) keep current such books, records and accounts in connection with the business as may be necessary to show and readily distinguish:
 - (i) all money received from or on behalf of and all money paid to or on behalf of each insurer and insured; and
 - (ii) all money received and paid on the business's behalf.
 - (b) complete a monthly bank reconciliation, within 30 days of month end, which reconciles the bank statement balance to the holder's account balance;
 - (c) keep any other information or documents required by the Superintendent.
109. In addition to the requirements set out in section 108 of this Rule, an adjuster or adjusting firm that is required to maintain a trust account shall:
 - (a) maintain a record of every amount of money received or disbursed in the course of adjusting an insurance claim; and
 - (b) maintain a record of the main particulars concerning each claim in a register of claims.
110. (1) A holder of a trust account is entitled to any interest earned on trust money held in trust for an insurer unless otherwise agreed with the insurer.
 - (2) If funds are held in trust for a beneficiary other than an insurer, the beneficiary is entitled to any interest earned on those funds.
 - (3) The interest shall be paid to the beneficiary other than an insurer in accordance with section 104.
111. (1) The Superintendent, or his or her designate, may perform an examination and assessment on any trust account required to be maintained under this Part or any other accounts related to the business of insurance.
 - (2) The Superintendent may require any licence holder required to maintain a trust account under this Part to have an independent examination and assessment performed on the trust account or any other accounts related to the business of insurance and to provide the report of the examination and assessment to the Superintendent.

PART 15 – ABANDONMENT

112. If an application is submitted to the Superintendent and the applicant conducts no activity on the application for 60 days after submitting the application, the Superintendent may consider the application to be abandoned.

PART 16 – TRANSITIONAL PROVISIONS

113. In this Part

“prior licensing regulations” means the *Adjusters Regulation – Insurance Act* (Regulation 2009-52), the *Agents and Brokers Regulation – Insurance Act* (Regulation 95-5) and the *Life Insurance Agent Licensing Regulation – Insurance Act* (Regulation 2003-36), as they read immediately before coming into force of this Rule; (*anciens règlements*)

“non-resident broker” means an agent under the *Insurance Act*. (*courtier non résident*)

General insurance agents

114. On the coming into force of this Rule:

- (a) A holder of an agent’s licence class I, a broker’s licence class I or a broker’s licence class II for at least 12 months under the prior licensing regulations shall be deemed to hold a level 1 general insurance agent licence;
- (b) A holder of an agent’s licence class I, a broker’s licence class I or a broker’s licence class II for less than 12 months under the prior licensing regulations, shall be under supervision until the licence holder has held a licence for 12 consecutive months;
- (c) A holder of an agent’s licence class II under the prior licensing regulations shall be deemed to continue to hold that licence for 24 months following the commencement of this Rule or until such time as the licence holder obtains a new general insurance agent licence, whichever occurs first;
- (d) A holder of a broker’s licence class III under the prior licensing regulations shall be deemed to hold a level 2 general insurance agent licence;
- (e) A holder of a broker’s licence class III for less than 12 months under the prior licensing regulations, shall be under supervision for a period of 12 consecutive months less the period the holder held a broker’s licence class III prior to the commencement of this Rule;
- (f) In calculating the experience of a holder of a broker’s licence class III for the purposes of paragraph (e), any experience as broker class II shall be included;
- (g) A holder of a broker’s licence class IV under the prior licensing regulations shall be deemed to hold a level 3 general insurance agent licence.

115. (1) A holder of a non-resident broker licence issued under s. 352 of the Act shall be deemed to hold a non-resident broker licence following the commencement of this Rule for 24 months or such time as the licence holder meets the requirements of Part 2 of this Rule and obtains a general insurance agent licence, whichever occurs first.

- (2) A non-resident broker licence expires on the same date that the holder’s previous non-resident broker licence would have expired, unless extended by the Superintendent.

- (3) A holder of a non-resident broker licence for a period of less than 12 months prior to the commencement of this Rule who obtains a level 1 or level 2 general insurance agent licence, shall be under supervision for a period of 12 consecutive months less the period the holder held a non-resident broker licence prior to the commencement of this Rule.

Adjusters

116. (1) On the coming into force of this Rule:

- (a) A holder of a level 1 probationary adjuster licence under the prior licensing regulation shall be deemed to hold a level 1 assistant adjuster licence;
 - (b) A holder of a level 2 assistant adjuster licence under the prior licensing regulation shall be deemed to hold a level 1 assistant adjuster licence;
 - (c) A holder of all specializations of Level 3 adjuster licences under the prior licensing regulation shall be deemed to hold a level 2 adjuster licence;
 - (d) A holder of a level 4 adjuster licence under the prior licensing regulation shall be deemed to hold a level 3 senior adjuster licence.
- (2) (a) An individual who received a level 1 assistant adjuster licence under paragraph (1)(a) who has not completed the educational requirements shall complete one of the following educational requirements no later than 12 months after the coming into force of this Rule:
- (i) course C11 Principles and Practice of Insurance;
 - (ii) courses C81 and C82 – General Insurance Essentials Parts 1 and 2; or
 - (iii) course C110 Essentials of Loss Adjusting (or course C17 Claims 1);
- (b) The Superintendent may extend the time period for completion of the educational requirements in paragraph (2)(a) for an additional period of up to 12 months.
- (3) An adjuster who is issued a level 2 adjuster licence under subsection (1) will be required to successfully complete educational requirements to obtain a level 3 senior adjuster licence set out in subsection 62(2).

Life insurance agents, accident and sickness insurance agents and travel insurance agents

117. On the coming into force of this Rule, a holder of a life agent licence or a life and accident and sickness agent licence under the prior licensing regulation shall be deemed to hold a life insurance agent licence.
118. On the coming into force of this Rule, a holder of an accident and sickness agent licence shall be deemed to hold an accident and sickness insurance agent licence.
119. On the coming into force of this Rule, a holder of a travel insurance agent licence shall be deemed to hold a travel insurance agent licence.
120. On the coming into force of this Rule, a holder of any classes of an agent or broker licence for general insurance before 1 July 2003 may be issued a travel insurance agent licence, provided that the licence holder contacts the Superintendent to request the issuance of a travel insurance agent licence.

General

- 121. Nothing in the transitional provisions prevents the Superintendent from suspending, revoking or refusing to issue or renew a licence as authorized by the *Act*.
- 122. There is no refund of licensing fees resulting from the transition of a licence.

Effective date

- 123. This Rule comes into force on a date or days to be fixed by proclamation of Bill 33 *An Act to Amend the Insurance Act* and specifically paragraphs 1(a), (b) and (c), sections 4, 13, 21 and 22, paragraphs 23(a) and (b), sections 26, 27, 30, 37, 45 to 53, 58, 60 to 62, 72 to 74, 77, 78, and 81 to 89, paragraphs 93(a) and (b), sections 95 and 96, paragraphs 97(f), (g), (k) to (o) and (q), and sections 98 to 100.

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 4(c)i Committees and Working Groups – Quebec/AMF Issues - Issues Discussed at and Insights/Initiatives Emerging from September 13/23 Committee Meeting

Purpose of this Agenda Item– Update

To update the EOC on issues discussed, and insights and initiatives emerging from the September 13, 2023 Committee Meeting.

Background Information

Committee Chair Jennifer Russell and CAFII Co-Executive Director Keith Martin will present the issues, insights, and initiatives that emerged from the Committee Meeting that took place on 13 September, 2023. Among those initiatives that will be raised is the upcoming 28 September, 2023 presentation to the AMF in French, in Quebec City; the upcoming 29 September, 2023 quarterly meeting between CAFII Board Chair Peter Thompson and AMF Superintendent Éric Jacob; the upcoming 10 October, 2023 Informal Liaison Lunch and Industry Issues Dialogue with the AMF; and re-launching a dialogue with the AMF around spousal insurance run-off.

Recommendation / Direction Sought– Update

This is an update for the EOC.

Attachments Included with this Agenda Item

One (1) attachment.

***Agenda Item 4(c)(i)
September 19/23 EOC Meeting***

CAFII Quebec/AMF Issues Committee Agenda, Wednesday, 13 September, 2023 1-2pm

1. Welcome and Start of Meeting (Jennifer Russell)
2. Introducing Two New CAFII Hires: Robyn Jennings, Research Analyst; Shanay Smith, Operations Manager (Jennifer Russell, Robyn Jennings, Shanay Smith)
3. Update on CAFII Presentation, In French in Quebec City, to the AMF on our Key Priorities, on 28 September, 2023 (Regulatory Tour Presentation) (Keith Martin)
4. Update on the 10 October, 2023 Liaison Lunch and Issues Dialogue Meeting with the AMF in Montreal, Hosted by RBC Insurance (Keith Martin)
5. NEW Possible Topics for the Upcoming 3 October, 2023 Quarterly Meeting Between Peter Thompson and Eric Jacob
6. Update on Final Regulation re: Complaints and Dispute Resolution (Keith Martin, all)
7. Update on Spousal Insurance Issue (Keith Martin, All)
8. Proposal for Consideration by the Committee: Inviting AMF CEO Yves Ouellet as the Keynote Speaker at the May 28, 2024 Annual Members and Associates Luncheon, at St. James Cathedral in Toronto (Keith Martin, All)
9. Other business (Jennifer Russell, All)

Tracking Issues

- AMF initiative around statistics on Debtor Life, Health, and Employment (DLHE) Insurance claims denial rates, and return of premium to customers
- Next steps, spousal issue

Briefing Note

**CAFII EOC Meeting 19 September 2023—Agenda Item 4(c)ii
Committees and Working Groups – Quebec/AMF Issues - Plans for September 28/23 Presentation of
CAFII's 2023 Research Results-Focused PowerPoint Deck to AMF Staff Executives in a Special Purpose In-
Person (in Quebec City)/Hybrid Meeting in French Only**

Purpose of this Agenda Item– Update/Discussion

To provide an update on and discuss CAFII's plans for a presentation to the AMF.

