

CAFII Executive Operations Committee Meeting Agenda

Date: Tuesday, September 20, 2022
Chair: R. Dobbins
Location: Canada Life, The Hamilton Room, 330
University Avenue, 1st Floor, Toronto; and
[Virtual MTeams Meeting](#)

Time: 3:00 – 5:00 p.m. EDT
Dial-in: 437-703-4263
Phone Conference ID: 965 295 258#

1. Call to Order, Welcome, and Priority Matters	3:00 p.m.	Presenter	Action	Document
a. Call to Order		R. Dobbins		
b. Welcome to New EOC Members: Sharon Murrell-Foster, Manulife; Jawid Kargger, CUMIS/Co-Operators; and Pierre-Olivier Cyr, Desjardins Insurance		R. Dobbins		

2. Consent Items	3:05 p.m.	Presenter	Action	Document
a. Consultations/Submissions Timetable				✓
b. September 9/22 CAFII Response Submission to BCFSa on “Draft Insurer Code of Market Conduct and Supplemental Guideline”				✓
c. Regulatory Update				✓
d. Regulator and Policy-Maker Visit Plan Recap				✓
e. Summary of Board and EOC Action Items				✓
f. Board-Approved Schedule of CAFII 2022 Meetings and Events				✓

3. Financial Management Matters	3:06 p.m.	Presenter	Action	Document
a. CAFII Financial Statements as at August 31/22		B. Wycks (for D. Hinnecke)	Update	✓
b. Forecast For CAFII 2022 Fiscal Year as at August 31/22		B. Wycks (for D. Hinnecke)	Update	✓
c. Payment of CAFII Member 2022 Second Instalment Dues Invoices as at September 15/22		B. Wycks	Update	
d. Recommendation from CAFII Management, Supported by Treasurer, That CAFII Member Dues Be Consolidated Into One Invoice/Payment Starting in 2023		K. Martin	Endorsement	
e. Critical Path For Development of 2023 CAFII Budget		B. Wycks	Update	✓

4. Committee Updates	3:20 p.m.	Presenter	Action	Document
a. Market Conduct & Licensing	3:20 p.m.	B. Kuiper	Update	✓
i. CAFII Response Submission on BC Ministry of Finance Consultation on “Proposed Introduction of A Restricted Licensing Regime for The Sale of Some Insurance in BC” (Submission Deadline: October 3/22)		B. Wycks/K. Martin	Update/ Discussion	✓
b. Media Advocacy	3:30 p.m.	J. Marcus		
i. Operatic Agency Efforts on CAFII Website Video on Highlights of CAFII-Commissioned Research with Deloitte Canada on “Best Practices in the Digitization of CPI”; and Enhancements to FAQs on CAFII Website		K. Martin	Update	
c. Research & Education	3:37 p.m.	A. Stuska		
i. Execution of EOC-Approved CAFII 2022 Tracking Study Research on Consumers’ Satisfaction with CPI, with Pollara Strategic Insights		K. Martin	Update	✓
d. Networking & Events	3:43 p.m.	C. Manno	Update	
i. Insights Gained From September 13/22 In-Person CAFII 2022 Annual Members and Associates Luncheon with Mark White, CEO, FSRA, as Guest Speaker		B. Wycks/K. Martin	Update	✓
ii. Plans For October 5/22 CAFII Webinar with Lesli Martin, Vice-President, Pollara Strategic Insights, as Fireside Chat Discussant on “Consumer Preferences and Product Development Insights Emerging From Recent Research In Financial Services and Relevant Comparator Industries”		K. Martin	Update	✓
iii. Topic Proposals For November 2022, December 2022, and January 2023 Webinars		K. Martin	Update/ Discussion	✓

e. Travel Insurance Experts	3:52 p.m.	K. Umutoniwase	Update	
i. Issues Discussed in and Insights Gained from Recent Meetings of Travel Insurance Experts Committee		K. Umutoniwase	Update	
ii. Insights Gained From CAFII/CLHIA/THIA Bi-Weekly Meetings Re Impact Of COVID-19 On Travel and the Travel Insurance Industry; and Related Regulatory Issues		B. Wycks	Update	

5. Recent and Upcoming Strategic and Regulatory Initiatives	3:58 p.m.	Presenter	Action	Document
a. Results of CAFII Member Company Canvass on AMF Outreach Re Burden Reduction Initiative Related To Updating of Branch Distribution Lists; and Ensuing September 15/22 CAFII Update Meeting with AMF Staff Executives		B. Wycks/ R. Dobbins	Update	✓ (2)
b. Outcomes of September 15/22 Meeting of CAFII Working Group On Compliance With AMF's Expectations Re RADM's Applicability To Credit Card-Embedded Insurance Benefits		K. Martin	Update	
c. Feedback From FSRA on CAFII's Submission on "Use of Retained Revenues under Regulation Money Retained Outside the Consolidated Fund" Guidance"		K. Martin/B. Wycks	Update	
d. Plans for Tuesday, October 11/22 CAFII Board Meeting in Montreal; and Related Liaison Lunch and Industry Issues Dialogue with AMF Staff Executives, Including <ul style="list-style-type: none"> Proposed Two CAFII Mini-Presentations to AMF Staff Executives As Part of 'Shared Agenda Approach' to Industry Issues Dialogue 		K. Martin/B. Wycks	Update/ Endorsement	✓
e. Plans For October 20/22 CAFII Stakeholder Session With CCIR On Its Draft 2023-25 Strategic Plan		B. Wycks	Update	✓
f. Proposal Re CAFII's Return To Insurance Regulator and Policy-Maker Visit Tours in 2023		K. Martin	Endorsement	✓

6. Governance Matters	4:20 p.m.	Presenter	Action	Document
a. Recommendations for Revisions To CAFII Alerts Weekly Digest Based on June/July EOC Member Input Survey		R. Dobbins/ K. Kasperski	Update/ Endorsement	✓
b. Proposed Schedule of CAFII 2023 Meetings and Events		B. Wycks	Update/ Endorsement	✓
c. Plans for Tuesday, September 20/22 EOC Annual Appreciation Dinner		B. Wycks	Update	
d. Plans for In-Person CAFII 25 th Anniversary Celebration on October 19/22		B. Wycks	Update	✓
e. Draft Minutes of July 26/22 EOC Meeting		B. Wycks	Approval	✓

7. Read Only Items	4:45 p.m.	Presenter	Action	Document
a. CAFII Decision Not To Make A Response Submission on OSFI Consultation's On Updated Guideline B-10: Third Party Risk Management		B. Wycks/K. Martin	Update	✓
b. Recent Change at RSM Canada Re Staff Executive Leadership Involvement in CAFII's Quarterly Benchmarking Study				Briefing Note Only
c. CAFII Participation in September 19/22 Alberta Insurance Council Stakeholder Feedback Interview With Independent Agency Berlin Communications				✓
d. Confirmation of Date Change of November 2022 EOC Meeting to Thursday, November 24/22 to Avoid Conflict with AMF 2022 Rendez-Vous Mini-Conference on Tuesday, November 22/22				Briefing Note Only
e. AMF 2022 Rendez-Vous Mini-Conference in Montreal on Tuesday, November 22/22				✓
f. THIA Innovation Summit on October 19/22				✓

8. In Camera Session	4:45 p.m.	Presenter	Action	Document
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9. Tracking Issues		Presenter	Action	Document
a. AMF Consultation on Declaration of Operational Incidents				
b. FCAC: Phase 2 of Domestic Bank Retail Sales Practices Review				

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

Next Board Meeting: Tuesday, October 11/22, 2:20 to 4:00 p.m., Hybrid Meeting (Both In-Person and Virtual via MStTeams); Hosted by Desjardins Insurance in Montreal, Quebec, Immediately Following An In-Person-Only Liaison Lunch and Industry Issues Dialogue with AMF Staff Executives from 12 Noon to 2:15 p.m.

Next EOC Meeting: Tuesday, October 25/22, 2:00 to 3:30 p.m. Virtual MStTeams-Only Meeting

Briefing Note

**CAFII EOC Meeting 20 September, 2022—Agenda Item 1(a)
Call to Order, Welcome, and Priority Matters: Call to Order**

Purpose of this Agenda Item – Update

Start of meeting.

Background Information

The meeting is called to order.

Recommendation / Direction Sought -- Update

Update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 1(b)

Call to Order, Welcome, and Priority Matters: Welcome to New EOC Members: Sharon Murrell-Foster, Manulife; Jawid Kargger, CUMIS/Co-Operators; and Pierre-Olivier Cyr, Desjardins Insurance

Purpose of this Agenda Item – *Update*

Introducing three new EOC members.

Background Information

Three new EOC members are joining: Sharon Murrell-Foster, Manulife; Jawid Kargger, CUMIS/Co-Operators; and Pierre-Olivier Cyr, Desjardins Insurance.

Recommendation / Direction Sought -- *Update*

Update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 2(a-f) Consent Items

Purpose of this Agenda Item –Information only

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

Background Information

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

- a. Consultations/Submissions Timetable;
- b. September 9/22 CAFII Response Submission to BCFSa on “Draft Insurer Code of Market Conduct and Supplemental Guideline”
- c. Regulatory Update;
- d. Regulator and Policy-Maker Visit Plan Recap;
- e. Summary of Board and EOC Action Items;
- f. Board-Approved Schedule of CAFII 2022 Meetings and Events.

Recommendation / Direction Sought – Information Only

No action required.

Attachments Included with this Agenda Item

6 attachments.

CAFIL Consultations/Submissions Timetable, 2022-23

Regulatory Issue	Deliverable	Deadline	Accountable
Financial Consumer Agency of Canada (FCAC)	<ul style="list-style-type: none"> CAFIL submission on “Proposed Guideline on Appropriate Products and Services For Banks and Authorized Foreign Banks” CAFIL 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 CAFIL’s submission on “Proposed Guideline” FCAC releases final version of “Guideline on Appropriate Products and Services For Banks and Authorized Foreign Banks” 	<ul style="list-style-type: none"> January 6/22 January 15/22 February 17/22 February 24/22 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Committee; Co-EDs to monitor
BC Ministry of Finance 10-Year Review of FIA (Public Consultation Paper issued June/15)	<ul style="list-style-type: none"> Revised Financial Institutions Act (FIA) tabled in the legislature Ministry releases consultation paper on introducing a Restricted Insurance Agent licensing regime in BC (October 3/22 submission deadline) CAFIL submission on BC RIA licensing regime consultation paper 	<ul style="list-style-type: none"> October 21/19 June 30/22 October 3/22 	<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"> CAFIL meeting with BCFSA re “Discussion Paper: Information Security Incident Reporting” CAFIL written submission on BCFSA’s Information Security Incident Discussion Paper (overhauled based on insights from February 24/22 meeting) <u>CAFIL submission on BCFSA’s “Draft Insurer Code of Conduct”</u> 	<ul style="list-style-type: none"> February 24/22 March 1/22 <u>September 9/22</u> 	<ul style="list-style-type: none">
Quebec Bill 141 and Related Regulations (including Regulation Respecting Alternative Distribution Methods, RADM)	<ul style="list-style-type: none"> CAFIL submission on Draft Regulation Respecting Complaint Processing CAFIL makes submission to AMF on wording modifications needed to Fact Sheet and Notice of Rescission to make them fit credit card-embedded insurance benefits CAFIL submission on AMF draft Incentive Management Guideline 	<ul style="list-style-type: none"> December 8/21 January 17/22 February 18/22 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Committee; Co-Eds to monitor
CCIR/CISRO Guidance: Conduct of Insurance Business and Fair Treatment of Customers	<ul style="list-style-type: none"> <i>CCIR/CISRO FTC Working Group accepts proposal in CAFIL’s July 2/20 letter</i> CAFIL submission on CCIR/CISRO Draft “Incentives Management Guidance” CAFIL submission on CCIR/CISRO proposed “Incentives Management Guidance” 	<ul style="list-style-type: none"> August 31/20 September 17/21 April 4/22 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Cttee; Co-Eds to monitor
FCNB Insurance Act Rewrite and Introduction of RIA Regime	<ul style="list-style-type: none"> CAFIL responds to David Weir follow-up questions re legislative constraints which prevent bank branch employees from being individually licensed to sell travel insurance FCNB Releases “Proposed Rule INS-001: Insurance Intermediaries Licensing and Obligations” for consultation, with February 7/22 submission deadline CAFIL submission on FCNB’s “Insurance Act Rewrite: Questions For Industry, Dec. ‘21” CAFIL submission on Proposed Rule INS-001: Insurance Intermediaries Licensing and Obligations CAFIL submission on Proposed Rule INS-002: Insurance Fees CAFIL submission on FCNB legislative change proposals re Life Insurance and Accident & Sickness Insurance sections of Insurance Act (informal sounding board consultation) FCNB releases final versions of Rule INS-001 and Rule INS-002 (“in force” date TBA, pending Ministerial approval) 	<ul style="list-style-type: none"> May 19/21 November 2021 January 31/22 February 7/22 February 18/22 May 20/22 July 4/22 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Cttee; Co-Eds to monitor
Financial Services Regulatory Authority of Ontario (FSRA) Regulatory Consultations	<ul style="list-style-type: none"> CAFIL responds to FSRA consultation on “Enforcement Proceedings and Investigations” CAFIL responds to FSRA consultation on Proposed 2022-23 Statement of Priorities CAFIL responds to FSRA “Information Guidance on Complaints Resolution” consultation CAFIL submission on FSRA’s “Principles-Based Regulation” consultation document CAFIL submission on FSRA’s “Principles of Conduct for Insurance Intermediaries” CAFIL submission on FSRA’s “Use of Retained Revenues Guidance” FSRA provides feedback on CAFIL’s submission on “Use of Retained Revenues Guidance” 	<ul style="list-style-type: none"> Sept 24/21 October 29/21 February 15/22 April 29/22 May 3/22 May 31/22 Sept 9/22 	<ul style="list-style-type: none"> Mkt Conduct & Licensing Cttee; Co-EDs to monitor

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

September 9, 2022

Marilee Peters
Director, Stakeholder Engagement
BC Financial Services Authority
600 – 750 West Pender St.
Vancouver, BC
V6C 2T8
policy@bcfsa.ca; marilee.peters@bcfsa.ca

Dear Ms. Peters:

CAFII thanks BCFSa for the opportunity to provide feedback on the Authority's draft *Insurer Code of Market Conduct and Supplemental Guideline*.

CAFII supports the important fair treatment of customers outcomes which BCFSa is seeking to achieve with this initiative.

We have divided our Association's feedback into two sections: *High Level/Strategic Feedback*; followed by *Specific Content Feedback and Input Comments*.

High Level/Strategic Feedback

CAFII members, which are mainly the insurance arms of Schedule I Canadian banks and their insurer/underwriter partners, operate across the country in the life and health insurance sector; and, as such, they are provincially/territorially regulated. However, as federally regulated financial institutions (FRFIs), banks, some credit unions, and many insurers are also subject to federal regulation, including by the Financial Consumer Agency of Canada (FCAC) and the Office of the Superintendent of Financial Institutions (OSFI).

Due to the fact that our Association's members are subject to both federal and provincial/territorial regulation (some 17 regulatory authorities in total, across the country), CAFII constantly requests of regulators that they harmonize their expectations of regulated entities to the maximum extent possible.

Given the paramount importance of regulatory harmonization to our Association, we are disappointed that BCFSa is contemplating issuing its own unique Insurer Code for the province of British Columbia when there already exists a nationally harmonized, well-established, widely accepted and complied with, and effective Guidance/Code that comprehensively covers the same territory, i.e. the CCIR/CISRO *Guidance: Conduct of Insurance Business and Fair Treatment of Customers*. Through its membership and leadership participation in CCIR, BC FICOM, BCFSa's predecessor, was a party to the development and issuance of the CCIR/CISRO Guidance in 2018, and BC FICOM/BCFSa has been involved in related, nationally co-ordinated implementation and regulatory compliance monitoring of it since that time.

CAFII views BCFSAs' draft *Insurer Code of Market Conduct and Supplemental Guideline* to be an example of the above-noted concerns that significantly impact upon our Members' resource allocation decisions and their ability to optimize their fair treatment of customers focus.

Too often in our view, regulators in different provinces introduce regulatory requirements which have the exact same intent as existing requirements in another province or federally – or in this case, as existing Guidance already harmonized at a national co-ordinating body level – but yet which differ slightly in the details of how those expectations are defined, or are to be implemented and/or reported on by regulated entities.

In such cases, our Members and other regulated entities are compelled to allocate significant resources to deciphering and adjusting to the nuanced differences from jurisdiction to jurisdiction. This time-consuming and costly exception management process diverts resources away from the essential fair treatment of customers aspects of regulators' expectations.

CAFII believes that the shared objective of fair treatment of customers is undermined when regulatory authorities create market conduct expectations for industry that differ in subtle and nuanced ways from one to another, rather than harmonizing around one uniform set of expectations.

In that same connection, while we understand that Section 94.1 of BC's *Financial Institutions Amendment Act, 2019* establishes a requirement for insurers to adopt and comply with a Code of Market Conduct ("the Code") established by BCFSAs, we do not believe that legislative provision precludes BCFSAs from simply stipulating that "the Code" in BC is the CCIR/CISRO *Guidance: Conduct of Insurance Business and Fair Treatment of Customers*, just as many other provincial/territorial jurisdictions across the country have done.

CAFII acknowledges that BCFSAs' draft *Insurer Code of Market Conduct and Supplemental Guideline* includes three "Additional Principles" – on Incentives management and remuneration structure; Online sales of insurance products; and Policy decisions and renewals – which are either not covered in or only partially covered in the CCIR/CISRO *Guidance: Conduct of Insurance Business and Fair Treatment of Customers*. We also appreciate that BCFSAs view these three new Principles as necessary supplements to the existing CCIR/CISRO Guidance; and therefore, regards their inclusion as further justification for the Authority's issuance of its own unique Insurer Code for the province of British Columbia.

CAFII has a contrary point of view on this matter. Our Association would much prefer to see BCFSAs – if it firmly believes that these Additional Principles are desirable new elements that are missing from the existing CCIR/CISRO Guidance – work with the joint CCIR/CISRO Fair Treatment of Customers Working Group to have those new Principles incorporated into a revised/updated version of the *Guidance: Conduct of Insurance Business and Fair Treatment of Customers*.

In concluding these High Level/Strategic feedback comments, CAFII encourages BCFSAs to reconsider its initial decision to proceed down the path of issuing its own unique Insurer Code of Market Conduct for the province of British Columbia, and instead to give serious consideration to the following alternative approach:

- adopt the CCIR/CISRO *Guidance: Conduct of Insurance Business and Fair Treatment of Customers* as “the Code” in BC and stipulate that it is such; and
- play a leadership role in support of national harmonization, by working with the other jurisdictions at the CCIR/CISRO joint national co-ordinating body table to get the new Principles incorporated into a revised/updated version of the nationally harmonized *Guidance: Conduct of Insurance Business and Fair Treatment of Customers*.

Specific Content Feedback and Input Comments

In the event that BCFSa is not prepared to adopt the CCIR/CISRO *Guidance: Conduct of Insurance Business and Fair Treatment of Customers* as “the Code,” CAFII offers the following specific content feedback and input comments on the draft *Insurer Code of Market Conduct and Supplemental Guideline*.

CAFII strongly recommends that BCFSa embed the “Alignment Between The Code And CCIR’s FTC Guidance” table found on page 4 of the Authority’s related Discussion Paper as a prominent and integral component of the *Insurer Code of Market Conduct and Supplemental Guideline* document itself.

CAFII recognizes that the draft Code is intended to be principles-based, and that the Supplemental Guideline is intended to provide clarifying detail around the expectations set out in the draft Code. We also acknowledge that regulated entities and industry Associations sometimes request additional detail around the expectations articulated in such a Code, while at the same time emphasizing the importance of regulators not being overly prescriptive. There is a delicate balance to be found in this and no magic formula for doing so, so we appreciate BCFSa’s obvious efforts to find the ‘right balance’ between those two somewhat conflicting objectives.

That said, CAFII does believe that there are sections of the draft *Insurer Code of Market Conduct and Supplemental Guideline* that are worded in ways that tip the balance in favour of prescriptive regulation. There are also sections that are unnecessarily long and detailed, and which take on a tenor of conduct ‘check lists.’ Such a check lists approach can, in our view, give rise to the unintended consequence of encouraging regulated entities to focus on being able to tick all the boxes on prescriptive lists, rather than on what we believe should be the higher, ultimate objective of fair treatment of customers, i.e. embedding a business culture of FTC into every aspect of an organization’s business activity.

Some examples of Supplemental Guideline sections that we view as at risk of being regarded as performative ‘checklists’ are Product Design (2.1); Product Promotion (2.2); Arrangements with Intermediaries (2.8); Claims Handling (3.4); and Complaint Handling (3.5).

In that connection, CAFII encourages BCFSa to use the verbs “could” or “may” rather than “should”; to label certain sections of the Supplemental Guideline as providing “an example of BCFSa expectations” as opposed to appearing to set out ‘Rules’; and to generally make it clear that the Supplementary Guideline is being offered to assist industry participants in interpreting the Code. In that same vein, we caution against use of the phrase “including but not limited to” which gives rise to an industry perception of ‘open-ended and undefined expectations.’

The Supplemental Guideline, in many places, attempts to define what is ‘fair,’ which is a prescriptive orientation that leads to check lists, whereas its objective, in our view, should be to create expectations that will lead to regulated entities not being ‘unfair’ to consumers, which is a principles-based orientation that moves the industry collectively towards a vision of always being ‘fair.’ The principles-based orientation of establishing expectations around what is ‘unfair’ is geared more towards fostering a vision and a business culture of FTC outcomes, rather than towards defining or providing a check list of what constitutes ‘fairness’ behaviour.

We also believe that *Section 1: Business Culture* of the Supplemental Guideline creates some confusion around the proper roles of senior management versus the board of directors. To aid in minimizing such confusion, we recommend use of the term ‘responsibility’ rather than ‘accountability’ to clarify what senior management and the Board are each responsible for (both are accountable for more than what they are responsible for).

As well, it is unclear in Section 1 who the term ‘insurer’ is referring to — is it staff, or the company more generally? For example, who is the ‘insurer’ that is responsible for ensuring that “the board of directors and senior management are aware of the importance of FTC”? Would it not be that the board and senior management are responsible for ensuring that other parts of the organization are aware of this, i.e. this section is awkwardly worded, such that the meaning it conveys is actually the reverse of what is true in practice and what is intended.

CAFII also believes that the reference in sub-section 1.2 to the board monitoring changes in the business culture should actually apply to senior management, not the board. Boards are responsible for setting the organization’s strategic direction, and for receiving and assessing the results of performance and other monitoring activities to guide them in their deliberations. It is actually senior management and their staff that perform the monitoring activity that then feeds into the board.

In *Section 1.5: Communication with BCFSa*, CAFII believes that the expectation “Promptly advise BCFSa if the insurer is likely to experience an operational incident that could jeopardize the interests or rights of customers and the insurer’s reputation” is vague and problematic. How is an organization to assess a future event and report on it when it has not yet occurred? We believe this might be better stated in the past tense as “. . . an insurer has experienced an operational risk . . .”

Further with respect to section 1.5, CAFII regards this section as an example of FTC expectations in a Code of Market Conduct being used as a catch-all wedge to shoehorn-in new regulatory expectations from an altogether different, non-FTC area. We have separately provided our views to BCFSa around operational incidents reporting requirements. Operational incidents reporting requires a framework, one that includes definitions of 'operational incident', 'jeopardize', etc. We believe that to introduce operational incidents reporting requirements under the auspices of an FTC-focused Code of Insurer Conduct, without further clarity on expectations and intended outcomes, is inappropriate. We view the same as being true of the statement in *Section 2.9: Protection of Personal Information* that "This includes informing BCFSa and any persons affected, including customers, in the event of a material information security incident," which also underscores the need for a comprehensive Operational Incidents Reporting Framework.

With respect to *Section 3.1: Advice*, CAFII points out that credit protection insurance (CPI) and travel insurance are Authorized Insurance Products under the federal Bank Act and the Insurance Business (Banks and Bank Holding Companies) Regulations; and, as such, they are regulated at both the federal and provincial levels. Authorized Insurance Products can be offered by banks' non-licensed representatives as part of a bank's consumer lending processes, within strict parameters. However, because these bank representatives do not hold an insurance licence, they cannot conduct a comprehensive needs analysis on a consumer who may be interested in an offered Authorized Insurance Product, nor can they offer advice or recommendations or engage in any activities that are restricted to insurance licensees. Therefore, in our view, Section 3.1 of the draft BCFSa Code does not apply to the Authorized Insurance Products which CAFII Members and some other industry players offer to British Columbians. We therefore recommend that BCFSa modify the language in this section to qualify references to advice "as applicable."

With respect to Section 3.2, we recommend replacing "free look period" with "review period" because several other provincial and federal insurance regulators have indicated to our Association that they regard "review period" as the more accurate and consumer-friendly term. CAFII therefore removed "free look period" from its lexicon several years ago.

With respect to *Section 3.5: Complaint Handling*, while all CAFII Members have robust, FTC-oriented complaint handling procedures in place and are very used to carrying out rigorous, multi-step processes, we believe that this section risks mandating, in all cases, a complex process that is not required to treat customers fairly. We view this as an example of prescriptive 'over-engineering,' rather than a more principles-oriented statement of the expectation of fair treatment of customers, and leaving the detailed operational implementation to organizations that deal with customer complaints regularly as a core part of their businesses.

In the Definitions section at the conclusion of the Supplemental Guideline, we recommend that, for harmonization purposes, BCFSa instead use the definition of Complaint that has been well established, widely accepted, and used effectively across the country, for some years now, in CCIR's Annual Statement on Market Conduct (ASMC), as opposed to introducing a new and different definition that is unique to BC.

Conclusion

As a key industry stakeholder Association, CAFII very much appreciates the opportunity to review and provide feedback on BCFSa's draft *Insurer Code of Market Conduct and Supplemental Guideline*. Fair treatment of customers is a critically important, foundational, culture-based principle for CAFII Members, and we thank the Authority, in advance, for giving our Association's carefully-considered feedback your thorough and unhurried consideration.

Should you require further information from CAFII or wish to meet with representatives from our Association on this or any other matter at any time, please contact Keith Martin, CAFII Co-Executive Director, at keith.martin@cafii.com or 647.460.7725.

Sincerely,



Rob Dobbins
Board Secretary and Chair, Executive Operations Committee

About CAFII

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

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

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

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

Summary of CAFII Board and EOC Action Items					
	Source	Action Item	Responsible	Deadline	Status Sept. 16, 2022
		Association Strategy, Governance and Financial Management			
1	EOC and Board: October 2019	Launch CAFII EOC Working Group to Explore a New Lower Dues Category of CAFII Membership, via a first meeting and a draft Terms of Reference for this Working Group.	B. Wycks/K. Martin	31-Dec-22	In Progress/ See #2
2	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-22	In Progress
3	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-22	In Progress
4	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-22	In Progress
5	BOD April 12, 2022	Consult with CCIR & CISRO to find a date for holding the in-person CAFII 25th Anniversary celebration that maximizes regulators participation	B. Wycks/K. Martin	30-Apr-22	Completed
6	BOD April 12, 2022	Work with CAFII's Treasurer and assigned Controller to wind down the Restricted Fund and transfer its residual monies into the Association's General Fund during the Association's 2022 fiscal year	B. Wycks/K. Martin	31-Dec-22	In Progress
7	EOC July 26, 2022	Bring recommendation re consolidating into one annual invoice/payment back to EOC at September 20/22 meeting, for final consideration and proposed endorsement	B. Wycks/K. Martin	16-Sep-22	Completed
8	EOC July 26, 2022	Bring forward Recommendations for Revisions to CAFII Alerts Weekly Digest based on June/July EOC Member Input Survey to September 20/22 EOC Meeting, for consideration and proposed endorsement	K. Kasperski/R. Dobbins	16-Sep-22	Completed
		Regulatory Initiatives			
9	EOC October 26, 2021	Organize a meeting of the Market Conduct and Licensing Committee to review CCIR's 2021 document on the industry's adoption of the FTC guidance	K. Martin/B. Wycks	31-Jul-22	In Progress
10	EOC July 26, 2022	Bring recommendation re sequencing of return to regional Regulator and Policy-Maker Visits Tours in 2023 back to EOC at September 20/22 meeting, for final consideration and proposed endorsement	K. Martin/B. Wycks	16-Sep-22	Completed
		Association Operations			
11	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	31-May-22	Ongoing

**CAFII 2022 Schedule of Meetings and Events (Approved By Board of Directors on October 5/21;
But Subsequently Adjusted/Amended)**

Assumes Restart of In-Person Meetings in June 2022 for Board; and September 2022 for EOC

EOC Meetings: *To be held for 2 hours or 1.5 hours, in alternating months*

- **Tuesday, January 18, 2022** (2:00–4:00 p.m. via MS Teams)
- **Tuesday, February 15, 2022** (2:00–3:30 p.m. via MS Teams)
(Family Day Stat Holiday in Ontario: Monday, February 21)
- **Tuesday, March 22, 2022** (2:00–4:00 p.m. via MS Teams)
(Quebec Spring Break: March 7 – March 11. Ontario March Break: March 14 – March 18. Purim: March 17 – March 18)
- **Tuesday, April 26, 2022** (2:00–3:30 p.m. via MS Teams)
(Good Friday: Friday, April 15. Easter Monday: Monday, April 18)
- **Tuesday, May 17, 2022** (2:00–4:00 p.m. via MS Teams)
(Victoria Day Stat Holiday: Monday, May 23)
- **Tuesday, June 28, 2022** (2:00–3:30 p.m. via MS Teams)
(St. Jean Baptiste Day in Quebec: Friday, June 24. Canada Day: Friday, July 1)
- **Tuesday, July 26, 2022**, tentative summer meeting (2:00–3:30 p.m. via MS Teams)
- ~~**Tuesday, August 16, 2022**, tentative summer meeting (2:00–3:30 p.m. via MS Teams)~~
(Civic Stat Holiday: Monday, August 1)
- **Tuesday, September 20, 2022** (2:00–4:00 p.m. in-person)
(Labour Day: Monday, September 5. Rosh Hashanah: September 26 & 27. National Day for Truth and Reconciliation: Friday, September 30)
- **Tuesday, October 25, 2022** (2:00–3:30 p.m. via MS Teams)
(Yom Kippur: October 4 – October 5. Thanksgiving Stat Holiday: Monday, October 10. Diwali: Monday, October 24)
- ~~**Tuesday, November 22, Thursday, November 24, 2022** (2:00–4:00 p.m. in-person)~~
(Remembrance Day: Friday, November 11)
- **EOC Annual Appreciation Dinner: Proposed for Tuesday, May 17, September 20, 2022** at 5:30 p.m. at a downtown Toronto restaurant, immediately following a 3:00 to 5:00 p.m. EOC meeting, if public health restrictions allow.

Board Meetings:

- **Tuesday, April 12, 2022** (2:00–4:00 p.m. via MS Teams)
(Good Friday: Friday, April 15. Easter Monday: Monday, April 18)
- ~~**Tuesday, June 7, 2022** (2:20–5:00 p.m., preceded by 2022 Annual Meeting of Members; and followed by CAFII 25th Anniversary Celebration at same or nearby downtown Toronto venue). HOST: BMO Insurance, 68th Floor Event Space, First Canadian Place, Toronto~~
- **Tuesday, October 11, 2022** (2:20–4:00 p.m., immediately following liaison lunch and Industry Issues Dialogue with AMF staff executives) HOST: Desjardins Insurance in Levis/Quebec City (This is the day immediately following Thanksgiving Monday; however, Tuesday, October 4, 2022 is Yom Kippur)
- **Tuesday, December 6, 2022** (3:00–5:00 p.m.; followed by Holiday Season/Year-End Reception).
HOST: CIBC Insurance

2022 Annual Members and Associates Luncheon:

- *Confirmed Date: Tuesday, September 13, 2022 from 11:45 a.m. EST to 2:15 p.m. EDT at St. James Cathedral Centre Event Venue , 65 Church St., Toronto*

CAFII 25th Anniversary Celebration:

- *Tentative Date: Wednesday, October 19, 2022 (alternate date: Thursday, October 20, 2022), hosted by BMO Insurance at BMO Corporate Event Space, 68th Floor, First Canadian Place, Toronto*

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; CIBC Insurance

2016 Board Meetings Hosted by:

CUMIS Group; Assurant Solutions; RBC Insurance; BMO Insurance

Recent Years' Annual Members and Associates Luncheons**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"

Speaker: 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

2018 Annual Members and Associates Luncheon

Topic: "Leading For Success in A Volatile World"

Speaker: Richard Nesbitt, CEO, the Global Risk Institute

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

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 3(a) Financial Management Matters--CAFII Financial Statements as at August 31/22

Purpose of this Agenda Item – Update

To update the EOC on the Association's financials as at August 31/22.

Background Information

Brendan Wycks, on behalf of CAFII Treasurer Donald Hinnecke who cannot make this meeting, will provide an update on the CAFII Financial Statements as at August 31/22.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

CAFII

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

Statement of Operations As at August 31th, 2022

	Current Month	Budget Aug-22	Variance to Monthly Budget	Current YTD	Budget '22 YTD	Variance Budget to YTD	Budget 2022
Revenue							
Membership Dues	\$83,038	\$83,038	\$0	\$664,301	\$664,301	\$0	\$996,452
Interest Revenue	\$139	\$21	\$118	\$400	\$167	\$233	\$250
TOTAL REVENUE	83,176	\$83,058	118	\$664,701	\$664,468	\$233	\$996,702
Expenses							
Management Fees	\$41,507	\$42,241	\$734	\$341,706	\$337,925	(\$3,780)	\$510,518
Legal and consulting costs	\$0	\$7,533	\$7,533	\$0	\$60,267	\$60,267	\$90,400
Audit Fees	\$1,305	\$1,246	(\$59)	\$9,967	\$9,967	\$0	\$14,950
Insurance	\$526	\$539	\$13	\$4,173	\$4,311	\$138	\$6,466
Website Ongoing Maintenance	\$310	\$626	\$317	\$5,418	\$5,009	(\$409)	\$7,513
Telephone/Fax/Internet	\$1,268	\$501	(\$767)	\$3,158	\$4,011	\$853	\$6,016
Postage/Courier	\$111	\$13	\$2	\$60	\$105	\$46	\$158
Office Expenses	\$691	\$437	(\$253)	\$6,083	\$3,500	(\$2,583)	\$5,250
Bank Charges	\$176	\$60	(\$115)	\$448	\$481	\$33	\$721
Miscellaneous Expense	\$183	\$44	(\$139)	\$183	\$350	\$166	\$524
Depreciation Computer/Office Equipment	\$60	\$0	(\$60)	\$477	\$0	(\$477)	\$0
Budget for Co-Executive Directors' New Office Equipment	\$0	\$753	\$753	\$0	\$6,027	\$6,027	\$9,040
Board/EOC/AGM							
Annual Members Luncheon	\$0	\$1,255	\$1,255	\$0	\$10,043	\$10,043	\$15,065
Board Hosting (External)	\$0	\$1,875	\$1,875	\$0	\$15,000	\$15,000	\$22,500
Board/EOC Meeting Expenses	\$609	\$2,421	\$1,812	\$759	\$19,370	\$18,611	\$29,055
Industry Events	\$281	\$283	\$1	\$281	\$2,260	\$1,979	\$3,390
EOC Annual Appreciation Dinner	\$0	\$442	\$442	\$0	\$3,537	\$3,537	\$5,305
Speaker fees & travel	\$0	\$283	\$283	\$0	\$2,260	\$2,260	\$3,390
Gifts	\$0	\$100	\$100	\$0	\$800	\$800	\$1,200
Networking Events & Reception Events	\$295	\$424	\$129	\$295	\$3,390	\$3,095	\$5,085
CAFII 25th Anniversary Celebration	\$0	\$3,296	\$3,296	\$0	\$26,367	\$26,367	\$39,550
Total Board/EOC/AGM	\$1,186	\$10,378	\$9,193	\$1,336	\$83,027	\$81,691	\$124,540
Provincial Regulatory Visits and Relationship-Building	\$0	\$1,695	\$1,695	\$629	\$13,560	\$12,931	\$20,340
Federal Regulatory Visits and Relationship-Building	\$0	\$471	\$471	\$0	\$3,767	\$3,767	\$5,650
Research/Studies	\$29,098	\$5,650	(\$23,448)	\$43,929	\$45,200	\$1,271	\$67,800
Website SEO and Enhancements	\$0	\$3,767	\$3,767	\$0	\$30,133	\$30,133	\$45,200
Regulatory Model(s)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal Financial Reform	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CAFII Benchmarking Study/RSM Canada	\$16,950	\$5,650	(\$11,300)	\$33,900	\$45,200	\$11,300	\$67,800
FCAC Presentation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Media Outreach	\$156	\$612	\$456	\$2,164	\$4,897	\$2,733	\$7,345
Media Consultant Retainer	\$2,543	\$2,543	\$0	\$27,161	\$20,340	(\$6,821)	\$30,510
Marketing Collateral	\$0	\$141	\$141	\$195	\$1,130	\$935	\$1,695
Contingency For Possible Resumption Of In-Person Meetings/Events, Etc. i62021	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENSE	\$95,967	\$84,901	(\$11,067)	\$480,985	\$679,205	\$198,220	\$1,022,437
NET INCOME	(\$12,791)	(\$1,842)	- 10,949	\$183,716	(\$14,737)	\$ 198,453	(\$25,735)
proof	-	-	0	-	-	-	3,630