Background Information

CAFII has reached out to the AMF about making a similar presentation to the one we recently gave to regulators and policy-makers in Western Canada and what we are about to present in Atlantic Canada.

The EOC had previously suggested that CAFII should indicate to the AMF that there was a preference for presenting in English, but that CAFII should also offer to make the presentation in French and let the AMF decide. That was the communication to the AMF, and it chose to have the presentation conducted in French, in-person in Quebec City, with an MSTeams virtual link for those who would like to participate remotely.

CAFII members are invited to join this French-only meeting either in person or remotely, even if they are not actively engaged in CAFII Committees or Working Groups.

Recommendation / Direction Sought– Update/Discussion

This is an update for the EOC, with an opportunity for discussion.

Attachments Included with this Agenda Item

One (1) attachment.

***Agenda Item 4(c)(ii)
September 19/23 EOC Meeting***

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

Sent: Monday, September 11, 2023 10:54 AM

To: CAFII EOC and Other Committee Members

Cc: CAFII Board Members and Staff

Subject: CAFII: Presentation of CAFII's Regulator and Policy-Maker Deck, In French and in Quebec City, to the AMF on 28 September, 2023 (2:00 to 3.30 pm EST)

Hello CAFII EOC and Committee Members (copy to the Board),

At a recent EOC meeting, it was agreed that CAFII should offer to make the same presentation to the AMF that we have been making to regulators and policy-makers in Western Canada, and which we are about to make to regulators and policy-makers in Atlantic Canada.

The feedback on the approach to take was to communicate that we somewhat preferred to present the deck in English so our members who do not speak French could participate, but that given recent developments in Quebec, we should also communicate that we would be pleased to present in French if that was the preference of the AMF.

As it turns out, the AMF has asked me to present in their Quebec City offices, with an MS Teams link for those who wish to participate virtually, and to principally present in French.

The correspondence on this is attached with an English translation for anyone who does not read French. Of the two dates offered, I am only available (due to the Atlantic Tour) on **28 September, from 2 to 3:30 pm EST.**

On balance, while this does restrict participation from non-French speaking members, it is a positive indication that the AMF has agreed to our presenting to them and to doing so in French.

CAFII members who are francophone / French-speaking are invited to attend in Quebec City in person with me, even if such individuals are not actively involved in CAFII Committees or Working Groups. I would welcome the participation of those members in person, and as well closer to the date an MS Teams link will be sent to everyone on this distribution list so those who wish to do so can participate remotely.

Please let me know if you or a colleague would be interested in attending in-person the session in Quebec City on 28 September, 2023 (2-3.30pm) by noon on Friday, 22 September.

Thanks,

Keith

Keith Martin

Co-Executive Director / Co-Directeur général

Briefing Note

**CAFII EOC Meeting 19 September 2023—Agenda Item 4(c)iii
Committees and Working Groups – Quebec/AMF Issues - Plans for September 29/23 Quarterly Virtual
Liaison Meeting Between CAFII Board Chair P. Thompson and AMF Superintendent E. Jacob**

Purpose of this Agenda Item– Update/Discussion

To update and discuss with the EOC CAFII's plans for a Quarterly Virtual Meeting on 29 September, 2023.

Background Information

Co-Executive Director Keith Martin will present to the EOC CAFII's possible topics for a liaison meeting that will take place on September 29, 2023 between CAFII Board Chair Peter Thompson and AMF Superintendent, Client Services and Distribution Oversight Éric Jacob.

Recommendation / Direction Sought– Update/Discussion

This is an update for the EOC, with an opportunity to discuss an appropriate course of action.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 4(c)iv Committees and Working Groups – Quebec/AMF Issues - Re-opening Dialogue with AMF on Spousal Insurance Issue

Purpose of this Agenda Item– Update/Discussion

To update and discuss with the EOC the re-opening of a dialogue with the AMF around spousal insurance issues.

Background Information

Co-Executive Director Keith Martin will update the EOC on the renewed discussions with the AMF around spousal insurance issues.

Recommendation / Direction Sought– Update/Discussion

This is an update for the EOC, with an opportunity for discussion.

Attachments Included with this Agenda Item

No attachments.

Agenda Item 4(d)
September 19/23 EOC Meeting

From: Jacqlyn Marcus <Jacqlyn.Marcus@valeyo.com>
Sent: Tuesday, September 12, 2023 6:07 PM
To: Troy Woodland <Troy.Woodland@cafii.com>
Cc: Keith Martin <Keith.Martin@cafii.com>
Subject: RE: [EXTERNAL] EOC Meeting - Media Advocacy Committee

Hi Troy:

Here are my written comments for the upcoming EOC meeting.

The Media and Advocacy Committee met on September 12/23 for its quarterly virtual meeting. We had a productive meeting, including discussion the following items:

1. Meeting & Greet with new CAFII staff hires Shanay Smith and Robyn Jennings
2. Discussion on Media consultant replacement and next steps
3. Approval to proceed with Operatic Agency Statement of Work for updates to the back-end of the CAFII website.

We also received updates from Keith Martin on upcoming webinars, research projects, and other general items. There were no concerns or major questions raised by committee members and there is general agreement that we are working well toward identified goals and plans.

The committee will next meet for its annual face to face gathering in November.

Regards,
Jacqlyn

Jacqlyn Marcus
Senior Director Marketing, Alliances &
Professional Services
416-319-9102
www.valeyo.com



Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 4(d)i Committees and Working Groups – Media Advocacy - CAFII Website Video on How to Make A Credit Protection Insurance Claim

Purpose of this Agenda Item– Update

To update the EOC on the development of a CAFII website instructional video on how to make a credit protection insurance claim.

Background Information

Co-Executive Director Keith Martin will update the EOC on this CAFII website instructional video, which covers how to make a credit protection insurance claim. The purpose of the video is to provide concise and clear information to CAFII member clients on an otherwise complicated topic.

Recommendation / Direction Sought– Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 4(d)ii Committees and Working Groups – Media Advocacy - Transition to A New CAFII Media Consultant

Purpose of this Agenda Item– Update

To update the EOC on recent developments which have led CAFII to transition to a new Media Consultant.

Background Information

Committee Chair Jacqlyn Marcus and Co-Executive Director Keith Martin will update the EOC on CAFII's in-process transition to a new media consultant.

Recommendation / Direction Sought– Update

This is an update only.

Attachments Included with this Agenda Item

One (1) attachment.

Agenda Item 4(d)(ii)
September 19/23 EOC Meeting

CAFII Media Consultant – Job Description

CAFII has a media consultant to advise the Co-Executive Director acting as the Media Spokesperson for CAFII (Keith Martin) and to support the Association on media and communications issues. The retainer is for 10 hours a month at approximately \$225/hour. If in any given month the 10 hours is insufficient, the media consultant could so indicate and CAFII could approve additional time billed at the hourly rate for the media consultant.

The media consultant needs to have excellent media relations experience, with a focused knowledge of the financial services industry.

The amount of work varies depending on activities in any given month, but the media consultant produces a blog entry once every two months for the website, which can be produced during periods of greater slowness (the frequency is flexible); and tries to post two items a week on our LinkedIn page to keep it current, but again if there are other activities this can be delayed to periods where there is more time available.

A key duty of the media consultant is that they are on the CAFII website media page as the contact for media. This is to prevent direct contact with the Media Spokesperson. The CAFII Board is very sensitive to having a cautious media presence, and the media consultant would assess a request for a media interview and only move it forward if it is deemed a low risk. There have been many instances where a press release is picked up by the industry press, but in the past 7 years there have been roughly only half a dozen cases where Keith Martin has had an interview with media.

The media presence of CAFII is limited, but strategic and considered, and can be assessed through the news section of the CAFII website:

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

Another duty of the media consultant is to issue a professional press release in relation to key initiatives or developments. These could include the release of independent research commissioned by CAFII, or the appointment of a new CAFII Board Chair or Vice Chair.

CAFII tries to produce at least one video to post on its website every year. CAFII comes up with the topic, and the media consultant produces the storyboard. This then needs to go through a process where key CAFII volunteers provide input, which is incorporated into the video storyboard. The video itself is produced by our website supplier, currently Operatic Agency.

CAFII has a Media Advocacy Committee which meets quarterly, mostly virtually but in-person at least once a year. The media consultant is expected to attend these meetings so they can be aware of the key media advocacy priorities of the Committee.

Annually, CAFII agrees on a statement of work with an external website supplier (currently Operatic Agency) that includes a set of deliverables to improve the website and continue to improve Search Engine Optimization results. The media consultant is engaged in the effort to determine the website priorities and is involved in the ongoing discussions with the agency delivering the results.

The media consultant would provide a written report, and potentially a verbal report (10 minutes), once a year to the EOC and the Board summarizing the past year's progress around media advocacy and website issues.

Other duties and responsibilities could also occur from time to time.

Agenda Item 4(e)
September 19/23 EOC Meeting

From: Stuska, Andrea (she/her/hers) <andrea.stuska@td.com>
Sent: Wednesday, September 13, 2023 6:32 AM
To: Troy Woodland <Troy.Woodland@cafii.com>; michelle.costello@cumis.com
Subject: RE: EOC Meeting - Research and Education Committee Update

Good Morning Troy,

Please find the update for the Research & Education Committee below.

CAFII conducts annual research which we use in a variety of ways, including using the results in presentations to regulators.

- At the July 18, 2023 EOC meeting, the Research & Education (R&E) Chair Andrea Stuska and Keith Martin spoke to a proposal from the R&E Committee to commission a research project on lower income Canadians being less insured than wealthier ones, and being more reliant on CPI. This was discussed and there was support for moving to the next step on that research project.
- A proposal from LIMRA was received and was circulated to the R&E Committee, which offered feedback that has been incorporated into the latest version of the proposal. The R&E Committee recommended to the EOC that the proposal be approved.
- Given timelines and to avoid delay in starting the research, Keith Martin reached out to the EOC on the R&E Committee's behalf on August 18, 2023 to get the EOC's approval via email. Members of the EOC responded by September 1, 2023 with support for moving forward with the research proposal.
- The contract with LIMRA was signed on September 5, 2023. On current timelines, we are looking at a finished product in the mid- to late November 2023 time period. This works out well, as in past years we have found value in publicly releasing research (if we choose to do so) in the January timeframe of the following year, as it then has a longer shelf-life.

Andrea Stuska
Environment, Government and Industry Relations | **TD Insurance**

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 4(e)i

Committees and Working Groups – Research and Education - EOC-Approved CAFII 2023 Research Project with LIMRA on CPI's Accessibility to and Utility for Canadian Consumer Segments

Purpose of this Agenda Item– Update

To update the EOC on the EOC-Approved CAFII 2023 Research Project with LIMRA.

Background Information

Co-Executive Director Keith Martin will update the EOC on CAFII's EOC-Approved 2023 Research Project with LIMRA that focuses on determining whether less wealthy mortgage holders have a higher propensity to use mortgage life CPI to protect themselves than do wealthier mortgage holders.

Recommendation / Direction Sought– Update

This is an update only.

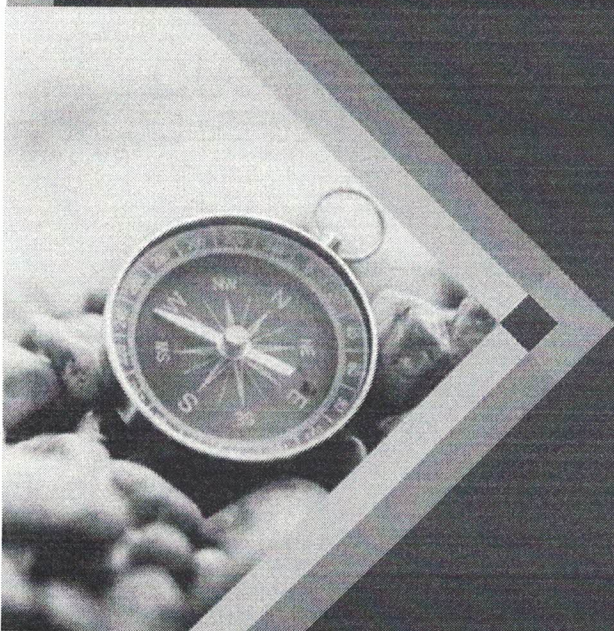
Attachments Included with this Agenda Item

One (1) attachment.

CUSTOM RESEARCH PROPOSAL FOR THE CANADIAN ASSOCIATION OF FINANCIAL INSTITUTIONS IN INSURANCE

Insurance Needs Among Canadians

Revised August 2023



www.limra.com | www.loma.org

Background and Objectives

The Canadian Association of Financial Institutions in Insurance (CAFII) is seeking to understand the prevalence of insurance products among Canadian households. As such, CAFII has engaged LL Global Inc. (LIMRA) to conduct custom research to test the following hypotheses:

- Canadians are uninsured/underinsured, with the percentage that are uninsured/underinsured increasing in lower income bands.
- A higher percentage of Canadians in lower income bands have credit protection insurance.
- Credit protection insurance plays a disproportionately important role in the marketplace for lower income bands, and without it these Canadians would be at higher risk.

Methodology

LIMRA will conduct a 12-minute online quantitative survey of at least 1,000 Canadian consumers who are financial decision-makers. The survey will be available in English and Canadian French. LIMRA and CAFII will collaborate on the survey questions, and based on conversations to date, LIMRA anticipates covering the following:

- Identify Canadians with a mortgage or HELOC.
- Based on the Canadian population, about 25% of the population is considered lower income (below \$50,000 household income), about 35% of Canadians have a mortgage, and about 27% have a HELOC. Given that the minimum household income to qualify for a mortgage is likely to be approximately \$60,000, the sample will be segmented into the following household income bands:
 - Lower income:
 - <\$60,000
 - Middle income:
 - \$60,000-\$79,999
 - \$80,000-\$99,999
 - \$100,000-\$124,999
 - Higher income:
 - \$125,000-\$149,999
 - \$150,000-\$199,000
 - \$200,000+
- Set minimum quota of 400 responses among the lower income (<\$60,000) segment for statistical reliability.
- Set a minimum quota where 50% of each income segment must have a mortgage or HELOC.
- Weight the sample to 34% lower income, 37% middle income, and 29% higher income for representation purposes.

- For each band, identify the percentage who own each of the following insurance products:
 - Mortgage or HELOC life insurance
 - Mortgage or HELOC disability insurance
 - Mortgage or HELOC critical illness insurance
 - Mortgage or HELOC job loss insurance
 - Employer benefits life insurance
 - Term life insurance
 - Whole life insurance
 - Other life insurance
 - No life insurance
- For those with insurance, identify family status (single, married, common law, children, other dependents) and the reason for purchasing insurance (income replacement, short term need, etc.).
- Identify if there are any elderly, ill, or other dependents they care for in the household.
- Ask if they know what they would do if they did not have insurance coverage and something happened to them. Ask if they have emergency funds or access to other savings they would rely on instead of insurance.
- For those without insurance, ask why they have not considered or purchased insurance e.g., can't afford it, have other financial priorities, unsure how much to get, etc.

The survey will also capture demographic information such as age, gender, province, and postal code (up to three digits).

Deliverables

Major deliverables LIMRA will provide to CAFII include:

- Survey instrument
- One tabulation book of survey data
- PowerPoint report of findings and recommendations
- Virtual presentation of results to CAFII management and Research & Education Committee, the CAFII Board, and regulators and policymakers via recorded webinar

All deliverables will be cobranded LIMRA and LOMA and CAFII. CAFII will have the right to use the research publicly, issue a press release about it, and post findings on its website. Research results will remain confidential until CAFII publishes the study. If CAFII chooses to release the study, LIMRA will have the right to use the research publicly, including for its membership, as long as it remains cobranded.

Timing and Fees

LIMRA understands that CAFII would like to have results by November 1, 2023, and anticipates being able to complete this project within 11 weeks, as outlined below. This timeline assumes timely responsiveness from CAFII and its other stakeholders such as its management and the Research & Education Committee.

Milestone	Estimated Timeline
Hold project kick off call	Week 1
Develop survey questionnaire	Weeks 2-3
Finalize, translate, program and test survey	Weeks 4-5
Launch survey and collect data	Weeks 5-7
Clean, weight, and analyze data	Week 7
Compile findings into summary report	Weeks 8-10
Deliver results	Week 10
Present results via webinar	Week 11

LIMRA estimates the cost to complete this study to be \$40,000 USD +/- 10%. LIMRA will invoice CAFII the amount equal to half of total estimated fees at project commencement, and the remaining balance at project completion. Although there is no travel expected for this project, fees do not include travel expenses which are additional and will be billed at cost. If the project is placed on hold and/or cancelled, LIMRA will invoice CAFII for work completed to date. Other billing arrangements can be discussed.

Acceptance of Proposal

To accept this proposal, please sign and return to Lai-Sahn Hackett at lhackett@limra.com.

The Canadian Association of Financial Institutions in Insurance

Signed: 

Name: KEITH MARTIN

Title: CO-EXECUTIVE DIRECTOR, CAFII

Date: 5 September, 2023

LIMRA CUSTOM RESEARCH

As the premier trade association for the insurance and financial services industries, with over 700 members, including 22 members in the Fortune 100, LIMRA has a privileged view into proven best practices and emerging trends. The breadth and depth of the data flow across the industry and our unique position within it enables us to provide you with insights no one else can provide. LIMRA combines industry knowledge and research expertise that translates into a thorough understanding of the marketplace and thoughtful research design and methodology.

Custom Research

LIMRA's Custom Research team partners with you to conduct quantitative and qualitative research to capture the specific insights you need to support decision making across all product lines and distribution channels. Custom Research can help you improve the customer experience, design a new product, test a product concept, explore new markets, and more.