Explanatory Notes:

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

CAFII

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

Balance Sheet

As at August 31th, 2022

	CAFII Operations			CCBPI Project			Combined		
	31-Aug 2022	31-Jul 2022	31-Dec 2021	31-Aug 2022	31-Jul 2022	31-Dec 2021	31-Aug 2022	31-Jul 2022	31-Dec 2021
ASSETS									
Current Assets									
Bank Balance	\$857,709	\$675,392	\$480,291	\$0	\$0	\$0	\$857,709	\$675,392	\$480,291
Savings Account	\$102,915	\$102,776	\$102,514	\$12,151	\$12,151	\$12,151	\$115,066	\$114,927	\$114,665
Accounts Receivable	\$120,465	\$351,794	\$0	\$0	\$0	\$0	\$120,465	\$351,794	\$0
Prepaid Expenses	\$30,400	\$19,625	\$5,513	\$0	\$0	\$0	\$30,400	\$19,625	\$5,513
Computer/Office Equipment	\$10,878	\$10,878	\$10,878	\$0	\$0	\$0	\$10,878	\$10,878	\$10,878
Accumulated Depreciation -Comp/Equip	(\$8,491)	(\$8,431)	(\$8,014)	\$0	\$0	\$0	(\$8,491)	(\$8,431)	(\$8,014)
Total Current Assets	\$1,113,875	\$1,152,034	\$591,182	\$12,151	\$12,151	\$12,151	\$1,126,026	\$1,164,186	\$603,333
TOTAL ASSETS	\$1,113,875	\$1,152,034	\$591,182	\$12,151	\$12,151	\$12,151	\$1,126,026	\$1,164,186	\$603,333
LIABILITIES									
Current Liabilities									
Accrued Liabilities	\$8,543	\$7,238	\$58,732	\$0	\$0	\$0	\$8,543	\$7,238	\$58,732
Credit Card	\$98	\$674	\$1,224	\$0	\$0	\$0	\$98	\$674	\$1,224
Account Payable	\$83,466	\$26,526	\$25,327	\$0	\$0	\$0	\$83,466	\$26,526	\$25,327
Deferred Revenue	\$332,152	\$415,189	\$0	\$12,151	\$12,151	\$12,151	\$344,303	\$427,341	\$12,151
Total Current liabilities	\$424,259	\$449,627	\$85,282	\$12,151	\$12,151	\$12,151	\$436,410	\$461,778	\$97,433
TOTAL LIABILITIES	\$424,259	\$449,627	\$85,282	\$12,151	\$12,151	\$12,151	\$436,410	\$461,778	\$97,433
UNRESTRICTED NET ASSETS									
Unrestricted Net Assets, beginning of year	\$505,900	\$505,900	\$383,859	\$0	\$0	\$0	\$505,900	\$505,900	\$383,859
Excess of revenue over expenses	\$183,716	\$196,507	\$122,041	\$0	\$0	\$0	\$183,716	\$196,507	\$122,041
Total Unrestricted Net Assets	\$689,616	\$702,407	\$505,900	\$0	\$0	\$0	\$689,616	\$702,407	\$505,900
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$1,113,875	\$1,152,034	\$591,182	\$12,151	\$12,151	\$12,151	\$1,126,026	\$1,164,185	\$603,333
	- 0	- 0		0			-		
Financial Reserves Targets as per 2022 Budget:									
Minimum 3 months (25%) of Annual Operating Expenses=			\$ 255,609	-	907.44				
Maximum 6 months (50%) of Annual Operating Expenses=			\$ 511,218	-	1,814.88				
Current Level of Financial Reserves (total unrestricted net assets):			\$689,616						
Current Level of Financials Reserve (%):			67%		0.00				

CAFI

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Membership Fees

			<u>Feb-22</u>			<u>Jul-22</u>			
			<u>Billed</u>	<u>Received</u>		<u>Billed</u>	<u>Received</u>		
BMO Bank of Montreal	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555		
CIBC Insurance	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555		
RBC Insurance	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	\$	38,555
ScotiaLife Financial	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	\$	38,555
TD Insurance	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	\$	38,555
Desjardins Financial Security Life Assurance Company	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555		
National Bank Life Insurance Company	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	\$	38,555
Manulife Financial	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	\$	38,555
The Canada Life Assurance Company	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	\$	38,555
Sun Life Financial	2022 Upper Tier Member	\$	38,555	\$	38,555	\$	38,555	\$	38,555
Assurant Solutions	2022 Lower Tier Member	\$	19,278	\$	19,278	\$	19,277	\$	19,277
Canadian Premier Life Insurance Company	2022 Lower Tier Member	\$	19,278	\$	19,278	\$	19,277	\$	19,277
Cumis Group Ltd/Co-operators Life Insurance Co.	2022 Lower Tier Member	\$	19,278	\$	19,278	\$	19,277	\$	19,277
Valeyo	2022 Lower Tier Member	\$	19,278	\$	19,278	\$	19,277	\$	19,277
Canadian Tire Bank	2022 Initiation Members (Lower Tier)	\$	23,133	\$	23,133				
Norton Rose Fulbright Canada	Associate	\$	4,800	\$	4,800				
RSM Canada	Associate	\$	4,800	\$	4,800				
Willis Towers Watson	Associate	\$	4,800	\$	4,800				
KPMG MSLP	Associate	\$	4,800	\$	4,800				
Optima Communications	Associate	\$	4,800	\$	4,800				
RGA Life Reinsurance Company of Canada	Associate	\$	4,800	\$	4,800				
Torys LLP	Associate	\$	4,800	\$	4,800				
Dog and Pony Studios	Associate	\$	4,800	\$	-				
Stikeman Elliott LLP	Associate	\$	4,800	\$	4,800				
RSA	Associate	\$	4,800	\$	4,800				
Feb Invoices			\$533,795	\$528,995		\$462,658	\$346,993		
July Invoices			\$462,658						
Total Membership Fees			\$996,453						
Total amount to realocate monthly Jan-Dec. 2022			\$83,038						

Briefing Note

CAFII EOC Meeting 26 July, 2022—Agenda Item 3(b) Financial Management Matters—Forecast For CAFII 2022 Fiscal Year as at August 31/22

Purpose of this Agenda Item – Update

To update the EOC on the financial forecast for the Association for fiscal year 2022 as at August 31/22.

Background Information

Brendan Wycks, on behalf of CAFII Treasurer Donald Hinnecke who cannot make this meeting, will provide an update on the CAFII 2022 fiscal year forecast.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

2022 CAFII Budget

Reference Only										Comment/Rationale
	2018 Actuals	2019 Actuals	2020 Actuals	2021 Actuals	CAFII 2022 Operating Budget Pre Tax	CAFII 2022 Operating Budget HST	CAFII 2022 Operating Budget	2022 YTD August 2022	2022 Forecast	
Revenue										
Membership Dues	\$695,545	\$734,664	\$884,721	\$955,970	\$996,452	\$0	\$996,452	\$664,301	\$996,452	See breakdown in Member Dues Revenue Tab (includes one new Member at Lower Tier Dues as CPL and Valeyo intend to become two separate CAFII Members)
Annual Members' Luncheon "Additional Seats" Revenue	\$0	\$195	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Interest	\$0	\$982	\$399	\$236	\$250	\$0	\$250	\$400	\$250	Same as budget
TOTAL REVENUE	\$ 695,545	\$ 735,841	\$ 885,120	\$ 956,206	\$ 996,702	\$ -	\$ 996,702	\$ 664,701	\$ 996,702	
EXPENSE										
Management Fees	\$460,299	\$465,134	\$476,844	\$486,711	\$451,786	\$58,732	\$510,518	\$341,706	\$510,518	Same as budget
Legal and consulting costs associated with regulatory submissions and initiatives	\$563	\$0	\$28,975	\$74,221	\$80,000	\$10,400	\$90,400	\$0	\$50,000	Same as budget
Audit Fees	\$14,432	\$14,799	\$16,743	\$13,234	\$13,230	\$1,720	\$14,950	\$9,967	\$14,950	Same as budget
Insurance	\$5,258	\$5,338	\$5,385	\$5,877	\$5,722	\$744	\$6,466	\$4,173	\$6,466	Same as budget
Website Ongoing Maintenance	\$6,461	\$10,022	\$5,765	\$6,958	\$6,649	\$864	\$7,513	\$5,418	\$7,513	Same as budget
Telephone/Fax/Internet	\$5,939	\$6,494	\$5,808	\$6,799	\$5,324	\$692	\$6,016	\$3,158	\$6,016	Same as budget
Postage/Courier	\$458	\$159	\$53	\$0	\$140	\$18	\$158	\$60	\$158	Same as budget
Office Expenses	\$2,423	\$2,025	\$2,158	\$2,694	\$4,646	\$604	\$5,250	\$6,083	\$5,250	Same as budget
Bank Charges	\$23	\$112	\$236	\$662	\$638	\$83	\$721	\$448	\$721	Same as budget
Depreciation Computer/Office Equipment	\$1,136	\$1,136	\$1,136	\$1,136	\$464	\$60	\$524	\$477	\$524	Same as budget
Miscellaneous Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$183	\$0	
Budget for Co-Executive Directors' New Office Equipment					\$8,000	\$1,040	\$9,040	\$0	\$9,040	Same as budget
Board/EOC/AGM										
Annual Members' Luncheon	\$10,503	\$12,052	\$0	\$0	\$13,332	\$1,733	\$15,065	\$0	\$15,065	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency line item below
Board Hosting (External)	\$19,515	\$14,001	\$0	\$0	\$19,912	\$2,588	\$22,500	\$0	\$22,500	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
Board/EOC Meeting Expenses	\$20,715	\$35,419	\$4,676	\$0	\$25,712	\$3,343	\$29,055	\$759	\$29,055	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
Industry Events	\$1,270	\$0	\$0	\$0	\$3,000	\$390	\$3,390	\$281	\$3,390	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
EOC Annual Appreciation Dinner	\$763	\$2,193	\$4,244	\$4,695	\$610	\$5,305	\$0	\$5,305	\$0	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
Speaker fees & travel	\$191	\$1,189	\$0	\$0	\$3,000	\$390	\$3,390	\$0	\$3,390	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
Gifts	\$0	\$200	\$0	\$0	\$1,062	\$138	\$1,200	\$0	\$1,200	Same as 2020 Budget
Networking Events	\$0	\$0	\$0	\$0	\$4,500	\$585	\$5,085	\$295	\$5,085	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
CAFII Reception Events	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Not budgeted for in Recommended Option. However, expenses for possible occurrence in 2021 provided for in Contingency Expense line item at bottom.
CAFII 25th Anniversary Celebration	\$0	\$0	\$0	\$0	\$35,000	\$4,550	\$39,550	\$0	\$39,550	This line item is a placeholder. But this expense will actually occur in 2022, CAFII's "silver anniversary" year
Total Board/EOC/AGM	\$52,957	\$65,053	\$8,920	\$1,822	\$110,213	\$14,328	\$124,540	\$1,336	\$124,540	Includes Annual Members' Luncheon (\$15,065); Board Hosting External (\$22,500); Board/EOC Meeting Expenses (\$29,055); Industry Events (\$3,390); EOC Annual Appreciation Dinner (\$5,305); Speaker fees & travel (\$3,390); Gifts (\$1,200); Networking Events (\$5,085); CAFII 25th Anniversary Celebration (\$39,550). These events will occur in May & June & Sept., 2022.
Provincial Regulatory Visits and Relationship-Building	\$11,230	\$16,833	\$983	\$0	\$18,000	\$2,340	\$20,340	\$629	\$7,500	Same as budget
Federal Regulatory Visits and Relationship-Building	\$0	\$442	\$540	\$0	\$5,000	\$650	\$5,650	\$0	\$5,650	Same as budget
Research/Studies	\$77,345	\$5,368	\$28,646	\$75,473	\$60,000	\$7,800	\$67,800	\$43,929	\$67,800	Same as budget
Website SEO and Enhancements	\$21,702	\$40,914	\$31,144	\$50,737	\$40,000	\$5,200	\$45,200	\$0	\$45,200	Same as budget
Regulatory Model(s)	\$6,490	\$7,555	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Same as budget
CAFII Benchmarking Study/RSM Canada	\$0	\$0	\$68,365	\$67,800	\$60,000	\$7,800	\$67,800	\$33,900	\$67,800	Same as budget
FCAC Presentation	\$0	\$0	\$20,905	\$0	\$0	\$0	\$0	\$0	\$0	Same as budget
Media Outreach	\$6,883	\$5,683	\$350	\$9,543	\$6,500	\$845	\$7,345	\$2,164	\$7,345	Same as budget
Media Consultant Retainer	\$31,639	\$27,120	\$27,685	\$29,792	\$27,000	\$3,510	\$30,510	\$27,161	\$30,510	Same as budget
Marketing Collateral	\$557	\$1,629	\$845	\$717	\$1,500	\$195	\$1,695	\$195	\$1,695	Same as budget
Tactical Communications Strategy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Contingency For Possible Resumption Of In-Person Meetings/Events, Etc. in 2021	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL EXPENSE	\$ 705,793	\$ 675,816	\$ 731,485	\$ 834,165	\$ 904,811	\$ 117,625	\$ 1,022,437	\$ 480,985	\$ 969,197	
Excess of Revenue over Expenses	(\$10,248)	\$60,025	\$153,636	\$122,041			(\$25,735)	\$183,716	\$27,505	
Total Equity (beginning of year)	\$180,447	\$170,198	\$230,223	\$383,859			\$505,900	\$505,900	\$505,900	
Total equity (end of year)	\$170,198	\$230,223	\$383,859	\$505,900			\$480,165	\$689,616	\$533,405	

Explanatory Notes:

- (1) Assumes Two Co-Executive Directors, one @ 5 days per week; one @ 4.5 days per week; plus Managing Matters Admin support
- (2) Amortization of office equipment based on 4 year straight line depreciation
- (3) \$90,400 Legal Expense for Marc Dequette/Norton Rose Fulbright to complete legal opinion re: AMF Spousal Coverage Issue. Alternative for paying for legal opinion is to use the remaining funds from the CCPBI Special Project Fund

Actual/Forecasted Financial Reserves					2022 Operating Budget	2022 Forecast
	2018 Actuals	2019 Actuals	2020 Actuals	2021 Actuals		
Minimum 3 months (25%) of Annual Operating Expenses =	\$176,448	\$168,954	\$182,871	\$208,541	\$255,609	\$242,299
Maximum 6 months (50%) of Annual Operating Expenses =	\$352,897	\$337,908	\$365,742	\$417,083	\$511,218	\$484,598
Actual/Forecasted Level of Financial Reserves:	\$170,198	\$230,223	\$383,859	\$505,900	\$480,165	\$533,405
Actual/Forecasted Level of Financial Reserves %:	24%	34%	52%	61%	47%	55%

2019 Operational Budget - Member Dues Breakdown

2018 Member Dues Breakdown

Upper Tier Member	73,438.00	5	367,190.00
DFS	55,079.00	1	55,079.00
Lower Tier Member	36,719.00	4	146,876.00
Initiation Members	44,000.00	2	88,000.00
Associate	4,800.00	8	38,400.00
			695,545.00

2019 (Base) Member Dues Breakdown

Upper Tier Member	73,438.00	6	440,628.00
Lower Tier Member	36,719.00	4	146,876.00
Initiation Members	44,000.00	3	132,000.00
Associate	4,800.00	8	38,400.00
			757,904.00

2019 Operational Budget - Member Dues Breakdown - Revised

2019 Member Dues Breakdown

Upper Tier Member	73,438	6	440,628.00
National Bank	55,079	1	55,079.00
Lower Tier Member	36,719	3	110,157.00
Initiation Members	44,000	2	88,000.00
Associate	4,800	8.5	40,800.00
			734,664.00

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

2020 Member Dues Breakdown

Upper Tier Member	77,110	9	693,989.10
Lower Tier Member	38,555	3	115,664.85
Initiation Members (Upper Tier)	46,266	1	46,265.94
Initiation Members (Lower Tier)	23,133	0	0.00
Associate	4,800	11	52,800.00
			908,719.89

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

2020 Member Dues Breakdown

Upper Tier Member	77,110	9	693,989.10
Lower Tier Member	38,555	3	115,664.85
Initiation Members (Upper Tier)	46,266	1	46,265.94
Initiation Members (Lower Tier)	23,133	0	0.00
Associate	4,800	6	28,800.00
			884,719.89

2020 Upper Tier Member

BMO Bank of Montreal
CIBC Insurance
RBC Insurance
ScotiLife Financial
TD Insurance
Desjardins Financial Security Life Assurance Company
National Bank Life Insurance Company
Manulife Financial
The Canada Life Assurance Company

2020 Lower Tier Member

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

2020 Initiation Members (Upper Tier)

Sun Life Financial

2020 Associate

RSM Canada
Willis Towers Watson
KPMG MSLP
Optima Communications
RGA Life Reinsurance Company of Canada
Torys LLP

*TBC

*TBC

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

Did not renew in 2020

PWC

Munich Reinsurance Company Canada Branch (Life)

RankHigher.ca

2021 Operational Budget - Member Dues Breakdown - No Dues Increase

2021 Member Dues Breakdown

Upper Tier Member	77,110	9	693,989.10
Lower Tier Member	38,555	4	154,219.80
Initiation Members (Upper Tier)	46,266	1	46,265.94
Initiation Members (Lower Tier)	23,133	0	0.00
Associate	4,800	5	24,000.00
			918,474.84

2021 Upper Tier Member

BMO Bank of Montreal
CIBC Insurance
RBC Insurance
ScotiLife Financial
TD Insurance
Desjardins Financial Security Life Assurance Company
National Bank Life Insurance Company
Manulife Financial
The Canada Life Assurance Company

2021 Lower Tier Member

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

2021 Initiation Members (Upper Tier)

Sun Life Financial 2 Year

2021 Associate

RSM Canada
Willis Towers Watson
KPMG MSLP
Optima Communications
RGA Life Reinsurance Company of Canada
Torys LLP

2021 Forecast

2021 Member Dues Breakdown

Upper Tier Member	77,110	9	693,989.10
Lower Tier Member	38,555	4	154,219.80
Initiation Members (Upper Tier)	46,266	1	46,265.94
Initiation Members (Lower Tier)	13,494	1	13,494.00
Associate	4,800	10	48,000.00
			955,968.84

2021 Upper Tier Member

BMO Bank of Montreal
CIBC Insurance
RBC Insurance
ScotiLife Financial
TD Insurance
Desjardins Financial Security Life Assurance Company
National Bank Life Insurance Company
Manulife Financial
The Canada Life Assurance Company

2021 Lower Tier Member

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

2021 Initiation Members (Upper Tier)

Sun Life Financial 2 Year

2021 Associate

RSM Canada
Willis Towers Watson
KPMG MSLP
Optima Communications
RGA Life Reinsurance Company of Canada
Torys LLP
Dog and Pony Studios
Stikeman Elliott LLP
RSA
Norton Rose Fulbright Canada

Initiation Members (Lower Tier)

Canadian Tire Bank CTB is joining CAFII in early June, we will be adding them to the 2022 forecast. CTB is joining CAFII in early June, we will be adding them to the 2022 forecast.