Consortia Research

Consortia research allows members to partner with and through LIMRA to cost-effectively research hot topics. Consortia research gives companies the opportunity to play an active role with other organizations to investigate a common area of need, including exploring opportunities in emerging markets, determining the market potential for new products, understanding the buying process, positioning with producers, and more.

LIMRA Custom Research Team

Lai-Sahn Hackett
Corporate Vice President
lhackett@limra.com

Lynn Ferris
Director of Business Development
lferris@limra.com

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Justeena Zaki-Azat
Senior Research Analyst
jzaki-azat@limra.com

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 4(e)ii Committees and Working Groups – Research and Education - Arranging an Opportunity to Present CAFII's 2023 Research Results-Focused PowerPoint Deck to FSRA Staff Executives

Purpose of this Agenda Item– Update

To update the EOC on the importance of arranging a meeting with FSRA staff executives for the presentation of CAFII's 2023 research results-focused PowerPoint deck.

Background Information

Co-Executive Director Keith Martin will update the EOC on the intention to arrange a meeting with FSRA staff executives to present CAFII's 2023 research results-focused PowerPoint deck, which was received positively by Western Canada insurance regulators and policy-makers during the Association's spring tour to those four provinces. This is an opportunity to share the same messages with FSRA.

Recommendation / Direction Sought– Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Agenda Item 4(f)
September 19/23 EOC Meeting

Networking & Events Committee (Chair: Carmelina Manno; Vice-Chair: Marco DeiCont)

Over the past two months, the Networking & Events Committee has been engaged in planning for the following CAFII events:

- the EOC Annual Appreciation Dinner on September 19/23;
- a webinar on September 26/23 with Stuart Wilkinson, head of the FSRA's Consumer Office, which will also include an introduction by FSRA's Glen Padassery, Executive Vice-President Policy & Chief Consumer Officer; and
- a webinar in late October 2023 on "Words Matter," with guest presenter Elissa Gurman from MacPhie Consulting who is an expert on inclusive language.

Briefing Note

**CAFII EOC Meeting 19 September 2023—Agenda Item 4(f)i
Committees and Working Groups – Networking & Events - September 26/23 CAFII Webinar with Stuart
Wilkinson, FSRA’s Chief Consumer Officer**

Purpose of this Agenda Item– Update

To update the EOC on plans for CAFII’s upcoming September 26/23 webinar.

Background Information

Co-Executive Director Keith Martin will update the EOC on CAFII’s September 26/23 webinar, which will feature Glen Padassery, Executive Vice President of FSRA, commenting on his vision for the FSRA Consumer Office, before moving to a fireside chat with Stuart Wilkinson, FSRA’s Chief Consumer Officer.

Recommendation / Direction Sought– Update

This is an update only.

Attachments Included with this Agenda Item

One (1) attachment.

You're Invited!

CAFII Webinar on FSRA's Consumer Office

***A CAFII Virtual Fireside Chat with Stuart Wilkinson, including Introductory Comments
from Glen Padassery***

Tuesday, September 26, 2023

from 1:00pm - 2:00pm ET

via Zoom Webinar



Glen Padassery

Executive Vice President, Policy & Chief Consumer Officer; and Acting EVP, Auto/Insurance Products

Financial Services Regulatory Authority of Ontario (FSRA)

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



Stuart Wilkinson

Chief Consumer Officer

Financial Services Regulatory Authority of Ontario
(FSRA)

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

Join this webinar at which Glen Padassery, Executive Vice President, Policy and Chief Consumer Office at FSRA will share his vision for the Consumer Office, followed by a fireside chat with Stuart Wilkinson, Chief Consumer Officer, FSRA. The fireside chat with Stuart Wilkinson and CAFII Co-Executive Director Keith Martin will include discussion of:

- Why was the Consumer Office developed?
- What are its main priorities?
- How is the Office funded?
- What are its objectives?
- What are its achievements to date?
- What is the impact of the Consumer Office on CAFII members?
- What are the plans for 2023 and beyond?

[Click Here to Register](#)

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

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

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 4(g) Committees and Working Groups – Travel Insurance Experts

Purpose of this Agenda Item– *Update*

To update the EOC on recent activity of CAFII's Travel Insurance Experts Committee.

Background Information

A Written Update only will be provided for this Committee.

Recommendation / Direction Sought– *Update*

This is a Written Update only.

Attachments Included with this Agenda Item

No attachments.

***Agenda Item 4(g)
September 19/23 EOC Meeting***

Travel Insurance Experts Committee (Chair: Katia Umutoniwase)

The Travel Insurance Experts Committee last met when it held two virtual meetings in Q1 of 2023 to discuss ongoing and emergent travel medical insurance issues.

While the industry is generally very busy at this time dealing with a significant increase in consumer travel, the number of problematic issues has diminished as the COVID-19 pandemic's impact has declined.

When the Committee next meets, it will be pleased to welcome two new members of the Committee – Michel Winterburn, Senior Manager, Scotia Insurance; and Ryan Basant, Product Manager, Wellness & Protection Insurance, CIBC Insurance -- to their first meeting.

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 5(a)

Strategic and Regulatory Initiatives – Feedback Received from Western Canada Insurance Regulators and Policy-Makers Upon CAFII’s Post-Tour Dissemination of Research Results-Focused Presentation Deck

Purpose of this Agenda Item– Update

To update the EOC on the feedback received following the dissemination, to Western Canada insurance regulators and policy-makers, of CAFII’s 2023 Research Results-Focused Presentation Deck.

Background Information

Co-Executive Director Keith Martin will update the EOC on the feedback CAFII has received from Western Canada insurance regulators and policy-makers after they received a copy of the presentation deck.

Recommendation / Direction Sought– Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 5(b)

Strategic and Regulatory Initiatives - Survey of CAFII Member Companies on Distribution of CPI Fulfilment Packages

Purpose of this Agenda Item— Update/Discussion

To update and discuss with the EOC a soon-to-be-launched CAFII survey of member companies on whether they currently distribute fulfilment packages digitally to consumers in the various provinces and territories across Canada.

Background Information

Co-Executive Director Keith Martin will update the EOC on this planned CAFII survey of its member companies (with results to be released in anonymous, aggregated form only) on whether they currently distribute fulfilment packages digitally.

Recommendation / Direction Sought— Update/Discussion

This is an update for the EOC, with an opportunity for discussion.

Attachments Included with this Agenda Item

One (1) attachment.

CAFII Member Company Survey On
Approaches to Credit Protection Insurance Fulfilment Package Document Distribution
Across Canada At This Time: August 2023

CAFII is surveying its Member companies to determine the scope of their approaches to credit protection insurance fulfilment package document distribution at this time, including Certificates of Insurance. The results of this survey will be aggregated and anonymized, and no individual member responses will be disclosed. When all responses have been tabulated and aggregated/anonymized, a results summary will be shared with all Member company participants.

<u>PROVINCE/TERRITORY</u>	<u>My institution distributes credit protection insurance fulfilment documentation via electronic/internet-based channels only</u>	<u>My institution distributes credit protection insurance fulfilment documentation in physical/hard copy form only</u>	<u>My institution distributes credit protection insurance fulfilment documentation via both electronic/internet-based channels and in physical/hard copy form</u>	<u>Comments and Elaborations</u> <u>(if you indicated fulfilment via both electronic/internet-based channels and physical/hard copy form, please indicate why/how the differentiation occurs; and, similarly, if your response varies by jurisdiction, why that is so). Provide separate notes outside this table, if necessary</u>
British Columbia				
Alberta				
Saskatchewan				
Manitoba				
Ontario				
Quebec				
New Brunswick				
Nova Scotia				
PEI				
Newfoundland and Labrador				
Yukon				
Nunavut				
Northwest Territories				

While responses to this survey will be aggregated and anonymized, please provide the following information to help ensure proper administration of the survey:

Name and Company Title of Respondent:

CAFII Member Company:

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 5(c)

Strategic and Regulatory Initiatives - Confirmed Itineraries/Plans for an In-Person Representation at CAFII 2023 Atlantic Canada Insurance Regulators and Policy-Makers Visits Tour: Phase 1 (PEI and New Brunswick) and Phase 2 (Nova Scotia and Newfoundland)

Purpose of this Agenda Item— Update

To update the EOC regarding CAFII's confirmed Itineraries and plans for in-person participation in our upcoming Atlantic Canada tour.

Background Information

Co-Executive Director Brendan Wycks will update the EOC on CAFII's confirmed itineraries and plans for in-person representation at the CAFII 2023 Atlantic Canada Insurance Regulators and Policy-Makers Visits tour, for both Phase 1 (PEI and New Brunswick) and Phase 2 (Nova Scotia and Newfoundland).

CAFII in-person representation, particularly with CAFII's new staff members, is crucial for both introductory and informational purposes.

Recommendation / Direction Sought— Update

This is an update only.

Attachments Included with this Agenda Item

Two (2) attachments.

Agenda Item 5(c)(1)
September 19/23 EOC Meeting

Proposed Itinerary and Meetings Schedule For CAFII Fall 2023
Atlantic Canada Insurance Regulators and Policy-Makers Visits Tour: Phase 1 –
Prince Edward Island and New Brunswick

Thursday, September 21/23

1. 7:00 a.m. EST to 11:44 a.m. AST: CAFII in-person delegation members travel to Charlottetown, catching an early morning flight from Toronto or Hamilton, Ontario and arriving at Charlottetown (YYG) airport by 11:44 a.m. AST.