2022 Operational Budget - Member Dues Breakdown - No Dues Increase

2022 Member Dues Breakdown

Upper Tier Member	77,110	10	771,099.00
Lower Tier Member	38,555	4	154,219.80
Initiation Members (Upper Tier)	46,266	0	0.00
Initiation Members (Lower Tier)	23,133	1	23,132.97
Associate	4,800	10	48,000.00
			996,451.77

2022 Upper Tier Member

BMO Bank of Montreal
CIBC Insurance
RBC Insurance
ScotiLife Financial
TD Insurance
Desjardins Financial Security Life Assurance Company
National Bank Life Insurance Company
Manulife Financial
The Canada Life Assurance Company
Sun Life Financial

2022 Lower Tier Member

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

2022 Initiation Members (Upper Tier)

Sun Life Financial

2022 Associate

RSM Canada
Willis Towers Watson
KPMG MSLP
Optima Communications
RGA Life Reinsurance Company of Canada
Torys LLP
Dog and Pony Studios
Stikeman Elliott LLP
RSA
Norton Rose Fulbright Canada

Briefing Note

**CAFII EOC Meeting 26 July, 2022—Agenda Item 3(c)
Financial Management Matters—Issuance of CAFII Member 2022 Second Instalment Dues Invoices;
and CAFII Associate 2022 Dues Payments as at September 15/22**

Purpose of this Agenda Item – Update

To update the EOC on payments received after Member 2022 second instalment dues invoices were issued in early July.

Background Information

CAFII has issued the 2022 second instalment member dues invoices.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 26 July, 2022—Agenda Item 3(d) Financial Management Matters— Recommendation from CAFII Management, Supported by Treasurer, That CAFII Member Dues Be Consolidated Into One Invoice/Payment Starting in 2023

Purpose of this Agenda Item – Endorsement

To update the EOC on a proposed new approach to the collection of membership dues.

Background Information

CAFII has traditionally, for reasons that are not entirely clear, issued dues invoices in two instalments. Inevitably, there is some toing-and-froing around the collection of payments on dues invoices, and in some cases significant management time is spent getting the dues settled. To save the time of members as well as CAFII management, it is being proposed that starting in 2023, just one invoice be sent early in the year for the collection of the full year's dues.

The request is that the EOC endorse this recommendation, which would then be proposed formally for approval by the CAFII Board at its next meeting on October 11/22.

Recommendation / Direction Sought – Endorsement

This is a request for the EOC to endorse this recommendation, which would then be presented to the Board for approval at its next meeting.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 3(e) Financial Management Matters— Critical Path for Development of 2023 CAFII Operating Budget

Purpose of this Agenda Item – Update

To bring the EOC up to speed on the plan for the development of the 2023 operating budget.

Background Information

CAFII will work with Committee Chairs, the EOC, and CAFII's Treasurer on the development of the Association's 2023 operating budget. Considerations will include that CAFII expects a full return to in-person events in 2023; that there is generally high inflation that is increasing the costs of doing business; and that CAFII has observed a higher rate of inflation for food, venue, and travel costs.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 4(a)i
Market Conduct & Licensing-- CAFII Response Submission on BC Ministry of Finance Consultation on
“Proposed Introduction of A Restricted Licensing Regime for The Sale of Some Insurance in BC”
(Submission Deadline: October 3/22)

Purpose of this Agenda Item – Update/Discussion

To update the EOC on a critical consultation we are responding to, and get feedback on the proposed approach.

Background Information

CAFII’s Market Conduct & Licensing Committee held a very productive meeting on 7 September, 2022 to review the BC Ministry of Finance consultation paper on a “Proposed Introduction of A Restricted Licensing Regime for The Sale of Some Insurance in BC” (Submission Deadline: October 3/22). CAFII has developed a detailed response that speaks to high-level concerns around a lack of harmonization between BC’s proposed approach and the approach in other jurisdictions, along with more detailed comments on some of the specific clauses that BC is contemplating introducing into its RIA regime.

Recommendation / Direction Sought – Update/Discussion

This is an update, with an opportunity for discussion.

Attachments Included with this Agenda Item

1 attachment.

Implementation of the *Financial Institutions Amendment Act, 2019* (Bill 37):

Consultation Regarding Restricted Insurance Licences

Purpose:

This document is for the purpose of seeking feedback from the insurance industry and other interested parties regarding the introduction of a restricted insurance agent licence in BC.

Background:

Following public consultations beginning in 2015, Bill 37, the *Financial Institutions Amendment Act, 2019*, was passed by the BC Legislature in 2019. This bill introduced various reforms to the *Financial Institutions Act* (FIA) and the *Credit Union Incorporation Act*. Bill 37 is being brought into force in stages and consideration is now being given to bringing into force sections that will implement the framework for a restricted insurance agent licence in BC (see ss. 30, 31 and 60 of Bill 37). Restricted insurance agent licences are corporate-level licences in that they will authorize a corporate licensee (e.g., businesses that are sole proprietors, corporations, partnerships, etc.), through its employees and agents in BC, to sell insurance. They will generally authorize the sale of insurance where it is sold incidentally to the licensee's ordinary business. Restricted insurance agent licences are intended to facilitate easier public access to insurance products while ensuring appropriate oversight of their sale. Government will also need to pass regulations and the Insurance Council of BC (the Council) will need to make rules in order to fully implement a restricted insurance agent licensing regime. The Council will, at a later date, consult on and publish rules regarding but not necessarily limited to initial licensee qualifications, on-going licence requirements, licensee conduct, fees, licence cancellation, and remuneration of licensees.

Scope:

The scope of this consultation is limited to the regulations required to introduce a restricted insurance agent licence in BC. Changes to the FIA or other legislation are out of scope and will not be considered at this time. Some of the topics raised in this consultation may be included in Council rules or in both regulations and rules. The Council will seek feedback regarding proposed rules separately.

Any submissions provided in response to this consultation may be shared with the Council and the BC Financial Services Authority (BCFSA). If certain comments should not be shared with other parties, please clearly indicate that in the submission or covering letter. Please note that all submissions received are subject to the *Freedom of Information and Protection of Privacy Act* and, even where confidentiality is requested, this legislation may require the Ministry to make information available to those requesting such access.

Please note that this consultation is being performed by Ministry of Finance staff and feedback is not binding on the BC Government nor on the Council and BCFSA. Cabinet approval is required for any recommendations on regulation content made by Ministry of Finance staff.

Relevant Sections of Bill 37:

The following sections of Bill 37 amend the FIA but are not yet in force. They will need to be brought into force by regulation as part of the implementation of a restricted insurance agent licensing regime in BC. The new s. 174.1 authorizes the Council to issue restricted insurance agent licences. The regulations will need to prescribe which kinds of businesses are eligible to hold a restricted agent licence and which types of insurance the licences can authorize the sale of. The repeal and replacement of s. 171(3) is a technical amendment that ensures restricted insurance agent licensees are able to transact insurance through their employees and agents. The new s. 225.1(2)(i.1) provides additional rule-making powers for the Council specific to restricted insurance licences.

30 Section 171 (3) is repealed and the following substituted:

- (3) Subsection (2) does not apply to
 - (a) the employees or agents of a person licensed under section 174.1 as a restricted insurance agent, or
 - (b) a person or class of persons exempted by the regulations.

31 The following section is added:

Issue of restricted insurance agent licences

174.1 (1) The council may, in accordance with the rules of the council, issue a restricted insurance agent licence to a person within a prescribed class of persons or who carries on a prescribed class of insurance business.

(2) A restricted insurance agent licence authorizes the licensee, through the licensee's employees and agents in British Columbia, to act or offer to act as an insurance agent in respect of one or more prescribed classes of insurance that are specified in the licence.

[...]

60 Section 225.1 (2) is amended by adding the following paragraphs:

[...]

(i.1) respecting restricted insurance agent licences issued under section 174.1 and restricted insurance agent licensees and their employees and agents, including, without limitation, rules

(i) respecting the education, experience or other qualifications of applicants for those licences and their employees and agents, including rules conferring the discretion to determine equivalent education, experience or qualifications,

(ii) respecting or adopting a continuing professional education program that is required of those licensees, employees and agents,

(iii) restricting post-claim underwriting by those licensees, employees and agents, and

(iv) specifying disclosures that those licensees, employees and agents must make, and standardized wording they must use, in the solicitation, negotiation or procurement of insurance; .

Jurisdictional Survey:

Ministry of Finance staff are aware of three other provinces (Alberta¹, Saskatchewan² and Manitoba³) that offer a form of restricted insurance licence. One more province, New Brunswick⁴, is developing a restricted insurance representative regime.

Some or all of these other jurisdictions offer, or propose to offer, restricted licences for the following types of insurance products:

- Cargo
- Travel
- Credit Protection
- Funeral
- Guaranteed Asset Protection (GAP)
- Rented vehicle
- Portable electronics

¹ For more information on please see <https://www.abccouncil.ab.ca/agentsadjusters/#1450389607986-00be82f7-d056>.

² For more information, please see <https://www.skccouncil.sk.ca/RIA%20Info.htm>.

³ For more information please see <https://icm.mb.ca/component/content/article/87-licensing-info/202-incidentalsale-of-insurance-restricted-insurance-agents>.

⁴ For more information please see [Notice and Request for Comment – Proposed Rule INS-001 Insurance Intermediaries Licensing and Obligations \(fcnb.ca\)](#).

- Equipment warranty.

Each of the jurisdictions listed above restrict, or propose to restrict, the types of insurance that a licensee can offer to those that are generally considered incidental to the primary business the licensee performs. For example, a customs broker is restricted to transacting cargo insurance.

Some or all of these other jurisdictions offer, or in New Brunswick's case propose to offer, restricted licences to the following types of businesses. The Ministry of Finance recognizes that consistency between provinces may be beneficial and is considering allowing similar businesses to obtain restricted insurance agent licences in BC:

- Deposit-taking institutions generally offering credit protection insurance, travel insurance, and life insurance
- Transportation companies generally offering travel insurance and cargo insurance
- Travel agencies generally offering travel insurance
- Automobile dealerships generally offering credit protection insurance, equipment warranty insurance, and guaranteed asset protection (GAP) insurance
- Marine/watercraft dealerships, recreational vehicle dealerships, farm implement dealerships, construction equipment dealerships generally offering credit protection insurance, equipment warranty insurance, and GAP insurance
- Sales finance companies⁵ generally offering credit protection insurance
- Customs brokers generally offering cargo insurance
- Freight-forwarding companies generally offering cargo insurance
- Equipment dealers generally offering credit protection insurance, equipment warranty insurance, and GAP insurance
- Funeral services businesses generally offering funeral insurance
- Vehicle rental agencies generally offering rented vehicle (personal injury and personal property) insurance
- Mortgage brokers generally offering credit protection insurance
- Portable electronics vendors generally offering portable electronics insurance.

For specifics of the other provinces' restricted insurance agent licences, please consult the links in the footnotes above and the links to the legislation at the end of this document.

Consultation Questions:

Classes of Licensees

The Ministry of Finance recognizes that other provinces already offer restricted insurance agent licences to certain businesses and that prescribing the same or similar classes of eligible licensees will promote consistency and simplicity which can be beneficial to both the insurance sector and

⁵ Sales finance companies specialize in making loans to customers of a particular retailer or manufacturer. For example, General Motors Acceptance Company, which provides financing for the purchase of General Motors products.

consumers in BC. However, the Ministry of Finance also recognizes that there may be unique aspects to BC such that making restricted insurance agent licences available to additional classes, or not making such licences available to classes in contrast to other provinces, may be best. Further, the Ministry of Finance is willing to differ from the approach taken in other provinces based on the experiences with restricted licences in those provinces.

Consideration may also be given to prescribing the following:

- Storage companies offering personal property policies
- Event and ticket sales companies offering event cancellation policies
- Leasing companies (personal property and office furniture) offering damage protection and product warranty policies
- Leasing companies (equipment, vehicles, and heavy machinery) offering vehicle or product warranty policies
- Educational institutions offering travel medical policies to out-of-province students
- Tour Operators and public carriers (i.e., airlines, bus companies, ferry companies) offering trip interruption or cancellation policies.

The Ministry of Finance also recognizes that there are currently exemptions provided for certain businesses in the *Insurance Licensing Exemptions Regulation* (ILER). The Ministry of Finance proposes that the following exemptions be repealed, in whole or in part, in favour of offering a restricted insurance agent licence:

List of current exemptions to be transferred to the restricted licence regime:

- ILER s. 2(1)(a): product warranty insurance
- ILER s. 2(1)(b.1): credit institutions selling credit insurance
- ILER s. 2(1)(c): credit insurance
- ILER s. 2(1)(g): motor vehicle dealers selling vehicle warranty insurance
- ILER s. 2(1)(i): travel agents selling travel insurance⁶
- ILER s. 2(1)(q): transportation company selling travel insurance
- ILER s. 2(2)(a): mortgage (and submortgage) brokers selling credit insurance
- ILER s. 2(2)(b): funeral directors selling funeral services insurance.

The Ministry of Finance would like input from the sector around the following:

- Which businesses should be prescribed as potential licensees for the purposes of FIA s. 174.1(1)?
- Which businesses should not be prescribed?

⁶ The Ministry of Finance recognizes that travel agents are currently able to sell travel insurance under what is effectively a restricted insurance agent licence authorized by ILER s. 2(1)(i) and proposes that travel agents will continue to be able to sell travel insurance through the new restricted insurance agent licence regime under FIA s. 174.1.

- Should any exemptions in the ILER be fully repealed in favour of offering a restricted insurance agent licence?
- Should any exemptions in the ILER be partially repealed in favour of offering a restricted insurance agent licence? For example, the exemption in ILER s. 2(1)(a) for sale of product warranty insurance could be maintained for products below a certain value threshold; a licence would be required to sell product warranty coverage for values over that threshold.

Classes of Insurance

As noted above regarding classes of licensees, the Ministry of Finance recognizes that there are reasons to prescribe classes of insurance that are similar to the classes of insurance available under restricted licensing regimes in other provinces, and reasons to differ from those classes.

The Ministry of Finance also recognizes that some classes of insurance available through exemptions in the *Insurance Licensing Exemptions Regulation* could be repealed in favour of offering them through a restricted licence.

Consideration may also be given to prescribing the following:

- Personal effects property (i.e., offered by storage companies)
- Purchase protection (i.e., offered by retailers and credit card companies)
- Marine craft rental (i.e., offered by marine craft rental companies)
- Damage protection (i.e., offered by personal property and office furniture leasing companies)
- Event cancellation (i.e., offered by event and ticket sales companies).

The Ministry of Finance would like input from the sector around the following:

- What classes of insurance should be prescribed for the purposes of FIA s. 174.1(2)?
- What classes of insurance should not be prescribed?

Incidental Sale of Insurance

The Ministry of Finance proposes that the granting of restricted licences to licensees be restricted to classes of insurance that are incidental to the licensee's ordinary business. Allowing a licensee to sell a class of insurance that is not incidental to their ordinary business may be considered in some cases, but only where a benefit to consumers that outweighs any potential risks is clear.

- Do you have any comments on the proposal to restrict the classes of insurance that can be sold by a licensee to those that are incidental to their ordinary business?
- Should there be any exemptions to this incidental rule? If so, for which businesses or classes of insurance?

General Issues

A successful restricted insurance agent licensing regime will balance the respective interests of consumers and licensees. Consumers will ideally benefit from having insurance products more easily accessible, but this access will be most meaningful if they are provided necessary information and opportunities to make sound decisions. Licensees will benefit and be able to better serve their customers if they can efficiently offer insurance products alongside their primary business operations. Further, appropriate regulatory oversight must be possible. The following questions are based on general features contained in other provinces' restricted insurance agent licence regimes or the regulation and rule making authorities in the FIA or introduced by Bill 37.