Suitable flights from Toronto/Hamilton to Charlottetown on Thursday, September 21/23:

Air Canada

- AC1540 (Non-Stop): Departs Toronto Pearson (YYZ) at 8:40 a.m. EST; arrives Charlottetown (YYG) at 11:44 a.m. AST

Swoop Airlines

- W0368 (Non-Stop): Departs Toronto Pearson (YYZ) at 7:15 a.m. EST; arrives at Charlottetown (YYG) at 10:28 a.m. AST
- W0170 (Non-Stop): Departs Hamilton, Ontario (YHM) at 7:00 a.m. EST; arrives at Charlottetown (YYG) at 10:05 a.m. AST

Or, alternatively, CAFII delegation members (possibly Keith Martin only) may wish to travel to Charlottetown on Wednesday, September 20/23 and stay overnight in Charlottetown.

Suitable flights from Toronto to Charlottetown on Wednesday, September 20/23:

Air Canada

- AC1540 (Non-Stop): Departs Toronto Pearson (YYZ) at 8:40 a.m. EST; arrives Charlottetown (YYG) at 11:44 a.m. AST

Porter Airlines

- PD 2217 and PD 2363: Departs Toronto Island Airport (YTZ) at 9:30 a.m.; has layover of approximately three hours in Ottawa (YOW); and connecting flight PD 2363 then arrives in Charlottetown (YYG) at 3:22 p.m. AST.

Recommended Hotels in Charlottetown, PEI for evening of Wednesday, September 20/23:

- Prince Street Suites, Queen's Square; or
- Holiday Inn Express & Suites, an IHG Hotel, Charlottetown

2. 11:44 a.m. AST to 12:45 p.m. AST: CAFII in-person delegation members rendezvous at Charlottetown airport (YYG). Brendan Wycks secures pre-booked one-way SUV rental and transports newly arrived in-person delegation members to central Charlottetown hotel where meeting will be held with PEI Financial and Consumer Services Division of Department of Justice and Public Safety staff executives will be held.
3. 1:00 to 2:30 p.m. AST: CAFII in-person delegation members meet with PEI Financial and Consumer Services Division of Department of Justice and Public Safety staff executives at central Charlottetown hotel, likely the Delta Hotel.
4. 2:45 to 4:00 p.m. AST: CAFII in-person delegation members have a late lunch at a restaurant in downtown Charlottetown.
5. 4:00 to 8:30 p.m. AST: CAFII in-person delegation members drive from Charlottetown, PEI to Fredericton, New Brunswick in two (2) one-way rental SUVs secured by Brendan Wycks (driving distance: 340 kms; approximate driving time: 4.5 hours with one rest stop).
6. 8:30 to 9:00 p.m. AST: CAFII in-person delegation members check-in for overnight stay at Fredericton hotel. **Recommended Hotel: Holiday Inn Express & Suites, an IHG Hotel, 665 Prospect St, Fredericton, NB E3B 6B8; [\(506\) 459-0035](tel:5064590035).**
7. CAFII in-person delegation members have a late group dinner at their Fredericton hotel or at a nearby downtown Fredericton restaurant.

Friday, September 22/23

8. 8:00 to 9:15 a.m. AST: CAFII in-person delegation members have a group breakfast at their Fredericton hotel, which gathering will also serve as a Final Prep Meeting prior to the ensuing meeting with Angela Mazerolle, New Brunswick Superintendent of Insurance, and other relevant FCNB Insurance Division staff executives.
9. 9:30 to 9:45 a.m. AST: CAFII in-person delegation members gather in the lobby of their Fredericton hotel, with luggage in tow, and depart for meeting at FCNB office, 225, rue King St.; Suite / bureau 200, Fredericton, New Brunswick.

10. 10:00 to 11:30 a.m. AST: CAFII in-person delegation members meet with Angela Mazerolle, New Brunswick Superintendent of Insurance, and other relevant FCNB Insurance Division staff executives at FCNB office, 225, rue King St.; Suite / bureau 200, Fredericton, New Brunswick.
11. 11:30 a.m. to 1:00 p.m. AST: CAFII in-person delegation members have a lunch at a quick-service restaurant in downtown Fredericton.
12. 1:00 to 1:15 p.m. AST: CAFII in-person delegation members drive from downtown Fredericton to Fredericton airport; Brendan Wycks returns one-way rental van at the airport; and members catch their return flights back to Toronto (this early departure for the Fredericton airport assumes that at least one member of delegation will want to catch the 2:20 p.m. AST Porter Airlines connecting flight, via Ottawa, back to Toronto).

Suitable flights from Fredericton to Toronto:

Porter Airlines

- PD 2376 and PD 2260 connecting flights: departs Fredericton (YFC) at 2:20 p.m. AST; has a layover of just under one hour at Ottawa (YOW); and arrives at Toronto Island Airport (YTZ) at 4:59 p.m. EST.

Air Canada

- AC 1529 (Non-Stop): Departs Fredericton (YFC) at 6:05 p.m. AST; arrives at Toronto Pearson Airport (YYZ) at 7:04 p.m. EST.
- AC 7919 (Connecting: One Stop): Departs Fredericton (YFC) at 4:10 p.m. AST; has a 54 minutes layover in Montreal (YUL); and the continuation flight arrives at Toronto Pearson Airport (YYZ) at 6:49 p.m. EST.

Agenda Item 5(c)(2)
September 19/23 EOC Meeting

From: Brendan Wycks

Sent: Friday, September 15, 2023 6:29 AM

To: Stuska, Andrea (she/her/hers) <andrea.stuska@td.com>; Michelle Costello <michelle.costello@cumis.com>; John Burns <john.burns@securiancanada.ca>

Cc: Keith Martin <Keith.Martin@cafii.com>; Robyn Jennings <Robyn.Jennings@cafii.com>; Shanay Smith <Shanay.Smith@cafii.com>; Troy Woodland <Troy.Woodland@cafii.com>; 'Rob Dobbins' <rob.dobbins@assurant.com>; Casandra Litniansky <casandra.litniansky@cumis.com>; Peter Thorn <Peter.Thorn@td.com>

Subject: Confirming That An In-Person/Hybrid Liaison Meeting With PEI Department of Justice and Public Safety Staff Executives Is Definitely On For Thursday, September 21/23 From 1:00 to 2:30 p.m. AST

Hi, Andrea, Michelle, and John.

The purpose of this message is to confirm for you that – as per Keith's messages of yesterday afternoon below – we now definitely have an **in-person**/hybrid meeting confirmed with key officials in PEI's Financial and Consumer Affairs Division, Ministry of Justice and Public Safety for Thursday, September 21/23 from 1:00 to 2:30 p.m. AST.

This meeting will supplant and replace the previously booked virtual-only meeting with soon-to-retire PEI Superintendent of Insurance Robert Bradley, which was scheduled for 1:00 to 2:00 p.m. AST on that same day.

Given that we will now be holding the **in-person** component of this PEI meeting at a Charlottetown hotel, rather than at the Government's offices, if you will be flying into Charlottetown on Wednesday, September 20 rather than on the morning of Thursday, September 21 (and you therefore will need one night's accommodation in Charlottetown), we will get back to you as soon as we have a confirmed hotel **meeting room** booking to advise as to exactly what hotel the in-person component of the PEI meeting will occur at (as you may wish to book your overnight stay at the same hotel).

Brendan Wycks, BA, MBA, CAE

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

Brendan.wycks@cafii.com

T: 647.218.8243

Alternate T: 647.361.9465

www.cafii.com

From: Keith Martin Keith.Martin@cafii.com
Sent: Thursday, September 14, 2023 4:06 PM
To: Brendan Wycks brendan.wycks@cafii.com
Cc: 'Rob Dobbins' rob.dobbins@assurant.com; Shanay Smith Shanay.Smith@cafii.com; Robyn Jennings Robyn.Jennings@cafii.com
Subject: PEI Regulatory Tour FW: CAFII: Request for a Quick Conversation

Hello,

I have now had a detailed conversation with Steve Dowling, Division Director, Financial and Consumer Affairs Division, Ministry of Justice and Public Safety, following up on the email I sent him below.
<https://www.linkedin.com/in/steven-dowling-66aa6318/?originalSubdomain=ca>

To cut to the chase, Steve is completely committed to making our visit to PEI productive, is personally taking this on, and has already identified key people we can meet, who he has already reached out to and who are available and committed to participating.

He will sort out all the details and get back to me tomorrow (Friday). Steve told me that he is the Divisional Director, and he wants to ensure that we have the most productive meetings possible, and that it may be preferable for us to meet with his colleagues **instead of** Robert Bradley as opposed to after, given Robert's impending retirement. I told him we were pleased to proceed in any way he feels is appropriate, but that I would not be comfortable requesting that change myself with Robert, and he said he completely understood that, and that he would manage all of this from his end. He made it very clear to me that he has the authority to move this in the direction he chooses.

He is proposing we meet Lauren Keefe-Hogan, Solicitor, who Steve said would be in a senior insurance position in the PEI ministry after the new regime is announced, and he mentioned the Deputy Superintendent position.
<https://www.linkedin.com/in/lauren-keefe-hogan-a70a7822/?originalSubdomain=ca>

He also will have us meet Curtis Toombs, General Counsel, who is also very focused on the insurance space and will continue to so be after the new Superintendent is named.
<https://www.linkedin.com/in/curtis-toombs-b861b850/?originalSubdomain=ca>

He may also invite other people. Steve Dowling himself is in meetings in Halifax on 21 September, but he will leave his meeting to introduce himself to us virtually.

He is working out the details but he said he will make this work and he has "put on my PEI hospitality hat."

More to come, but in the interim, **Brendan, please let the team that is going to PEI know that the meeting is on.** In particular, Andrea Stuska and Michelle Costello have been asking for updates.

Thanks,
Keith

From: Keith Martin Keith.Martin@cafii.com
Sent: Thursday, September 14, 2023 5:35 PM
To: Brendan Wycks brendan.wycks@cafii.com; Shanay Smith Shanay.Smith@cafii.com
Cc: 'Rob Dobbins' rob.dobbins@assurant.com; Robyn Jennings Robyn.Jennings@cafii.com
Subject: PEI Regulatory Visit: FW: Follow up from CAFII

Hello Brendan, Shanay,

Please see the note below from Steve Dowling.

Steve Dowling in his message below, I believe, is telling us that

1. He is cancelling our meeting with Robert Bradley;
2. He is committing to an in-person 90-minute meeting starting at **1pm AST** on 21 September;
3. He is recommending that his preferred approach, due to his office's technology limitations which he mentioned to me in our phone conversation, is for the meeting to be held at a hotel, and **his first recommendation is the Delta Prince Edward**. He also mentions two other hotel options.

For Item 3, Shanay this is now your top priority. Can you look into arranging this meeting at the Delta PEI, we will need wifi, a screen to project onto, and the ability to "invite the room" so that we can project through MS Teams onto the screen; and Troy should be familiar with this from Jake's training of him from previous tours where this is the approach we took. The room size should accommodate minimum 11 people and up to 15 people. We have 8 CAFII attendees, 2 minimum attendees from PEI, but I don't want people to be squished and there may be more PEI folks

Shanay, please also look into ordering soft drinks, water, coffee, tea, cookies, and little desserts / snacks (like chips).

We will need a quote but we will certainly move forward with this. If you can also ask, Shanay, whether they have IT support at the hotel for when we start the meeting.

Many thanks,

--Keith

Keith Martin

Co-Executive Director / Co-Directeur général

Canadian Association of Financial Institutions in Insurance

L'association canadienne des institutions financières en assurance

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[Visit the CAFII LinkedIn Page](#)

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 6(a) Governance - CAFII Board Vice-Chair Succession

Purpose of this Agenda Item— *Update*

To update the EOC on CAFII's Board Vice-Chair Succession.

Background Information

Co-Executive Director Keith Martin will update the EOC on CAFII's Board Vice-Chair succession plan.

Recommendation / Direction Sought— *Update*

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 6(b) Governance - Implementation of Board-Approved 'New CAFII Management Structure'

Purpose of this Agenda Item— *Update*

To update the EOC on CAFII's implementation of a new management structure.

Background Information

Co-Executive Director Keith Martin will update the EOC on CAFII's implementation of the Board-approved new CAFII management structure, including the recent hiring of two new CAFII staff members: Shanay Smith, Operations Manager; and Robyn Jennings, Research Analyst.

Recommendation / Direction Sought— *Update*

This is an update only.

Attachments Included with this Agenda Item

One (1) attachment.

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

Sent: Monday, August 21, 2023 12:05 PM

To: CAFII Board, EOC, and Other Committee Members

Cc: Brendan Wycks <brendan.wycks@cafii.com>; Lyn Wallington <lyn@managingmatters.com>; 'david moorcroft' <david@strategy2communications.com>; Troy Woodland <Troy.Woodland@cafii.com>; Shanay Smith <Shanay.Smith@cafii.com>; Robyn Jennings <Robyn.Jennings@cafii.com>; Jake Becker <jake.becker@cafii.com>

Subject: CAFII: Welcome to CAFII's New Staff Members--Operations Manager--Research Analyst

Hello CAFII Board, EOC, and Committee Members,

CAFII has been engaged in recruiting two new hires, an Operations Manager, and a Research Analyst, to prepare for the retirement of Brendan Wycks at the end of this year.

I am delighted to let you know that we now have two new staff members who have formally started today.

Shanay Smith, Operations Manager, has a wealth of experience in project management, operations, and senior administrative support.

[Shanay Smith LinkedIn Profile](#)

Robyn Jennings, Research Analyst, brings excellent analytical, research, and writing skills with a background working in numerous government agencies, including Global Affairs Canada.

[Robyn Jennings LinkedIn Profile](#)

I will be setting up a series of virtual meetings with all CAFII Chairs and Vice Chairs so they can meet Shanay and Robyn, and I also look forward to introducing them to you in person at upcoming CAFII meetings and events.

Background Information

Lyn Wallington, from our Association Management Company Managing Matters, has been pivotal in this effort. Over 2000 applicants were received for each position. The two successful applicants went through a phone interview, an in-person interview with Lyn and me, a panel interview with the EOC Chair Rob Dobbins and Vice Chair Karyn Kasperski (EOC members were also invited to join that panel interview and R&E Committee Chair and EOC member Andrea Stuska was also present at that meeting), and each candidate submitted a written assignment. Through this rigorous process we were able to find two candidates with excellent skillsets, and who have a strong cultural fit with CAFII.

Please join me in welcoming Shanay and Robyn to their new roles!

Regards,

--Keith

Keith Martin

Co-Executive Director / Co-Directeur général

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 6(c)

Governance - Proposed 2024 CAFII Schedule of Meetings and Events

Purpose of this Agenda Item— *Update/Discussion/Endorsement*

To discuss with the EOC CAFII's Proposed 2024 Schedule of Meetings and Events, and seek the EOC's endorsement for its presentation to the Board for approval at its October 10/23 meeting.

Background Information

Co-Executive Director Brendan Wycks will update the EOC on CAFII's 2024 Proposed Schedule of Meetings and Events.

The update will highlight the proposed changes to CAFII's annual schedule of meetings and events for 2024, now that in-person events are fully back in place.

Recommendation / Direction Sought— *Update/Discussion/Endorsement*

This is an update for the EOC, with an opportunity for discussion and possible endorsement.

Attachments Included with this Agenda Item

One (1) attachment.

Agenda Item 6(c)

September 19/23 EOC Meeting

Proposed Schedule of CAFII 2024 Meetings and Events

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

- **Tuesday, January 23, 2024** (2:00–4:00 p.m. MS Teams virtual-only meeting)
- **Tuesday, February 27, 2024** (2:00–3:30 p.m. MS Teams virtual-only meeting)
(Family Day Stat Holiday in Ontario: Monday, February 19)
- **Tuesday, March 26, 2024** (2:00–4:00 p.m. MS Teams virtual-only meeting)
(Quebec Spring Break: March 4 – March 8. Ontario March Break: March 11 – March 15)
- **Tuesday, April 23, 2024** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)
(Passover: Evening of April 23 – April 30)
- **Tuesday, May 14, 2024** (2:00–3:30 p.m. MS Teams virtual-only meeting)
(Victoria Day Stat Holiday: Monday, May 20)
- **Tuesday, June 25, 2024** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)
- **Tuesday, July 16, 2024** (tentative summer meeting (2:00–3:30 p.m. MS Teams virtual-only meeting)
- **Tuesday, August 13, 2024** (tentative summer meeting (2:00–3:30 p.m. MS Teams virtual-only meeting)
- **Tuesday, September 17, 2024** (3:00–5:00 p.m. in-person/virtual-hybrid meeting, followed by EOC Annual Appreciation Dinner)
(National Day for Truth and Reconciliation: September 30)
- **Tuesday, October 29, 2024** (2:00–3:30 p.m. MS Teams virtual-only meeting)
(Yom Kippur: October 12. Thanksgiving Stat Holiday: October 14. Diwali: October 31)
- **Tuesday, November 19, 2024** (2:00–4:00 p.m. in-person/virtual-hybrid meeting)
(Remembrance Day: November 11)

Board Meetings:

- **Tuesday, April 9, 2024** (3:00–5:00 p.m. in- person/virtual-hybrid meeting, followed by ensuing Reception)
HOST: Assurant Canada
(Good Friday: Friday, March 29; Easter Monday: Monday, April 1)
- **Tuesday, June 4, 2024** (2:30–5:00 p.m. in- person/virtual-hybrid meeting, preceded by 2024 Annual Meeting of Members and followed by ensuing Reception). (To comply with CAFII Bylaw provisions, the Annual Meeting of Members materials package must be disseminated between 60 days and 21 days prior to the date of the Annual Meeting: i.e. between Friday, April 5, 2024 and Tuesday, May 14, 2024)
HOST: Securian Canada
- **Tuesday, October 8, 2024** (2:20–4:00 p.m. in- person/virtual-hybrid meeting, immediately following liaison lunch and Industry Issues Dialogue with AMF staff executives)
(Rosh Hashanah: October 3; Thanksgiving Stat Holiday: Monday, October 14)
HOST: National Bank Insurance; Alternate: BMO Insurance (Montreal)
- **Tuesday, December 3, 2024** (3:00–5:00 p.m. in- person/virtual-hybrid meeting, followed by Holiday Season/Year-End Reception)
HOST: Chubb Life Insurance Company of Canada