- Should there be any requirements for warranty cancellations and premium refunds?
- What disclosure and documentation requirements should be required when a restricted insurance agent licensee sells an insurance product? What must they provide to a consumer? When? In what form? Should any disclosures be made by the insurer?
- Should a restricted insurance agent licensee be restricted in selling a policy where the eligibility of the insured is not certain? For example, should the licensee be required to facilitate contact with the insurer providing the policy if the customer has a question the licensee is unable to answer?
- Should there be any restrictions on how a restricted insurance agent licensee holds themselves out, or how they represent the services they offer?
- Should any classes of insurance products sold by a restricted insurance agent licensee be subject to a cooling off period or include a right of rescission?
- Should any restricted insurance agent licensees be limited in the commissions or fees they may charge?
- Should there be any exemptions for low-value products? For example, should a licence not be required for product warranty insurance for products sold for a price below a certain threshold?
- Should value limits be imposed for any types of insurance such that a restricted insurance agent licensee would not be authorized to sell policies with a value over that limit?
- Is a deferred sales model appropriate for any restricted insurance agent licences? For example, an insurance product could not be marketed until a set number of days after the primary purchase is made or contract agreed to.
- Do you have any other comments or feedback?

Please provide written submissions to fiareview@gov.bc.ca on or before Monday, October 3, 2022. Submissions received after this date may not be considered.

Relevant links:British Columbia Legislation:

- [Financial Institutions Amendment Act, 2019 \(Bill 37\)](#) Error! Hyperlink reference not valid.
- [Financial Institutions Act](#)
- [Insurance Licensing Exemptions Regulation](#)

Alberta Legislation:

- [Insurance Act](#)
- [Insurance Agents and Adjusters Regulation](#)

Saskatchewan Legislation:

- [The Insurance Act](#)
- [The Insurance Regulations](#)

Manitoba Legislation:

- [Insurance Act](#)
- [Insurance Agents and Adjusters Regulation](#)

New Brunswick Legislation:

- [An Act to Amend the Insurance Act \(Bill 33\)](#)
- [Insurance Act](#)

Ministry of Finance Contacts:

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Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 4(b)i
Media Advocacy--Operatic Agency Efforts on CAFII Website Video on Highlights of CAFII-Commissioned Research with Deloitte Canada on “Best Practices in the Digitization of CPI”; and Enhancements to FAQs on CAFII Website

Purpose of this Agenda Item – Update

To update the EOC on the status of several CAFII website enhancement projects being carried out by Operatic Agency.

Background Information

Operatic Agency is in the final stages of a new video on the highlights of CAFII-Commissioned Research with Deloitte Canada on “Best Practices in the Digitization of CPI”; and enhancements to FAQs on the CAFII website.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 4(c)i Research & Education-- Execution of EOC-Approved CAFII 2022 Tracking Study Research on Consumers' Satisfaction with CPI, with Pollara Strategic Insights

Purpose of this Agenda Item – Update

To update the EOC on the status of CAFII's 2022 Research Project.

Background Information

CAFII's Research & Education Committee held a very productive meeting with Pollara on 8 September, 2022 to finalize the questionnaire for a 2022 tracking study on consumers' satisfaction with credit protection insurance. The survey has been finalized and Pollara will now go to field. The intention is to present a summary of the project's findings to the Board and EOC in the fall of 2022; and then publish the research results in early 2023.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

CAFII – Consumer Opinions of Credit Protection Insurance Research – Wave 2 Draft Survey

- A. Please select the province in which you live:
- a. Newfoundland & Labrador
 - b. Nova Scotia
 - c. Prince Edward Island
 - d. New Brunswick
 - e. Quebec
 - f. Ontario
 - g. Manitoba
 - h. Saskatchewan
 - i. Alberta
 - j. British Columbia
 - k. Northwest Territories
 - l. Yukon
 - m. Nunavut
 - n. Currently live outside Canada [TERMINATE]

[RECODE INTO REGIONS]

Atlantic Canada

Quebec

Ontario

Prairies

Alberta

BC and Territories

- B. Please enter your year of birth:
[ENTER] **[TERMINATE IF UNDER 18]**
- C. Please select your gender:
- Woman
 - Man
 - Another gender identity
 - Don't know/Unsure

Definitions

SHOW ON SEPARATE PAGE. RESPONDENTS MUST CLICK NEXT TO CONTINUE WITH SURVEY.

Today we are going to ask you about Credit Protection Insurance for Mortgages and Home Equity Lines of Credit. Below are some definitions of what we will be referring to in the survey. Throughout the survey, if you would like a reminder of these definitions, hover over the name of the insurance product and to see the relevant definition.

Credit Protection Insurance for mortgages - is optional insurance used to pay out the balance on your mortgage in the event of death or diagnosis of a critical illness, or make/postpone debt payments on your behalf in the event of disability or job loss (depending on the coverage you have chosen). It is offered by banks and credit unions across Canada.

Note: Credit Protection Insurance is NOT the same insurance that is required by the Canada Mortgage and Housing Corporation (CMHC) on homes that were purchased with less than a 20% down payment, which will pay back the lender if the home owner needed to default on their mortgage.

Credit Protection Insurance for Home Equity Line of Credit - is optional insurance used to pay out the balance of your Home Equity Line of Credit in the event of death or diagnosis of a critical illness, or make/postpone payments on your behalf in the event of disability or job loss (depending on the coverage you have chosen). It is offered by banks and credit unions across Canada.

DO NOT SHOW GREY DEFINITION ON DEFINITION PAGE – JUST FOR SURVEY QUESTION USE

Credit Protection Insurance for Mortgage or Home Equity Line of Credit - is optional insurance used to pay out the balance of your mortgage or Home Equity Line of Credit in the event of death or diagnosis of a critical illness, or make/postpone payments on your behalf in the event of disability or job loss (depending on the coverage you have chosen). It is offered by banks and credit unions across Canada.

1. Do you have now, or have you ever had the following:

GRID COLUMNS

Have now

Had in the past but not now

Never had

Don't know

GRID ROWS (RANDOMIZE)

A mortgage

A Home Equity Line of Credit (HELOC)

2. **IF HAVE MORTGAGE IN Q1 ASK:** Do you currently have Credit Protection Insurance for your mortgage?
Yes
No
Don't know

IF NO OR DON'T KNOW, SKIP TO Q5

3. And what does the Credit Protection Insurance cover you for? Please select all that apply.

Life – pays out your insured balance in the event of death

Disability – payments for your mortgage will be made on your behalf until you are able to return to work or until you reach a designated maximum benefit (e.g. 24 months)

Critical Illness – pays out your insured balance if you are diagnosed with a covered critical illness

Job Loss – on involuntary unemployment, provides payment protection by making specific debt payments on your behalf, for a time-limited period

Other

Don't know

4. When did you purchase or arrange for the Credit Protection Insurance for your mortgage?

DROP DOWN BOX THAT SHOWS LESS THAN ONE YEAR, ONE YEAR INCREMENTS FROM ONE TO 25 AND MORE THAN 25 YEARS AGO. INCLUDE SEPARATE DON'T KNOW AND PREFER NOT TO ANSWER CATEGORIES

5. IF HAVE LINE OF CREDIT IN Q1 ASK: Do you currently have Credit Protection Insurance for your Home Equity Line of Credit?

Yes

No

Don't know

IF NO OR DON'T KNOW, SKIP TO Q8

6. And what does the Credit Protection Insurance cover you for? Please select all that apply.

Life – pays out your insured balance in the event of death

Disability – payments for your Home Equity Line of Credit will be made on your behalf until you are able to return to work or until you reach a designated maximum benefit (e.g. 24 months)

Critical Illness – pays out your insured balance if you are diagnosed with a covered critical illness

Job Loss – on involuntary unemployment, provides payment protection by making specific debt payments on your behalf, for a time-limited period

Other

Don't know

7. When did you purchase or arrange for your Credit Protection Insurance for your Home Equity Line of Credit?

DROP DOWN BOX THAT SHOWS LESS THAN ONE YEAR, ONE YEAR INCREMENTS FROM ONE TO 25 AND MORE THAN 25 YEARS AGO. INCLUDE SEPARATE DON'T KNOW AND PREFER NOT TO ANSWER CATEGORIES

8. **ASK EVERYONE:** Have you ever submitted a claim for Credit Protection Insurance for your mortgage or Home Equity Line of Credit? A claims is made in the event the insured person had died, or had been diagnosed with a critical illness, became disabled or lost your/their job? Please select all that apply

Mortgage
Home Equity Line of Credit
Both
None of the above

IF DO NOT HAVE MORTGAGE OR HOME EQUITY LINE OF CREDIT AND NEVER MADE A CLAIM ON MORTGAGE OR LINE OF CREDIT PROTECTION INSURANCE, TERMINATE.

QUOTAS: **NON-HOLDERS:** HAVE A MORTGAGE/LINE OF CREDIT, BUT NOT MORTGAGE/LINE OF CREDIT PROTECTION INSURANCE
CURRENT HOLDERS: HAVE MORTGAGE/HOME EQUITY LINE OF CREDIT PROTECTION INSURANCE
CLAIMANTS: HAVE MADE A CREDIT PROTECTION INSURANCE CLAIM (ON MORTGAGE/HOME EQUITY LINE OF CREDIT)

IF HOLDER OF MORTGAGE INSURANCE – GO TO SECTION A: MORTGAGE CREDIT PROTECTION INSURANCE HOLDERS

IF HOLDERS OF HELOC INSURANCE – GO TO SECTION B: HELOC CREDIT PROTECTION INSURANCE HOLDERS

IF HOLDER OF BOTH MORTGAGE AND HELOC – RANDOMLY SELECT ONE OF SECTION A OR B FOR PARTICIPANT TO ANSWER

IF NON-HOLDER GO TO SECTION C – NON-HOLDER

SECTION A: MORTGAGE CREDIT PROTECTION INSURANCE HOLDERS

A1. For the next few questions, please consider the Credit Protection Insurance you have on your mortgage. Thinking of this insurance, in general, how confident are you that in the event of a claim ...

GRID COLUMNS
Very confident
Somewhat confident
Not very confident
Not at all confident
Don't know

GRID ROWS (RANDOMIZE)
Information needed to submit your claim would be clearly communicated to you
The quality of service you expect would be provided
The claim would be paid as expected
The claim would be paid in a timely manner

A2. To what extent do you agree or disagree with each of the following statements about the Credit Protection Insurance for your mortgage?

GRID COLUMNS

Strongly agree
Somewhat agree
Somewhat disagree
Strongly disagree
Don't know

GRID ROWS (RANDOMIZE)

Credit Protection Insurance is an affordable insurance option
Credit Protection Insurance effectively protects me and/or my family in case of certain unexpected events
Credit Protection Insurance provides good value for the money
Credit Protection Insurance is a convenient way to protect me and/or my family in case of certain unexpected events
Without Credit Protection Insurance, I do not know what would happen to me and/or my family in the case of certain unexpected events

A3. Thinking back to when you got your mortgage, did the financial institution inform you about the availability of Credit Protection Insurance?

Yes
No
Don't know/Can't recall

[IF YES IN QA3 ASK QA4A AND A4B, IF NO, DK/CANT RECALL SKIP TO A5]

A4A: How did the financial institution inform you of this insurance? Please select all that apply

The representative I was working with told me about it
It was included in the paperwork options
I was given the choice to opt in or out of this insurance
I saw the information on their website
Other
Don't remember

A4B. Did the financial institution inform you about each of the following factors related to the available Credit Protection Insurance?

GRID COLUMNS

Yes

No

Don't know/Can't recall

GRID ROWS (RANDOMIZE)

I was told the coverage options that were available to me (e.g. life, disability, critical illness, job loss)

I was told the premiums/costs of the coverage options available (e.g. life, disability, critical illness, job loss)

I was informed **about** the advantages of having Credit Protection Insurance as a way to protect me and/or my family in case of certain unexpected events

I was told about the review period that was available with the Credit Protection Insurance, during which I could cancel at no cost

A5A. Which of the following best describes your impression of the Credit Protection Insurance for your mortgage?

I thought the insurance was optional

I thought the insurance was mandatory

Not sure

A5B. Aside from obtaining information from your financial institution, did you discuss or do additional research on the Credit Protection Insurance options that were available?

Yes – Discussed options with the co-borrower on the mortgage

Yes – Discussed options with friends and/or family members

Yes - Researched options online

Yes – Talked to representatives of other financial institutions or mortgage brokers

Other (specify)

No other research

Don't know/Can't recall

A7. How confident are you that you know how much of your mortgage will be paid with each of the types of coverage that you have? Please indicate your level of confidence for each. **SHOW EACH CHOSEN IN Q3**

GRID COLUMNS

Life

Critical illness

Disability

Job loss

GRID ROWS

Very confident
Somewhat confident
Not very confident
Not at all confident
Don't know

A8. To what extent do you agree or disagree with each of the following statements about the documents which outline your Credit Protection Insurance for your mortgage.

GRID COLUMNS

Strongly agree
Somewhat agree
Somewhat disagree
Strongly disagree
Have not read documentation

GRID ROWS (RANDOMIZE)

The Credit Protection Insurance documents for my mortgage are easy to understand
The Credit Protection Insurance documents for my mortgage make it easy to find the information I am looking for

A9. When you were considering Credit Protection Insurance for your mortgage, how important were the following factors:

GRID COLUMNS

Very important
Somewhat Important
Not very important
Not at all important

GRID ROWS (RANDOMIZE)

Price
Benefit payment amount of coverage
Coverage for pre-existing conditions (i.e. health conditions that I had when purchasing the insurance)
Convenience of obtaining this insurance at the same time as obtaining my mortgage
Ease of overall purchase process
Benefits and features of the coverage
Ability to buy online
Being able to speak to someone to answer my questions
Ease of qualifying for the coverage
Fewer age restrictions
No medical testing (such as blood or urine tests)
Other (please explain) [\[ANCHOR\]](#)

A10A. The following questions are in regard to your experience purchasing your Credit Protection Insurance for your mortgage. From whom did you purchase your credit protection insurance?

- From a financial institution – Bank or credit union
- From a mortgage broker
- Don't know

A10B How did you *complete* the purchase of your Credit Protection Insurance? [RANDOMIZE]

- By phone
- The process was initiated online, including mobile (e.g., smartphone, tablet), but finished in another way (in person, over the phone, etc.) FI
- The whole process was completed online FI
- In-Person at the branch
- Through a representative that came to my house
- Other [ANCHOR]

A11. Overall, how would you rate your level of satisfaction with the *purchase experience*, when you purchased your Credit Protection Insurance for your mortgage?

- Very satisfied
- Somewhat satisfied
- Somewhat dissatisfied
- Very dissatisfied
- Don't recall

A12. More specifically, how satisfied were you with the following elements of the purchase process?

GRID COLUMNS

- Very satisfied
- Somewhat satisfied
- Somewhat dissatisfied
- Very dissatisfied
- Don't recall
- Not applicable

GRID ROWS (RANDOMIZE)

- Availability of comprehensive information to help me make an informed decision
- Coverage details -- what was and was not covered were written in a clear and easy to understand language
- Coverage details -- what was and was not covered were explained well by a representative of the financial institution
- Responsiveness of the representative (e.g., answering questions in a timely manner)
- Quality of responses to my questions (e.g., comprehensive, easy to understand, etc.)
- Value for the money
- Ease of purchase
- The trial period that allowed me to cancel the purchase within a period of time at no cost

A13. If you were obtaining credit protection insurance now, how would you like to apply for the insurance? Please choose only one answer

- In person at a branch
- Through the financial institution's representative coming to my home
- By talking to the financial institution's representative over the phone
- Video conferencing with the financial institution's representative
- Through email with the financial institution's representative
- Online through the financial institution's website or web-based platform
- Using the financial institution's mobile app
- Other
- Don't know

A14. If you needed to submit a claim on your credit protection insurance now, how would you prefer to do this? Please choose only one answer

- In person at a branch
- Through the representative coming to my home
- By talking to the financial representative over the phone
- Video conferencing with the financial representative
- Through email with the financial representative
- Online through the financial institution's website
- Using the financial institution's mobile app
- Other
- Don't know

A15. To what extent do you agree or disagree with the following statements about conducting financial transactions since the start of the COVID-19 pandemic?

GRID ROWS RANDOMIZE

- The pandemic has changed the way I want to conduct financial transactions in the future.
- I look forward to going back to a branch to conduct my financial transactions in-person.
- Since the pandemic, I am more comfortable conducting financial transactions online.
- I prefer the convenience of conducting financial transactions online.

GRID COLUMNS

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree
- Don't know

SECTION B: HELOC INSURANCE HOLDERS

B1. For the next few questions, please consider the Credit Protection Insurance you have on your Home Equity Line of Credit. Thinking of this insurance, in general, how confident are you that in the event of a claim...

GRID COLUMNS

Very confident
Somewhat confident
Not very confident
Not at all confident
Don't know

GRID ROWS (RANDOMIZE)

Information needed to submit your claim would be clearly communicated to you
The quality of service you expect would be provided
The claim would be paid as expected
The claim would be paid in a timely manner

B2. To what extent do you agree or disagree with each of the following statements about the Credit Protection Insurance for your Home Equity Line of Credit?

GRID COLUMNS

Strongly agree
Somewhat agree
Somewhat disagree
Strongly disagree
Don't know

GRID ROWS (RANDOMIZE)

Credit Protection Insurance is an affordable insurance option
Credit Protection Insurance effectively protects me and/or my family in case of certain unexpected events
Credit Protection Insurance provides good value for the money
Credit Protection Insurance is a convenient way to protect me and/or my family in case of certain unexpected events
Without Credit Protection Insurance, I do not know what would happen to me and/or my family in the case of certain unexpected events

B3. Thinking back to when you got your Home Equity Line of Credit, did the financial institution inform you about the availability of Credit Protection Insurance?

Yes
No
Don't know/Can't recall

[IF YES IN B3 ASK QB4A AND QB4B. IF NO/DK SKIP TO B5]

B4A: How did the financial institution inform you of this insurance? Please select all that apply

- The representative I was working with told me about it
- It was included in the paperwork options
- I was given the choice to opt in or out of this insurance
- I saw the information on their website
- Other
- Don't remember

B4B. Did the financial institution inform you about each of the following factors related to the available Credit Protection Insurance?

GRID COLUMNS

- Yes
- No
- Don't know/Can't recall

GRID ROWS (RANDOMIZE)

- I was told the coverage options that were available to me (e.g. life, disability, critical illness, job loss)
- I was told the premiums/costs of the coverage options available (e.g. life, disability, critical illness, job loss)
- I was told about the advantages of having Credit Protection Insurance as a way to protect me and/or my family in case of certain unexpected events
- I was told about the review period that was available with the Credit Protection Insurance, during which I could cancel at no cost

B5A. Which of the following best describes your impression of the Credit Protection Insurance for your Home Equity Line of Credit?