2024 Annual Members and Associates Luncheon:

- *Tentative Date: Tuesday, May 28, 2024, from 11:45 a.m. EST to 2:15 p.m. EST at St. James Cathedral Centre Event Venue*

2024 EOC Annual Appreciation Dinner:

- *Tentative Date: Tuesday, Sept 17, 2024 at 5:30 p.m. at a TBD location*

Webinars:

- January 31 or February 1, 2024
- March 27 or 28, 2024
- April 24 or 25, 2024
- September 11 or 12, 2024
- October 9 or 10, 2024
- November 13 or 14, 2024

2023 Board meetings Hosted by:

Canadian Tire Bank, Manulife, RBC Insurance, Scotia Insurance

2022 Board meetings Hosted by:

TD Insurance, Desjardins Insurance, CIBC Insurance

2021 Board meetings Hosted by:

None, due to COVID-19 pandemic situation

2020 Board meetings Hosted by:

None, due to COVID-19 pandemic situation

2019 Board meetings Hosted by:

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

2018 Board Meetings Hosted by:

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

2017 Board Meetings Hosted by:

TD Insurance; CAFII; Desjardins Insurance; CIBC Insurance

Recent Years' Annual Members and Associates Luncheons

2023 Annual Members and Associates Luncheon

Date: Tuesday, May 9, 2023 from 11:45 a.m. to 2:15 p.m. EDT

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

Speaker: Stuart Carruthers, Partner, Stikeman Elliot and Jill McCutcheon, Partner, Torys LLP

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

2022 Annual Members and Associates Luncheon

Date: Tuesday, September 13, 2022 from 12:00 p.m. – 2:30 p.m. EDT

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

Speaker: Mark White, CEO, FSRA

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

2021 Annual Members and Associates Virtual Luncheon Webinar

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

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

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

Venue: Virtual-Only Webinar

2020 Annual Members and Associates Virtual Luncheon Webinar

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

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

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

Venue: Virtual-Only Webinar

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 6(d) Governance - Plans for September 19/23 EOC Appreciation Dinner

Purpose of this Agenda Item— *Update*

To update the EOC on CAFII's Plans for the September 19/23 EOC Appreciation Dinner.

Background Information

Co-Executive Director Brendan Wycks will update the EOC on CAFII's Plans for the September 19/23 EOC Appreciation Dinner, including attendance.

Recommendation / Direction Sought— *Update*

This is an update only.

Attachments Included with this Agenda Item

One (1) attachment.

You're Invited!

CAFII 2023 Annual EOC Appreciation Dinner

You are cordially invited to attend CAFII's ***Annual EOC Appreciation Dinner*** on Tuesday September 19, 2023 at HotHouse at The St. Lawrence Restaurant in Toronto.

CAFII hopes that you'll be able to join us for this annual thank you and appreciation event, recognizing EOC members as key Association volunteer leaders – which provides an always enjoyable and memorable summer evening social, featuring a delicious dinner.

Follow-up September's in-person/hybrid EOC meeting by spending some quality social and get-better-acquainted time with your EOC member colleagues, the Association's Co-Executive Directors, CAFII's new Research Analyst, and Operations Manager, and the CAFII support team from Managing Matters.

Don't be late, though, as the Networking & Events Committee has an amazing Ice-Breaker Activity planned for this event, shortly after the 5:30 p.m. start time.

This *by-personal-invitation-only* event -- open to and complimentary for current CAFII EOC members and select other invitees -- will take place at HotHouse at The St. Lawrence Restaurant, 35 Church St. (at L'Esplanade) in downtown Toronto.

You're Invited!

CAFII'S ANNUAL EOC APPRECIATION DINNER

cafii acifa

The Canadian Association of
Financial Institutions in Insurance

L'association canadienne des
institutions financières en assurance



**HOTHOUSE AT THE ST.
LAWRENCE RESTAURANT**

35 CHURCH ST, TORONTO

5:30PM -8:00PM

SEPT

19

2023

PLEASE REGISTER BELOW BY MONDAY
SEPTEMBER 4TH BY 5:00 PM

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 6(e)

Governance - Plans for October 10/23 CAFII/AMF Informal Liaison Lunch; CAFII/AMF 'Industry Issues Dialogue'; and Abbreviated CAFII Board Meeting in Montreal

Purpose of this Agenda Item— Update

To update the EOC on CAFII's Plans for the October 10/23 CAFII/AMF Informal Liaison Lunch, the CAFII/AMF 'Industry Issues Dialogue', and the Abbreviated CAFII Board Meeting in Montreal.

Background Information

Co-Executive Director Brendan Wycks will update the EOC on CAFII's Plans for the October 10/23 CAFII/AMF Informal Liaison Lunch, the CAFII/AMF 'Industry Issues Dialogue', and the Abbreviated CAFII Board Meeting in Montreal. CAFII intends to present a positive message to the AMF, highlighting the many constructive interactions that have taken place between CAFII and the AMF over the past year.

Recommendation / Direction Sought— Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 6(f) Governance - Draft Minutes of July 18/23 EOC Meeting

Purpose of this Agenda Item— *Approval*

To request EOC approval of the July 18/23 EOC meeting minutes.

Background Information

The EOC will be asked to approve the July 18/23 EOC meeting minutes.

Recommendation / Direction Sought— *Approval*

This is a request for approval.

Attachments Included with this Agenda Item

One (1) attachment.

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

Tuesday, July 18, 2023, 2:00-3:30 pm Virtual-Only Meeting

MINUTES

EOC Present

Rob Dobbins	Assurant and EOC Chair
Karyn Kasperski	RBC Insurance and Vice Chair
Donald Hinnecke	RBC Insurance and Treasurer
Jennifer Russell	Assurant
Martin Boyle	BMO Insurance
Tejal Harri-Morar	BMO Insurance
Catherine Latulippe	Canadian Tire Bank
Afzal Baig	Chubb Life Insurance Company of Canada
John Juba	Chubb Life Insurance Company of Canada
David Self	CIBC Insurance
Konstance Allain	CIBC Insurance
Lauren Ross	CIBC Insurance
Doug Weir	CIBC Insurance
Michelle Costello	CUMIS/The Co-operators
Cassandra Litniansky	CUMIS/The Co-operators
Carmelina Manno	Manulife Financial
Sharon Murrell-Foster	Manulife Financial
Janet Pacini-Thibodeau	Manulife Financial
Jonathan Poulin	National Bank Insurance
Fernando Heleno	RBC Insurance
Iman Muntazir	RBC Insurance
Shannon Dowe	RBC Insurance
Charles MacLean	RBC Insurance
Prithipal Rajasekaran	Scotia Insurance
Brad Kuiper	Scotia Insurance
John Burns	Securian Canada
Deliska Beauregard	Securian Canada
Fay Coleman	TD Insurance
Andrea Stuska	TD Insurance
Fergal Murphy	TD Insurance
Peter Thorn	TD Insurance
Jason Beauchamp	The Canada Life Assurance Company
Marco DeiCont	Valeyo

Guests:

Usman Abbas	The Canada Life Assurance Company
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Regrets:

Farhad Eslah	Canadian Tire Bank
Cynthia Golubic	Canadian Tire Bank
Almas Satwat	CUMIS/The Co-operators
Diane Quigley	CUMIS/The Co-operators
Jawid Kargger	CUMIS/The Co-operators

Isabelle Choquette	Desjardins Insurance
Nathalie Baron	Desjardins Insurance
Pierre-Olivier Cyr	Desjardins Insurance
Suzie Blanchard	Manulife Financial
Katia Umutoniwase	Manulife Financial
Ivan Murray	National Bank Insurance
Stacey Hughes-Brooks	RBC Insurance
Alfonso Movilla	Scotia Insurance
Sean Kradjian	Scotia Insurance
Asma Desai	Securian Canada
Moiria Gill	TD Insurance
Catherine Laspina	The Canada Life Assurance Company
Dallas Ewen	The Canada Life Assurance Company
Jacqlyn Marcus	Valeyo

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

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

Item 1 (a): Call to Order

The meeting was chaired by EOC Chair Rob Dobbins, who called the meeting to order.

Item 2: Consent Items

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

- CAFII 2023 Western Canada Insurance Regulators and Policy-Makers Visits Tour: Meeting Summaries and Insights Highlights
- Consultations/Submissions Timetable
- June/July 2023 Regulatory Update
- Regulator and Policy-Maker Visit Plan Recap
- Summary of Board and EOC Action Items
- Board-Approved Schedule of CAFII 2023 Meetings and Events

Item 3: Financial Management Matters

Item 3 (a): CAFII Financial Statements as at June 20/23

CAFII Treasurer Donald Hinnecke provided an update on CAFII's financial position as at June 30, 2023, noting that the Association was in a strong cash position, and was on budget without any unexpected significant variances so far this year. Some anticipated expenses from the regulatory tours were now being reimbursed. The Association has invested surplus cash in a GIC given the improved interest rates being offered, to generate some additional interest income.

Item 3 (b): Forecast for CAFII 2023 Fiscal Year as at June 30/23

Treasurer Donald Hinneke projected that CAFII would end the 2023 fiscal year with a favourable variance in revenue, due to the purchase of some GIC investments and a resulting increase in interest income, but that its financial reserves as a percentage of annual operating expenses would decline from the current 63% but still end the 2023 fiscal year within the 25% to 50% range which the Association targets.

Item 4: Committee and Working Group Updates

Item 4 (a): Diversity, Equity and Inclusion

i. Outcomes of July 10/23 Meeting of CAFII Diversity, Equity and Inclusion Working Group

Diversity Working Group Chair Tejal Harri-Morar reported that recent meetings of the Working Group have focused on the objectives of the group, how to measure success, and ways to move the group forward, which is currently focused on reviewing available research on best practices around diversity, equity, and inclusion.

Item 4 (b): Marketing Conduct & Licensing

i. Insurer Proprietary/Competitive Issue Identified Re Complying with Section 45(1) of FCNB's Rule INS-001 Re RIR Licensee Disclosure of Compensation/Inducement/Benefit Received from Insurer That Exceeds 30% of Premium To Be Paid By Consumer; and Proposed Next Steps

FCNB Rule INS-001 includes a requirement that consumers who are sold insurance by a Restricted Insurance Representative (RIR) licensee be informed of the percentage of the premium they pay that goes to a distributor when that percentage is more than 30% of the premium. In Quebec, only when more than 30% of the premium is paid to a distributor as commission does that fact need to be shared with the consumer, which is a better approach because revealing the actual percentage is competitively-sensitive information.

EOC members discussed whether this issue is core to CAFII, and there was a decision to ask the Market Conduct & Licensing what approach it recommended for any dialogue with FCNB on this issue.

Item 4 (c): Media Advocacy

i. Outcomes of June 26/23 Media Advocacy Committee Meeting

Keith Martin provided an update on annual improvements to the CAFII website. A proposal has been received from Operatic Agency for a re-build of the back-end of the CAFII website (the CAFII intranet). The preference is to proceed with this project in 2024, but the EOC was advised that if the back-end goes down again, it may be necessary to move forward with the re-build project earlier.

Mr. Martin also reported that the CAFII LinkedIn page continues to gain more followers.

Item 4 (d): Quebec/AMF Issues

i. Insights Gained from Recent CAFII Discussions with CLHIA Re Quebec's "Bill C-30: An Act to amend various provisions mainly with respect to the financial sector" Clause 106 Which Bans Single Premiums For Multi-Year Insurance Contracts

It was noted that CLHIA, like CAFII, was monitoring the provision of Quebec's Bill C-30 that prohibits single premiums for multi-year contracts, but that no specific action was planned on this by CLHIA.

ii. Agenda Highlights for July 19/23 CAFII Quebec/AMF Issues Committee Meeting

Quebec/AMF Issues Committee Chair Jennifer Russell reported that the committee continues to actively review initiatives in Quebec, including the complaints and dispute resolution regulation which the AMF is expected to publish imminently, and Quebec's Charter of the French Language.

Item 4 (e): Research & Education

i. Outcomes of Recent Research & Education Committee Meetings, Including Identification of Proposed CAFII 2023 Research Project

Research & Education Committee Chair Andrea Stuska reported that the Committee has identified a research project to propose, on whether less wealthy mortgage holders have less term insurance than wealthier mortgage holders, and are therefore more reliant on credit protection insurance to protect them against life events. The Committee is going to review the research proposal from LIMRA, and make a recommendation to the EOC.

ii. Outcomes of Recent CAFII Virtual Meetings with Brent Lemanski, AVP and Executive Director, LIMRA/LOMA Canada and Colleagues Re Possible CAFII-Commissioned Research

Keith Martin reported that a successful meeting was recently held with LIMRA's Canadian representative Brent Lemanski on a possible research project with LIMRA (see 4ei).

iii. Arranging Opportunities to Present CAFII's Current Research Results-Focused Powerpoint Deck to FSRA and AMF Regulator Audiences

CAFII's presentation to Western Canada insurance regulators and policy-makers was very well received. It was agreed that CAFII should reach out to the AMF and FSRA and offer to make the same presentation to each of those regulators as well. For the AMF, it was suggested that CAFII say that it prefers to make the presentation in English so that non-French speaking members could participate; but that given current circumstances in Quebec, the offer of a French presentation should also be extended. The AMF will also be invited to choose whether they would like Keith Martin to make the presentation in-person in Quebec, virtually, or both.

Item 4 (f): Networking & Events

i. Plans for September 26/23 CAFII Webinar with Stuart Wilkinson, Director, Consumer Office, FSRA

Keith Martin reported that plans are well-advanced for a 26 September, 2023 webinar with Stuart Wilkinson, Director, Consumer Office, FSRA. Mr. Wilkinson will initially be joined by FSRA Executive Vice President Glen Padassery, who will share his vision for the FSRA Consumer Office.

ii. Plans for October 2023 CAFII Webinar on "Words Matter" Featuring Expert Perspectives/Advice on Inclusive language

Keith Martin reported that CAFII intends to hold an October 2023 webinar on the impact of words and communication in the workplace.

Item 4 (g): Travel Insurance Experts

i. Insights Gained from Recent CAFII/CLHIA/THIA Meetings On Regulatory Issues

Brendan Wycks provided an overview of the major insights from recent meetings of CAFII, CLHIA, and THIA on travel insurance issues and other industry Association issues.

Item 5: Recent and Upcoming Strategic and Regulatory Initiatives

Item 5 (a): Insights Gained from July 4/23 Quarterly Virtual Meeting Between CAFII Board Chair Peter Thompson and AMF Superintendent, Client Services and Distribution Oversight Eric Jacob

Keith Martin reported that the quarterly meetings between CAFII Board Chair Peter Thompson and AMF Superintendent Éric Jacob continue to be very productive, with a current focus on asking the AMF to consider extending the 1 January, 2025 deadline for cancelling in-force spousal insurance policies.

Item 5 (b): Insights Gained from Recent CAFII Correspondence Exchange with Louise Gauthier, AMF on Its Definition of Complaints and Related Complaints Handling Regime

Keith Martin reported that AMF Director Louise Gauthier had recently advised that the AMF had found its interactions and dialogue with CAFII around the AMF's Regulation respecting complaints handling and dispute resolution to be very productive and helpful.

Item 5 (c): Adjusted Schedule and Outreach for Meeting Confirmations for CAFII Atlantic Canada Insurance Regulators and Policy-Makers Visits Tour in Late September and Early October 2023

Brendan Wycks provided an overview of the adjustments being made to the schedule for the upcoming Atlantic Canada insurance regulators and policy-makers visits tour.

Item 6: Governance Matters

Item 6 (a): Confirmation or Cancellation of Tentative August 15/23 EOC Virtual-Only Meeting

The EOC decided to cancel the tentatively scheduled August 15, 2023 EOC meeting and resume the regular schedule of meetings in September 2023.

Item 6 (b): Implementation of Board-Approved 'New CAFII Management Structure' (Post-2023)

Keith Martin provided an overview of the process for recruiting two new CAFII staff members, noting that over 2000 people had applied for each of the two positions (Research Analyst, and Operations Manager).

Item 6 (c): Draft Minutes of June 6/23 Board Meeting

The EOC endorsed the minutes of the June 6, 2023 CAFII Board meeting, for presentation to the Board for approval at its own next meeting.

Item 6(d): Draft Minutes of June 27/23 EOC Meeting

The EOC approved the draft minutes of the June 27, 2023 EOC meeting.

Briefing Note

CAFII EOC Meeting 19 September 2023—Agenda Item 7(a)

Read Only Items - Retirement of Joanne Abram as CEO of Alberta Insurance Council

Purpose of this Agenda Item— Read Only

To inform the EOC of Joanne Abram's retirement as CEO of the Alberta Insurance Council.

Background Information

A document will be provided for this Read Only agenda item.

Recommendation / Direction Sought— Read Only

No action is required.

Attachments Included with this Agenda Item

One (1) attachment.

Agenda Item 7(a)
September 19/23 EOC Meeting

Joanne Abram Retires As CEO Of Alberta Insurance Council; Darlene Hyde Appointed Interim Successor

On Monday evening, August 21/23, CAFII received the Announcement below from Colette Mooney, Executive Assistant to the CEO of the Alberta Insurance Council:

RE: Alberta Insurance Council Leadership Transition

On August 14, 2023, I announced that the Alberta Insurance Council ("AIC") has contracted with Darlene Hyde, MBA, ICD.D, CCD, to take on the role of Interim CEO of the AIC for a period of approximately six (6) months. Ms. Hyde will oversee AIC operations, represent the Council with external stakeholders, and review and assess the organization's future needs as it prepares to hire a permanent CEO.

Ms. Hyde's appointment follows the retirement of Joanne Abram after over 34 years of dedicated and exceptional service as CEO of the AIC. We thank Joanne for her outstanding leadership.

Ms. Hyde is the former CEO of the BC Real Estate Association and is former Chair of and government appointee to the Board at the Insurance Council of British Columbia. She has also been involved with the regulation of auto dealers and credit unions in British Columbia.

Ms. Hyde can be reached at dhyde@abcouncil.ab.ca. I would ask that you offer her your co-operation and support in the coming months.

Sincerely,

Michael Ilnycky, Vice-Chair, Alberta Insurance Council