- I thought the insurance was optional
- I thought the insurance was mandatory
- Not sure

B5B. Aside from obtaining information for your financial institution, did you discuss or do additional research on the Credit Protection Insurance options that were available?

- Yes – Discussed options with the co-borrower on the Home Equity Line of Credit
- Yes – Discussed options with friends and/or family members
- Yes - Researched options online
- Yes – Talked to representatives of other financial institutions or mortgage brokers
- Other (specify) _____
- No other research
- Don't know/Can't recall

B7. How confident are you that you know how much of your Home Equity Line of Credit will be paid with each of the types of coverage that you have? Please indicate your level of confidence for each. **SHOW EACH CHOSEN IN Q6**

GRID COLUMNS

Life
Critical illness
Disability
Job loss

GRID ROWS

Very confident
Somewhat confident
Not very confident
Not at all confident
Don't know

B8. To what extent would you agree or disagree with each of the following statements about the documents which outline your Credit Protection Insurance for your Home Equity Line of Credit.

GRID COLUMNS

Strongly agree
Somewhat agree
Somewhat disagree
Strongly disagree
Have not read documentation

GRID ROWS (RANDOMIZE)

The Credit Protection Insurance documents for my Home Equity Line of Credit are easy to understand
The Credit Protection Insurance documents for my Home Equity Line of Credit make it easy find the information I am looking for

B9. When you were considering Credit Protection Insurance for your Home Equity Line of Credit, how important were the following factors:

GRID COLUMNS

Very important
Somewhat Important
Not very important
Not at all important

GRID ROWS (RANDOMIZE)

Price
Benefit payment amount of coverage
Coverage for pre-existing conditions (that is health conditions that I had when you purchased the insurance)
The convenience of obtaining this insurance at the same time as obtaining my mortgage
Ease of overall purchase process
Benefits and features of the coverage

Ability to buy online
Being able to speak to someone to answer my questions
The ease of qualifying for the coverage
Fewer age restrictions
No medical testing (such as blood or urine tests)
Other (please explain) [\[ANCHOR\]](#)

B10A. The following questions are in regard to your experience purchasing your Credit Protection Insurance for your Home Equity Line of Credit. From whom did you purchase your credit protection insurance?

From a financial institution – Bank or credit union
From a mortgage broker
Don't know

A10B How did you *complete* the purchase of your Credit Protection Insurance? [\[RANDOMIZE\]](#)

By phone
The process was initiated online, including mobile (e.g., smartphone, tablet), but finished in another way (in person, over the phone, etc.) FI
The whole process was completed online FI
In-Person at the branch
Through a representative that came to my house
Other [\[ANCHOR\]](#)

B11. Overall, how would you rate your level of satisfaction with the *purchase experience*, when you purchased your Credit Protection Insurance for your Home Equity Line of Credit?

Very satisfied
Somewhat satisfied
Somewhat dissatisfied
Very dissatisfied
Don't recall

B12. More specifically, how satisfied were you with the following elements of the purchase process?

GRID COLUMNS
Very satisfied
Somewhat satisfied
Somewhat dissatisfied
Very dissatisfied
Don't recall
Not applicable

GRID ROWS (RANDOMIZE)
Availability of comprehensive information to help me make an informed decision
Coverage details -- what was and was not covered were written in a clear and easy to understand language
Coverage details -- what was and was not covered were explained well by a representative of the financial institution

Responsiveness of the representative (e.g., answering questions in a timely manner)
Quality of responses to my questions (e.g., comprehensive, easy to understand, etc.)
Value for the money
Ease of purchase
The trial period that allowed me to cancel the purchase within a period of time at no cost

A13. If you were obtaining credit protection insurance now, how would you like to apply for the insurance? Please choose only one answer

In person at a branch
Through the financial institution's representative coming to my home
By talking to the financial institution's representative over the phone
Video conferencing with the financial institution's representative
Through email with the financial institution's representative
Online through the financial institution's website or web-based platform
Using the financial institution's mobile app
Other
Don't know

B14. If you needed to submit a claim on your credit protection insurance now, how would you prefer to do this? Please choose only one answer

In person at a branch
Through the representative coming to my home
By talking to the financial representative over the phone
Video conferencing with the financial representative
Through email with the financial representative
Online through the financial institution's website
Using the financial institution's mobile app
Other
Don't know

B15. To what extent do you agree or disagree with the following statements about conducting financial transactions?

GRID ROWS RANDOMIZE

The pandemic has changed the way I want to conduct financial transactions in the future.

Since the pandemic, I look forward to going back to a branch to conduct my financial transactions in-person.

Since the pandemic, I am more comfortable conducting financial transactions online.

I prefer the convenience of conducting financial transactions online.

GRID COLUMNS

Strongly agree

Somewhat agree

Somewhat disagree

Strongly disagree

Don't know

SECTION C: NON-HOLDERS

C1. While you do not currently hold Credit Protection Insurance on your mortgage or Home Equity Line of Credit, we would like to understand your thoughts about these products. To what extent do you agree or disagree with each of the following statements about Credit Protection Insurance?

GRID COLUMNS

Strongly agree

Somewhat agree

Somewhat disagree

Strongly disagree

Don't know

GRID ROWS (RANDOMIZE)

Credit Protection Insurance is an affordable insurance option

Credit Protection Insurance effectively protects those who hold it, in case of certain unexpected events

Credit Protection Insurance provides good value for the money

Credit Protection Insurance is a convenient way to protect me and/or my family, in case of certain unexpected events

C2. Thinking back to when you got your mortgage or Home Equity Line of Credit, did the financial institution inform you about the availability of Credit Protection Insurance?

Yes

No

Don't know/Can't recall

[IF YES IN QC2 ASK QC3A ANAD C3B, IF NO, DK/CANT RECALL SKIP TO C4]

C3A: How were you informed about this insurance? Please select all that apply

- The representative I was working with told me about it
- It was included in the paperwork options
- I saw the information on their website
- Other
- Don't remember

C3B. Did the financial institution inform you about each of the following factors of the available Credit Protection Insurance?

GRID COLUMNS

- Yes
- No
- Don't know/Can't recall

GRID ROWS (RANDOMIZE)

- I was told the coverage options that were available to me (e.g. life, disability, critical illness, job loss)
- I was told the premiums/costs of the coverage options available (e.g. life, disability, critical illness, job loss)
- I was informed about the advantages of having Credit Protection Insurance as a way to protect me and/or my family in case of certain unexpected events
- I was told about the review period that was available with the Credit Protection Insurance, during which I could cancel at no cost

C4B. Aside from obtaining information for your financial institution, did you discuss or do additional research on the Credit Protection Insurance options that were available?

- Yes – Discussed options with the co-borrower on the mortgage
- Yes – Discussed options with friends and/or family members
- Yes - Researched options online
- Yes – Talked to representatives of other financial institutions or mortgage brokers
- Other (specify) _____
- No other research
- Don't know/Can't recall

C5. You mentioned that you have had a mortgage or Home Equity Line of Credit but did not have Credit Protection Insurance. Why did you choose not to have Credit Protection Insurance on these debts? Please select all that apply. If there is another reason that is not listed, please add it in the box below. [RANDOMIZE]

- Did not know about this insurance
- It was too expensive/the premiums were too high
- I could not afford the premium
- It was not good value for the money
- I was advised not to get it
- Had other types of insurance to cover it
- Felt that other types of insurance would provide a better value for the money
- Did not feel the need to have insurance
- Was going to get it later but didn't get
- Other Specify
- Don't know/Can't recall

C6. IF ADVISED NOT TO GET IT CHOSEN IN QC5 ASK: Who advised you not to get the Credit Protection Insurance? Please check all that apply. [RANDOMIZE]

- A friend or family member
- Mortgage broker
- Financial institution representative
- Accountant
- Realtor
- Lawyer
- Life insurance agent or broker
- Other (Specify)
- Don't know/Can't recall

C7. Do you have a different type of insurance policy, that is not Credit Protection Insurance, that would protect you and/or your loved ones if you were to experience any of the following unplanned events?

- GRID COLUMNS
- Yes, have another policy
 - No, do not have another policy
 - Don't know

- GRID ROWS (RANDOMIZE)
- If I were to die
 - If I were to become disabled
 - If I were to be diagnosed with a critical illness
 - If I were to lose my job

C8. When you obtained your mortgage or Home Equity Line of Credit, did you consider buying term life insurance, instead of Credit Protect Insurance, specifically to cover that debt in the case of death?

- Yes, I purchased term life insurance instead of Credit Protection Insurance
- Yes, I considered term life insurance but did not purchase the policy
- No, I did not consider term life insurance
- Don't know

C9. Has the COVID-19 pandemic changed how you feel about obtaining credit protection insurance for your mortgage or line of credit?

- Am much more likely to obtain creditor protection insurance
- Am somewhat more likely to obtain creditor protection insurance
- Am somewhat less likely to obtain creditor protection insurance
- Am much less likely to obtain creditor protection insurance
- The pandemic has not changed my likelihood to obtain credit protection insurance
- Don't know

C10. To what extent do you agree or disagree with the following statements about conducting financial transactions?

GRID ROWS RANDOMIZE

- The pandemic has changed the way I want to conduct financial transactions in the future.
- Since the pandemic, I look forward to going to a branch to conduct my financial transactions in-person.
- Since the pandemic, I am more comfortable conducting financial transactions online.
- I prefer the convenience of conducting financial transactions online.

GRID COLUMNS

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree

SECTION D: CLAIMS – CLAIMANTS CONTINUE, NON-CLAIMANTS SKIP TO DEMOGRAPHICS

D1. You mentioned that you have made a claim on your Credit Protection Insurance. When was the last claim you had made?

- In the past year
- One to less than two years ago
- Two to less than three years ago
- Three to less than four years ago
- Four to less than five years ago
- Five years ago or more

D2. What type of claim was made?

- Life Insurance
- Disability
- Critical illness
- Job loss

D3. What was the result of your claim submission?

- It was paid
- It was denied
- The claim is still being processed **[SKIP TO D10]**

D4. Thinking back about the entire claim experience, from the initial contact to the final outcome, how would you rate your satisfaction with the overall experience?

- Very satisfied
- Somewhat satisfied
- Somewhat dissatisfied
- Very dissatisfied
- Don't recall

D5. And how satisfied were you with each of the following factors involved in this claim?

GRID COLUMNS

- Very satisfied
- Somewhat satisfied
- Somewhat dissatisfied
- Very dissatisfied
- Don't recall
- Not applicable

GRID ROWS (RANDOMIZE)

- Ease starting the claim process
- Empathy and understanding the representative showed me ~~when I called~~
- Knowledge of the representatives ~~I spoke with~~
- Clarity and completeness of the representative's responses to my questions

Explanation I received about the steps involved in a claims process
Explanation I was given as to how long it would take to process my claim
Ease of understanding and completing the claim forms
Number of claim forms that I had to submit was reasonable
Documentation required in support of the claim (e.g. Doctor's report, death certificate) was reasonable
Explanation of how the claim payment was determined
Timeliness in which the claim was paid

D6. How would you rate the clarity of explanation your insurer gave you about **[IF D3=a]** your claim payment? **[IF D3=b]** the claim denial?

Very good
Good
Poor
Very poor
Don't recall

D7. Would you say that the claim payment met, exceeded, or fell short of your expectations?

Met
Exceeded
Fell short
Don't recall

D8. Overall, would you say that the claim experience met, exceeded, or fell short of your expectations?

Met
Exceeded
Fell short
Don't recall

D9. Did you make a complaint about your claim at any point during or after the claim process?

Yes
No

D10. **[ASK IF ANSWERED 'Yes' AT D9]** How did you make this complaint? Please select all that apply (RANDOMIZE)

Made an initial complaint to the financial institution I was dealing with
Made a complaint to the insurance company
Followed up with a supervisor or manager at the financial institution
Followed up with a supervisor or manager at the insurance company
Escalated the complaint to a regulator
Escalated the complaint to the financial institution complaints department
Escalated the complaint to the insurance company complaints department
Escalated the complaint with a third-party ombudsman
Posted my complaint about the financial institution on social media
Posted my complaint about the insurance company on social media
Complained to family or friends
Other (Specify)
Prefer not to say

D11. **[ASK IF ANSWERED 'Yes' AT D9]** What was the **major** reason(s) for your complaint? Please select all that apply. **[RANDOMIZE]**

- The length of time it took to process the claim
- Lack of clarity about what was required
- Lack of updates during the process
- Difficult to contact/unresponsive insurer representatives (e.g., calls/emails not returned)
- Conflicting information from different claims representatives
- Insurance wording unclear/ambiguous
- Lack of professionalism and courtesy of representatives
- Not happy with claim being denied
- Other **[SPECIFY]**

D12. **[ASK IF ANSWERED 'Yes' AT D9]** Were you satisfied with how the complaint was handled?

- Very satisfied
- Somewhat Satisfied
- Somewhat dissatisfied
- Very dissatisfied
- Don't know

ASK EVERYONE

Now, a few questions on a different topic.

E1. With inflation and the current state of the economy, do you plan to cut back on any of the following expenses? Please check all that apply.

- Eating out
- Groceries – buying less to stick within your budget
- Fashion/Clothes
- Holidays and travel
- Entertainment
- Other
- Do not plan to cut back on expenses

E2. With rising inflation, economic uncertainty and the possibility of a housing market correction, how do you feel about obtaining credit protection insurance for your mortgage or line of credit?

- Am much more likely to consider creditor protection insurance
- Am somewhat more likely to consider creditor protection insurance
- Am somewhat less likely to consider creditor protection insurance
- Am much less likely to consider creditor protection insurance
- No change to my likelihood to consider credit protection insurance
- Don't know

You are almost done. There are just have a few questions left to help us better analyze and understand responses to this survey.

SECTION Z DEMOGRAPHICS

Z1. Which of the following income brackets best represents your annual household income before taxes?

- Less than \$75,000
- \$75,000 to less than \$120,000
- \$120,000 to less than \$250,000
- \$250,000 or more
- Prefer not to answer

Z2. Do you have children in any of the following age groups? Please select all that apply.

- Under 18 years
- 18 years or older
- Do not have children [EXCLUSIVE]
- Prefer not to answer [EXCLUSIVE]

Z3. Which of the following best describes your employment status?

- Employed (full-time, part-time, self-employed)
- Full-time student
- Retired
- Other

Z4. How long have you been a resident of Canada?

- Born in Canada
- Less than 2 years
- 2 to less than 5 years
- 5 to less than 10 years
- 10 to less than 20 years
- More than 20 years

You have reached the end of this survey. Thank you for your responses and your time.

Briefing Note

**CAFII EOC Meeting 20 September, 2022—Agenda Item 4(d)i
Networking & Events-- Insights Gained From September 13/22 In-Person CAFII 2022 Annual Members
and Associates Luncheon with Mark White, CEO, FSRA, as Guest Speaker**

Purpose of this Agenda Item – Update

To update the EOC on the outcomes of CAFII's 2022 Annual Members and Associates Luncheon.

Background Information

About 85 attendees were at the CAFII 2022 in-person Annual Members and Associates Luncheon with Mark White, the CEO of FSRA, as the guest speaker on Tuesday, September 13/22. FSRA brought 7 executives to the luncheon, which participants universally said was a very interesting and enjoyable event.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

Agenda Item 4(d)(i)
September 20/22 EOC Meeting



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

Hello Brendan,

You're Invited!

You are cordially invited to attend CAFII's **2022 Annual Members and Associates Luncheon** on Tuesday September 13, 2022 at St. James Cathedral Centre Event Venue in Toronto.



CAFII 2022 Annual Members and Associates Luncheon

This *by-personal-invitation-only* CAFII event will take place at St. James Cathedral Centre Event Venue, 65 Church St. in downtown Toronto (short walk from the King TTC station).

Join us for a benefits-packed 2.5 hours of networking with fellow CAFII Member, Associate, and FSRA staff executive guest representatives; a delicious buffet lunch; and a Fireside Chat presentation by Financial Services Regulatory Authority of Ontario (FSRA) CEO Mark White, moderated by CAFII Co-Executive Director Keith Martin.

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



**Mark White, FSRA
CEO**

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

In this fireside chat, CAFII Co-Executive Director Keith Martin will have a conversation with FSRA CEO Mark White about how FSRA has – for more than three years now – executed on a bold vision for new financial services regulation in Ontario.

The Financial Services Regulatory Authority regulates insurance and all non-securities financial services in Ontario – it has put principles, policies, frameworks, and practices in place to balance its consumer protection mandate with other important objects such as ensuring public confidence and strong, sustainable and innovative financial services.

Their discussion will address the following, including FSRA's foundational precepts and future plans related to:

- how FSRA is making principles-based regulation (PBR) work by using its rule-making authority, guidance framework and discretion;
- driving improved consumer outcomes through supervision and enforcement;
- how FSRA is making consumer views and input a “by design” element of its priorities; and
- how thorough and recurring consultation with industry stakeholders – and their resulting input and support – have been instrumental to FSRA's early success, and will remain critically important.

The presentation will conclude with a Q&A session with audience members.

When: Tuesday, September 13, 2022 from 11:45 am to 2:15 pm

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

CAFII 2022 Annual Members and Associates Luncheon: Event Overview

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

Check in at Registration; Network with CAFII Member and Associate representatives and FSRA staff executives before lunch

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

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

1:10 to 1:15 p.m.: Welcome Remarks and Introduction of VIP Guests and Guest Presenter

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

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

2:15 p.m.: Event concludes

Please register below by 5:00 p.m. on Tuesday, September 6, 2022.

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

[Please Click Here To Register](#)

Briefing Note

**CAFII EOC Meeting 20 September, 2022—Agenda Item 4(d)ii
Networking & Events-- Plans For October 5/22 CAFII Webinar with Lesli Martin, Vice-President, Pollara
Strategic Insights, as Fireside Chat Discussant on “Consumer Preferences and Product Development
Insights Emerging From Recent Research In Financial Services and Relevant Comparator Industries”**

Purpose of this Agenda Item – Update

To update the EOC on the status of CAFII’s upcoming webinar.

Background Information

CAFII is planning for its first Fall 2022 webinar, on October 5, with Lesli Martin of Pollara to be the guest speaker on developments in consumer preferences in financial services.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

Agenda Item 4(d)(ii)
September 20/22 EOC Meeting

Hello ,

You're Invited!

We are pleased to invite you to attend our CAFII Webinar on;

***Consumer Preferences and Product Development Insights
Emerging From Recent Research
In Financial Services and Relevant Comparator Industries***

Wednesday, October 5, 2022
from 1:00 to 2:00 pm EDT
via Zoom Webinar

A CAFII-Moderated Panel Discussion with



Lesli Martin
Senior Vice President, Pollara
(For capsule biography, [click here](#))

***This webinar will feature expert panelist Lesli Martin who will address the following in a
virtual Fireside Chat with moderator Keith Martin:***

Insert copy here.

[Register Here](#)

We look forward to welcoming you to this 2022 CAFII webinar.

Briefing Note

**CAFII EOC Meeting 20 September, 2022—Agenda Item 4(d)iii
Networking & Events-- Topic Proposals For November 2022, December 2022, and January 2023
Webinars**

Purpose of this Agenda Item – Update/Discussion

To update the EOC on ideas for future CAFII webinars.

Background Information

The EOC will be updated on ideas for future webinars, and feedback will be requested.

Recommendation / Direction Sought – Update/Discussion

This is an update, with an opportunity for discussion.

Attachments Included with this Agenda Item

1 attachment.

***Read Only Agenda Item 4(d)(iii)
September 20/22 EOC Meeting***

Topic Proposals For November 2022, December 2022, and January 2023 CAFII Webinars

Brendan: I will talk to you about this—I had some ideas for future webinars which, if you concur, we can socialize with the EOC:

October 5, 2022: Lesli Martin, Pollara, on “Consumer Preferences and Product Development Insights Emerging From Recent Research in Financial Services and Relevant Comparator Industries (confirmed);

November 2022: Conversation with Blair Morrison and Colleagues, BCFSa (proposed);

December 2022: 18 Months Later—an Update on Travel Medical Insurance Issues with our Travel Experts Panel: Sheila Burns, CLHIA; Will McAleer, THIA; Katia Umotoniwase, Chair, CAFII Travel Insurance Experts Committee; and David Moorcroft, Travel Blogger and CAFII Media Consultant

January 2023: A Conversation with FCAC Commissioner Judith Robertson: Observations Six Months After Bill-86 Came Into Force

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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*Making Insurance Simple and Accessible for Canadians
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Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 4(e)i Travel Insurance Experts-- Issues Discussed in and Insights Gained from Recent Meetings of Travel Insurance Experts Committee

Purpose of this Agenda Item – Update

To update the EOC on developments with the Travel Insurance Experts Committee.

Background Information

The EOC will be updated by Chair Katia Umutoniwase on the recent work of the Travel Insurance Experts Committee.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

No attachment.

Briefing Note

**CAFII EOC Meeting 20 September, 2022—Agenda Item 4(e)ii
Travel Insurance Experts-- Insights Gained From CAFII/CLHIA/THIA Bi-Weekly Meetings Re Impact Of
COVID-19 On Travel and the Travel Insurance Industry; and Related Regulatory Issues**

Purpose of this Agenda Item – Update

To update the EOC on the biweekly meetings of CAFII, CLHIA, and THIA on travel and travel insurance issues.

Background Information

The EOC will be updated on insights gained from the meetings held between CAFII, CLHIA, and THIA on travel insurance matters.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

No attachment.

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 5(a)

Recent and Upcoming Strategic and Regulatory Initiatives--Results of CAFII Member Company Canvass on AMF Outreach Re Burden Reduction Initiative Related To Updating of Branch Distribution Lists; and Ensuing September 15/22 CAFII Update Meeting with AMF Staff Executives

Purpose of this Agenda Item – Update

To update the EOC on an AMF regulatory issue.

Background Information

CAFII has previously been told by the AMF that they were planning on providing an automated way to update the list of branches etc. that are used to distribute products, but we have not heard back from the AMF on this. CAFII reached out to the AMF about this and a meeting has been set up for 15 September, 2022 to discuss this and other issues. Following is the note Mario Beaudoin sent in connection to this meeting:

Bonjour Brendan et Keith,

Thank you for your replies. It will be a pleasure to discuss on the 15th of September.

I will introduce you to our new Senior Director Christian Beaulieu who overlooks over my Direction as well as the Directions in charge of the inscription of representative and the one in charge of the qualification.

During our meeting, we will follow up with you about :

- 1. Resiliation notice and information sheet*
- 2. Overview of annuel disclosure results for 2021 and next steps*
- 3. Disclosure of distributors' branches*

Best regards,

Mario

The issue that CAFII asked the AMF about can be summarized as follows:

Mr. Beaudoin said that he understood from CAFII's October 2021 written submission on AMF Opportunities To Reduce Industry Regulatory Burden that the requirement for regulated entities to list all distributors (for example, all branches of a bank offering credit protection insurance or offering credit cards with embedded insurance benefits; or all travel agencies offering a particular travel insurance product) was onerous.

As a result, the AMF was currently engaged in an internal "data base overhaul and related technology upgrade exercise," the net result of which will be that regulated entities will soon be able to add or update an 'all distributors list' via a simple email instruction exchange with an AMF staff member; and the Autorite will then be able to look after the addition or update for the regulated entity.

The AMF will be reaching out to CAFII members and other industry players directly about this; and this burden reduction initiative will be phased in gradually over time, with a group of firms becoming beneficiaries of it in each of several successive phases.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

**Read Only Agenda Item 5(a)
September 20/22 EOC Meeting**

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

Sent: Wednesday, August 24, 2022 9:39 AM

To: CAFII Executive Operations Committee and Market Conduct & Licensing Committee Members

Subject: Canvassing CAFII Member Companies Re Possible Outreach Received From The AMF Around Promised 'Burden Reduction Initiative': Feedback Requested By Wednesday, August 31/22

CAFII Executive Operations Committee and Market Conduct & Licensing Committee Members:

On January 19/22, Keith Martin and I had a virtual update/touchpoint meeting with Mario Beaudoin and Charlene Boucher of the AMF, at their request. (See below, beneath my signature block, for a full Highlights Summary of that meeting.)

In that meeting, Mr. Beaudoin offered/volunteered the following information about a new AMF burden reduction initiative:

AMF Initiative To Reduce Regulatory Burden Upon The Industry: Attempt to Simplify Disclosure of All Distributors:

Mr. Beaudoin said that he understood from CAFII's October 2021 written submission on AMF Opportunities To Reduce Industry Regulatory Burden that the requirement for regulated entities to list all distributors (for example, all branches of a bank offering credit protection insurance or offering credit cards with embedded insurance benefits; or all travel agencies offering a particular travel insurance product) was onerous.

As a result, the AMF was currently engaged in an internal "data base overhaul and related technology upgrade exercise," the net result of which will be that regulated entities will soon be able to add or update an 'all distributors list' via a simple email instruction exchange with an AMF staff member; and the Autorite will then be able to look after the addition or update for the regulated entity.

The AMF will be reaching out to CAFII members and other industry players directly about this; and this burden reduction initiative will be phased in gradually over time, with a group of firms becoming beneficiaries of it in each of several successive phases.

Over the subsequent seven months, CAFII, at an Association level, has not heard back from the AMF with any news about this initiative.

At this time, therefore, CAFII would like to do a quick canvass of all 15 Member companies – to find out if any have been contacted by the AMF with further information and/or a request to participate in the design and/or pilot testing phases of this promised burden reduction initiative.

If the results of this canvass of CAFII Member companies amount to a null set, we will reach out to Mario Beaudoin and Charlene Boucher shortly thereafter, with a request for an update on where this AMF initiative stands, which we will hopefully receive prior to the next EOC meeting on Tuesday, September 20/22.

Therefore, we ask that one representative from each CAFII Member Company complete the following brief canvass/poll; and return it to Keith Martin and me by Wednesday, August 31/22 at 5:00 p.m. EDT

Respondent's Name and Member Company:

Date:

Has Your Company Received Any Contact To Date From The AMF About Its Promised Burden Reduction Initiative Related To Simplifying 'Disclosure of All Distributors' (AMF Internal Database Overhaul Initiative)?

☐ Yes ☐ No

If follow-up CAFII dialogue with the AMF about this burden reduction initiative indicates that the AMF is now looking for firms who would be interested in participating in the design and/or pilot testing phases of this burden reduction initiative, would your company like to volunteer?

☐ Yes ☐ No

Thanks and best regards,

Brendan Wycks, BA, MBA, CAE

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

Brendan.wycks@cafii.com

T: 647.218.8243

Alternate T: 647.361.9465

www.cafii.com

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Highlights Summary of CAFII Meeting with Mario Beaudoin and Charlene Boucher, AMF, on 19 January, 2022

Keith Martin and Brendan Wycks met with Mario Beaudoin and Charlene Boucher on 19 January, 2022 from 3:00 to 4:00 pm EST.

The meeting was extremely cordial and Mr. Beaudoin and Ms. Boucher were open, engaged, and friendly.

Following are the highlights of the meeting:

Action Plans For Bringing Credit Card-Embedded Insurance Benefits Into Compliance With Regulation Respecting Alternative Distribution Methods (RADM): Mario Beaudoin reported that Action Plans had been received from many CAFII members and other industry players in mid-December, and they were generally of a good quality. “We are generally happy with the Action Plans and there are just a few ‘points of vigilance’ that we need to follow-up on with a small number of players. Most of what we’ve received is in line with our expectations,” he said.

Mr. Beaudoin advised that 186 (“just shy of 200”) credit card-embedded insurance benefits had been ‘disclosed’ to the AMF via the Action Plans. In comparison, in the prior industry disclosure to the AMF on insurance products distributed without a representative, 450 such products were disclosed. Mr. Beaudoin said he was impressed by how many credit card-embedded insurance products there are in the marketplace.

Combining of Different Classes/Types of Insurance Benefits Into A Single Product Summary Is Not Acceptable: Ms. Boucher had shared a report with Mr. Beaudoin prior to the meeting with CAFII, which indicated that two industry players had submitted an Action Plan in which they had combined quite different classes/types of embedded insurance benefits into a single Product Summary. That approach is not acceptable to the AMF, Mr. Beaudoin emphasized, because it will not serve consumers well.

Mr. Beaudoin elaborated that including all travel insurance embedded benefits (health; trip cancellation; trip interruption; baggage loss, etc.) was fine, but warranty-type embedded insurance benefits and rental vehicle-related embedded insurance benefits cannot be grouped into the same Product Summary as embedded travel insurance benefits. Warranty-type embedded insurance benefits and rental vehicle-related embedded insurance benefits are distinct classes/types of insurance that must be separated into their own Product Summary, he asserted.

Ms. Boucher advised that she would be following up with the two firms that had made this *faux pas* in their Action Plan submissions; and requiring them to decouple the distinct types of embedded insurance benefits into separate Product Summaries and to resubmit to the AMF in February.

Asking The Customer for Consent to Provide The Product Summary Later Does Not Remove The Requirement To Provide Pre-Sale Disclosure: Mr. Beaudoin said that some of the Action Plans submitted make reference to the firm's intention in certain situations -- for example, in a call centre sale of insurance -- to ask the customer for consent to send him/her/them the Product Summary later, subsequent to that sales call.

Mr. Beaudoin said that while that approach was acceptable under the RADM, it did not remove the disclosure obligation to disclose to the consumer "pre-sale" what is in the offer of insurance. He emphasized that the whole point behind the Product Summary, as a key component of RADM compliance, is that it is intended to provide "pre-contract disclosure"; and once a customer is actually insured, he/she/they should consult the insurance contract or certificate of insurance, rather than the Product Summary.

As such, RADM compliance is not achieved if the key information about the insurance is not provided to the customer until after the offer is accepted. If the customer does not receive the actual Product Summary pre-sale, then they still need to have the insurance described to them in adequate detail before the sale is actually confirmed, including key information such as coverage features, limitations, and exclusions.

Particular Concern In The Case Of Credit Cards Secured 'Over The Internet' and Actively 'Delivering' The Product Summary Versus Just Making It Available:

Mr. Beaudoin said that some companies that permit consumers to apply for and secure a credit card over the internet included in their Action Plans a reference to "making the Product Summary available." However, the RADM compliance requires "delivery" of the Product Summary to the consumer, for the purpose of drawing directly to his/her/their attention key information such as coverage features, limitations, and exclusions.

Mr. Beaudoin elaborated on this point, stating that simply telling/directing the consumer as to where to find the Product Summary is not good enough. What's required is direct and active, not passive, delivery of the Product Summary; and the onus should not be placed on the customer to find it. And even when a sale is completed in person, the Product Summary cannot just be handed over to the customer and left at that, it must be described and explained as well. This is not a legal disclosure; it is a way to help the customer make the right decision, Mr. Beaudoin stressed.

In that connection, Mr. Beaudoin expressed the AMF's concern about some companies' Action Plan-stated intention to merely provide an internet customer with a link/URL to the Product Summary on the insurer's website, opining that "the information posted at internet links often quite rapidly becomes outdated and incorrect."

However, in response to a question from Brendan Wycks, Mr. Beaudoin indicated that the AMF would be open to further discussion/negotiation about the use of internet links to fulfil the Product Summary disclosure obligation, if the link was to a PDF and there was a commitment on the regulated entity's part to constantly monitor the link and the related PDF to ensure that they are always functional and up-to-date.

Action Plans ‘Conditional’ Upon The AMF’s Modification of Fact Sheet and Notice of Rescission By A Certain Date Are A Concern: Mr. Beaudoin said that some of the Action Plans submitted state that the commitments and related dates set out therein are conditional upon the AMF confirming its position on the applicability/wording of the Fact Sheet and Notice of Rescission by a certain date, such as 31 March, 2022.

However, he emphasized that whatever the outcome of the review of the Fact Sheet and Notice of Rescission turns out to be, a company is still expected to meet all of the other commitments in its Action Plan; and he was dismissive of any conditions of this nature being included in an Action Plan.

A 31 December, 2022 Target Date For Full Action Plan Implementation Is Prolonged, But Yet Acceptable To The AMF: Mr. Beaudoin said that the AMF would accept the 31 December, 2022 target date for full implementation that was specified in many Action Plans, but that he was surprised by how long it would take to implement the changes necessary to become compliant with the RADM. CAFII explained that in many member companies, there are often hundreds of projects competing for resources, and that the changes necessary to bring credit card-embedded insurance benefits into compliance with the RADM would not be simple to implement; and they would impact training, communication, processes, and IT. Mr. Beaudoin responded that that was a valid point and he understood the challenges.

Additional/Tangential Points of Discussion

AMF Initiative To Reduce Regulatory Burden Upon The Industry: Attempt to Simplify Disclosure of All Distributors: Mr. Beaudoin said that he understood from CAFII’s October 2021 written submission on *AMF Opportunities To Reduce Industry Regulatory Burden* that the requirement for regulated entities to list all distributors (for example, all branches of a bank offering credit protection insurance or offering credit cards with embedded insurance benefits; or all travel agencies offering a particular travel insurance product) was onerous.

As a result, the AMF was currently engaged in an internal “data base overhaul and related technology upgrade exercise,” the net result of which will be that regulated entities will soon be able to add or update an ‘all distributors list’ via a simple email instruction exchange with an AMF staff member; and the Autorite will then be able to look after the addition or update for the regulated entity.

The AMF will be reaching out to CAFII members and other industry players directly about this; and this burden reduction initiative will be phased in gradually over time, with a group of firms becoming beneficiaries of it in each of several successive phases.

Proposal for Regular Meetings with CAFII: Mr. Beaudoin said that he felt that more regular communication and dialogue meetings between the AMF and CAFII would be mutually beneficial, as they would help to avoid any communication gaps or miscommunications.

In discussion with CAFII's Co-Executive Directors, Mr. Beaudoin and Ms. Boucher concurred with their recommendation that a quarterly frequency for such meetings would be ideal to begin with, at least for the first year or two, after which the frequency could be re-evaluated.

Next Steps: Ms. Boucher will capture all of the above-noted industry-level feedback points on the Action Plans in a draft letter; send that draft letter to Keith Martin and Brendan Wycks by February 4/22 for review and feedback; and, after receiving their feedback, send out a revised/final draft of the letter to all affected industry contacts in early February.

***Read Only Agenda Item 5(a)(2)
September 20/22 EOC Meeting***

From: Beaudoin Mario <Mario.Beaudoin@lautorite.qc.ca>
Sent: September-15-22 5:29 PM
To: Brendan Wycks <brendan.wycks@cafii.com>; Keith Martin <Keith.Martin@cafii.com>
Cc: Boucher Charlene <Charlene.Boucher@lautorite.qc.ca>; Beaulieu Christian
<Christian.Beaulieu@lautorite.qc.ca>
Subject: CAFII - Fact Sheet/Rescission notice

Bonjour,

Here are the changes we proposed for the Fact sheet and the Notice of rescission and discussed in our meeting today. These changes cannot be applied to credit card balance insurance products, which are debtor life, health and employment insurance products.

- Fact sheet
Mention that could be added in the section for the insurer

Credit card and debit card insurance

Although your credit card provides an insurance, you have the option to cancel this insurance. Be aware, however, that there is a possibility that you will not be reimbursed and that this would deprive you of the coverage offered by the insurer.

Note that the distributor does not receive any remuneration for offering this product.

or

Note that the distributor receives a remuneration of (\$X or X% of the insurance premium) for offering this product.

or

Note that the distributor receives a remuneration of less than 30% of the insurance premium for offering this product.

- Notice of rescission
Mention that could be added at the end of the Notice of rescission

Credit card and debit card insurance

Although your credit card provides an insurance, you have the option to cancel this insurance. Be aware, however, that there is a possibility that you will not be reimbursed and that this would deprive you of the coverage offered by the insurer.

As explained in the meeting, we are seeking your feedback on our proposal, while considering the legal limitations we are confronted with. We will not be discussing that point with the industry in the meantime.

We also remain available to complete the presentation of the market data and discuss or clarify the surveillance initiative that will come later with regards to the rates of claim denied.

Best regards,

Mario Beaudoin
Directeur des pratiques de distribution alternatives en assurance
Autorité des marchés financiers
2640, boul. Laurier, 4^e étage
Québec (Québec) G1V 5C1
Téléphone : 418 525-0337, poste 2801
Sans frais : 1 877 525-0337, poste 2801
www.lautorite.qc.ca



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Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 5(b)

Recent and Upcoming Strategic and Regulatory Initiatives-- Outcomes of September 15/22 Meeting of CAFII Working Group On Compliance With AMF's Expectations Re RADM's Applicability To Credit Card-Embedded Insurance Benefits

Purpose of this Agenda Item – Update

To update the EOC on the efforts of CAFII's Working Group on the AMF.

Background Information

The Working Group on *Compliance With AMF's Expectations Re RADM's Applicability To Credit Card-Embedded Insurance Benefits*, Chaired by Jennifer Russell of Assurant, met on 15 September, 2022. This will be an update on that meeting, which had the following agenda:

Agenda, AMF Working Group Meeting, 15 September, 2022

1. Welcome and thanks to everyone (Jennifer Russell)
2. Update on CAFII 15 September, 2022 Meeting with AMF Officials (Senior Director Christaia Beaulieu; Mario Beaudoin; Charlene Boucher) (See Appendix A) (Keith Martin, Brendan Wycks)
3. Update on Implementation of Credit Card-Embedded Insurance Benefits Project (All)
4. Update on AMF Burden Reduction Effort around Reporting (see Appendix B)
5. Strategy around 5-year Drawdown Period for Spousal Insurance Coverage (All)
6. Other Business (All)
7. Close of Meeting (Jennifer Russell)

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 5(c)

Recent and Upcoming Strategic and Regulatory Initiatives-- Feedback From FSRA on CAFII's Submission on "Use of Retained Revenues under Regulation Money Retained Outside the Consolidated Fund' Guidance"

Purpose of this Agenda Item – Update

To update the EOC on a meeting with FSRA.

Background Information

CAFII made a submission to FSRA on the "Use of Retained Revenues under Regulation Money Retained Outside the Consolidated Fund' Guidance" on May 31/22.

Subsequently, in late August, FSRA requested that CAFII meet to discuss FSRA's approach to this matter. CAFII met on 9 September, 2022 with Fern Karsh, Senior Policy and Technical Lead, and Stuart Wilkinson, Director, Policy (Auto/P&C), who has temporarily been seconded to the Consumer Office at FSRA. This is an update on the outcomes of that meeting, at which Ms. Karsh said that CAFII's submission was thoughtful and helpful.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 5(d)

Recent and Upcoming Strategic and Regulatory Initiatives-- Plans for Tuesday, October 11/22 CAFII Board Meeting in Montreal; and Related Liaison Lunch and Industry Issues Dialogue with AMF Staff Executives, Including Proposed Two CAFII Mini-Presentations to AMF Staff Executives As Part of 'Shared Agenda Approach' to Industry Issues Dialogue

Purpose of this Agenda Item – Update/Endorsement

To update the EOC on plans for an upcoming Industry Issues Dialogue with AMF staff executives on 11 October, 2022; and a request for endorsement on the presentations planned for that meeting by CAFII.

Background Information

CAFII has the opportunity to make two presentations to the AMF at the in-person meeting with AMF executives in Montreal on 11 October, 2022. CAFII will make a recommendation on the topics to cover, and ask the EOC for endorsement of the proposed presentations.

Recommendation / Direction Sought – Update/Endorsement

This is an update and a request for endorsement of CAFII's proposed topics for the shared agenda with the AMF for the October 11/22 Industry Issues Dialogue.

Attachments Included with this Agenda Item

2 attachments.



The Canadian Association of
Financial Institutions in Insurance

L'association canadienne des
institutions financières en assurance

Credit Protection Insurance Presentation to the AMF

Making insurance simple and accessible for Canadians
Rendre l'assurance simple et accessible pour les Canadiens



Why Does CAFII Request 12-18 Months
Timeline to Implement New Regulations?

Large Financial Institutions Have a Pipeline of Changes

- Because of the large number of competing priorities in financial institutions, change management requires any new spend to fit into a development pipeline
- This pipeline can be filled for up to two years out
- Any new changes that are fit into the pipeline need to push out an existing and approved change
- These existing and approved changes are associated with managers' goals and could be part of what they are evaluated on



Mortgages



Line of credit
(secured/unsecured)



Credit cards



Loans

IT Resources are Stretched in FIs

- FIs struggle to find adequate IT resources
- Development resources are scarce and need to be prioritized
- This results in challenges in implementing new IT resources quickly
- If a regulatory change needs to be implemented in a short timeline, it can mean that workarounds are required—such as manual processes
- This can be inefficient and can be a less desirable approach for customers



Testing, Testing, Testing

FIs have millions of customers and accounts, and the data and privacy of these relationships must be protected

- Any change needs to be rigorously tested
- Changes are not siloed or stand-alone—they likely touch other systems, so the tests may be comprehensive and complex
- Nothing is isolated and data and privacy must never be compromised, hence any change requires extensive resourcing



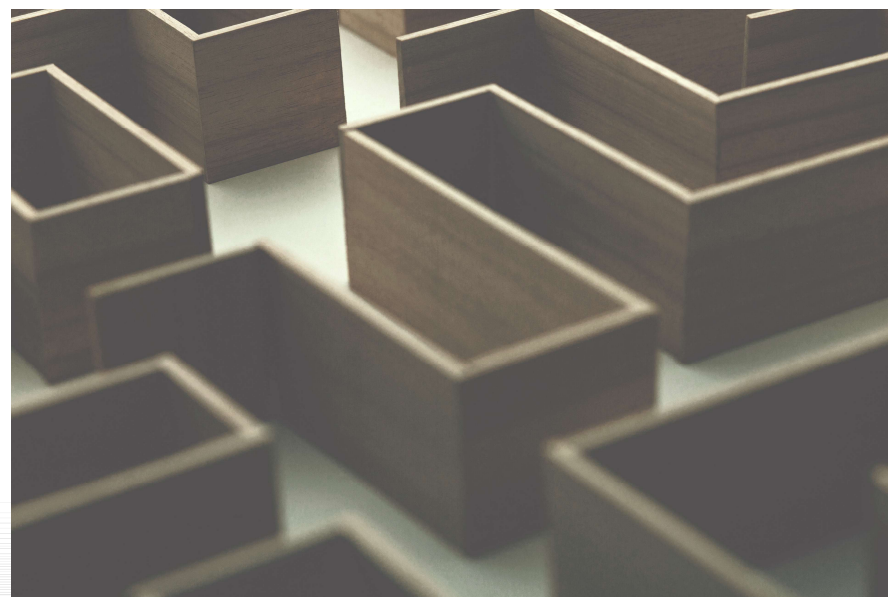
Change Cascades Through Processes

- Any change is not just isolated to the technology element
- Processes may need to be changed
- Training for staff may be required
- Scripts need to be adjusted
- Policies and Procedures (P&P) may need to be updated



All Changes Occur in Both Official Languages, and Across Multiple Channels

- Any change that touches customers needs to be implemented in both French and English
- Customers expect to be able to access multiple channels, which update each other; so a change may need to happen in branches, at call centres, and in digital channels



Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 5(e) Recent and Upcoming Strategic and Regulatory Initiatives-- Plans For October 20/22 CAFII Stakeholder Session With CCIR On Its Draft 2023-25 Strategic Plan

Purpose of this Agenda Item – Update

To update the EOC on an upcoming meeting with the CCIR.

Background Information

The CCIR has reached out to CAFII to let it know that it will be meeting with select industry Associations on a draft of its 2023-25 Strategic Plan, and that CAFII is one of those Associations. CAFII will be asked to meet with the CCIR on the morning of 20 October, 2022 for 45 minutes.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

Agenda Item 5(e)
September 20/22 EOC Meeting

From: Tony Toy <Tony.Toy@fsrao.ca>
Sent: August-09-22 4:08 PM
To: Keith Martin <Keith.Martin@cafii.com>; Brendan Wycks <brendan.wycks@cafii.com>
Cc: Robert Bradley <rabadley@gov.pe.ca>
Subject: CCIR Stakeholder Dialogue 2022

Hi Brendan and Keith,

The Canadian Council of Insurance Regulators (CCIR) is inviting the Canadian Association of Financial Institutions in Insurance (CAFII) to this year's in-person Stakeholder Dialogue. Please hold the morning of October 20.

CCIR's current strategic plan will end on March 31, 2023. As a key stakeholder, CAFII is invited to provide feedback on the initial draft of the 2023-26 Strategic Plan. It is anticipated that CCIR will share a confidential advance copy closer to the meeting date. Additional details to be provided.

If there are any questions, please do not hesitate to contact me directly.

Thank you.

Tony Toy
Policy Manager
Canadian Council of Insurance Regulators
National Regulatory Coordination Branch
Financial Services Regulatory Authority (FSRA)

From: Peter Burston <Peter.Burston@fsrao.ca>
Sent: September-16-22 12:46 PM
To: Brendan Wycks <brendan.wycks@cafii.com>; Keith Martin <Keith.Martin@cafii.com>
Cc: Raseema Alam <Raseema.Alam@fsrao.ca>; Samantha Saunders <Samantha.Saunders@fsrao.ca>; Donna Soloway <Donna.Soloway@fsrao.ca>
Subject: CCIR Stakeholder Dialogue 2022 | Update
Importance: High

Brendan and Keith,

As outlined in the email below, CCIR had expected to be able to hold an in-person Stakeholder Dialogue on October 20th. Due to unforeseen circumstances, CCIR will shifting to a virtual engagement in early November. We currently have some times on hold with CCIR Members on November 4th. Raseema Alam, CCIR Policy Manager, will be in touch to schedule time with CAFII.

Our intent is to share a confidential copy of the draft plan in advance of the meeting. To ensure stakeholders have an appropriate opportunity to provide feedback, CCIR will be inviting stakeholders to provide written comments after the virtual engagement with CCIR.

Recognizing our efforts to coordinate our in-person meeting schedule with CAFII, I want to assure you that CCIR Members will still be attending meetings in Toronto in October according to our previously communicated schedule.

If you have any questions or concerns, please do not hesitate to reach out to me directly.

Thanks,

Peter

Peter Burston

Director, National Regulatory Coordination
Financial Services Regulatory Authority (FSRA)

From: Brendan Wycks

Sent: September-16-22 12:57 PM

To: Peter Burston <Peter.Burston@fsrao.ca>; Keith Martin <Keith.Martin@cafii.com>

Cc: Raseema Alam <Raseema.Alam@fsrao.ca>; Samantha Saunders <Samantha.Saunders@fsrao.ca>; Donna Soloway <Donna.Soloway@fsrao.ca>; 'rob.dobbins@assurant.com' <rob.dobbins@assurant.com>; 'karyn.kasperski@rbc.com' <karyn.kasperski@rbc.com>; Thompson, Peter <Peter.Thompson@bnc.ca>; Goncalves, Cecilia <cecilia.goncalves@bnc.ca>; Jake Becker <jake.becker@cafii.com>; Meighan Pears <events@cafii.com>

Subject: RE: CCIR Stakeholder Dialogue 2022 | Update

Thanks very much for this heads-up message, Peter.

CAFII really appreciates

- the early notification of the change in CCIR's plans re industry consultation on its in-development new 2023-25 Strategic Plan; and
- the reconfirmation that CCIR and CISRO Member representatives will still be meeting in Toronto for Regulators Week during the week of October 17 to 21/22 (with Wednesday, October 19 being the key date for CAFII, as we have scheduled our CAFII 25th Anniversary Celebration to occur on that evening and hope to have many insurance regulators and policy-makers from across Canada be able to accept our invitation to that event).

Have a great weekend and see you next month,

Brendan Wycks, BA, MBA, CAE

Co-Executive Director
Canadian Association of Financial Institutions in Insurance

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 5(f)

**Recent and Upcoming Strategic and Regulatory Initiatives-- Proposal Re CAFII's Return To Insurance
Regulator and Policy-Maker Visit Tours in 2023**

Purpose of this Agenda Item – Endorsement

To update the EOC and seek endorsement of a proposed approach for 2023.

Background Information

Based on the regular schedule for insurance regulator and policy-maker visit tours, CAFII should next be visiting Atlantic province regulators and policy-makers, probably in the spring of 2023. However, it has been three years since CAFII has made any such tour, and given the larger size and greater importance/influence of Western Canada regulators and policy-makers, CAFII management is recommending that we instead defer the Atlantic tour to the fall of 2023, and that the next tour in the spring of 2023 be to the four Western Canada provinces.

Recommendation / Direction Sought – Endorsement

This is an update and a request for endorsement of a proposed CAFII approach for 2023.

Attachments Included with this Agenda Item

1 attachment.

***Read Only Agenda Item 5(f)
September 20/22 EOC Meeting***

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

Sent: July-05-22 11:14 AM

To: Brendan Wycks <brendan.wycks@cafii.com>; Jake Becker <jake.becker@cafii.com>

Subject: Proposal Re CAFII's Return To Insurance Regulator and Policy-Maker Visits Tours In 2023

Hi, Brendan.

We can discuss this before the July 26 EOC meeting, but if you are comfortable and concur with this, I would like to recommend to the EOC that while the next planned Regulatory visits tour in the usual cycle would see us traveling to the four Atlantic Canada provinces, given the time that has passed since our last visit anywhere (Western Canada tour in October 2019), it is actually to the four Western Canada provinces that we should go again first, given how much more important they are in terms of size and activity.

Therefore, I would recommend that we go to the West in the spring of 2023, and to Atlantic Canada in the fall of 2023.

Briefing Note

**CAFII EOC Meeting 20 September, 2022—Agenda Item 6(a)
Governance Matters: Recommendations for Revisions To CAFII Alerts Weekly Digest Based on
June/July EOC Member Input Survey**

Purpose of this Agenda Item – Update/Endorsement

To update the EOC on Recommendations for Revisions to the CAFII Alerts Weekly Digest, and to seek endorsement of the proposal for subsequent approval by the CAFII Board.

Background Information

A proposal will be shared with the EOC, and endorsement will be sought.

Recommendation / Direction Sought – Update/Endorsement

This is an update and a request for endorsement.

Attachments Included with this Agenda Item

1 attachment.

Agenda Item 6(a)
September 20/22 EOC Meeting

Recommendations for Revisions to CAFII Alerts Weekly Digest,
Based On June/July 2022 EOC Member Input Survey
Prepared by Brendan Wycks, Co-Executive Director

Part 1

Editorial Guidelines

- A. Proposed Revised Content Categories For CAFII Alerts Weekly Digest:
- Government/Regulatory Developments (in particular, credit protection insurance and travel insurance as product lines of primary focus; five articles maximum)
 - Other CAFII Member-Relevant News (five articles maximum)
 - Upcoming CAFII Member-Relevant Webinars and Events

If the above-proposed Content Categories are approved as new Editorial Guidelines for the Weekly Digest, the following current Content Categories will no longer be utilized:

- News About CAFII Members and Their Parent Companies (subsumed within “Other CAFII Member-Relevant News”)
- Diversity, Equity, and Inclusion News (subsumed within “Other CAFII Member-Relevant News”)
- Research/Thought Leadership/Technology/Digitization News (subsumed within “Other CAFII Member-Relevant News”)

- B. No Opinion Pieces. Scope to be limited to news reporting articles only.

Part 2

Operational Process Changes/Enhancements

- A. If CAFII’s Co-Executive Directors question whether an article is acceptable for inclusion; engage the Media Advocacy Committee (or an adhoc Committee of 2-3 volunteer EOC members) for a Review/“Sanity Check”. This is a consulting engagement and not a regular/recurring review and approval of the Weekly Digest. The editorial guidelines and more limited scope should largely address any inappropriate articles.

- B. CAFII Alerts Weekly Digest Disclaimer Statement To Be Updated, As Follows:

The CAFII Alerts Weekly Digest is intended to provide a curated compendium of news on insurance, regulatory, and industry/business/societal topics of relevance to CAFII Members – drawn from domestic and international industry trade press and mainstream media – to aid in Members’ awareness of recently published media content in those areas.

- C. Transition/Implementation Date: once changes to overhaul and enhance the Weekly Digest are approved by the EOC (assuming at September 20/22 EOC meeting) and by the CAFII Board (assuming at October 11/22 Board meeting), the changes can be implemented immediately, with the next edition of the Weekly Digest (e.g. based on above assumptions, with the edition of Friday, October 14/22.)

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 6(b) Governance Matters: Proposed Schedule of CAFII 2023 Meetings and Events

Purpose of this Agenda Item – Update/Endorsement

To update the EOC on the proposed CAFII 2023 schedule of meetings and events, and to seek endorsement of the proposal for subsequent approval by the CAFII Board.

Background Information

CAFII is proposing a full return to in-person meetings and events in 2023.

Recommendation / Direction Sought – Update/Endorsement

This is an update and a request for endorsement.

Attachments Included with this Agenda Item

1 attachment.

Agenda Item 6(b)

September 20/22 EOC Meeting

Proposed Schedule of CAFII 2023 Meetings and Events

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

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

Board Meetings:

- **Tuesday, April 4, 2023** (3:00–5:00 p.m. in-person/virtual-hybrid meeting, followed by ensuing Reception)
(Passover: Wednesday, April 5 – Thursday, April 13. Good Friday: Friday, April 7. Easter Monday: Monday, April 10)
HOST: Canadian Tire Bank (at private venue rental in downtown Toronto)
- **Tuesday, June 6, 2023** (2:30–5:00 p.m. in-person/virtual-hybrid meeting, preceded by 2023 Annual Meeting of Members and followed by ensuing Reception).
HOST: Assurant (at private venue rental in downtown 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: Scotiabank Financial; Alternate: RBC Insurance

2023 Annual Members and Associates Luncheon:

- *Tentative Date: Tuesday, May 9, 2023 from 11:45 a.m. EST to 2:15 p.m. EST at a TBD location*

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 20 September, 2022—Agenda Item 6(c)

Governance Matters: Plans for Tuesday, September 20/22 EOC Annual Appreciation Dinner

Purpose of this Agenda Item – Update

To update the EOC on the EOC Annual Appreciation Dinner.

Background Information

CAFII is going to hold an in-person appreciation dinner with EOC members following the 20 September, 2022 EOC meeting.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

No attachments.

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 6(d)

Governance Matters: Plans for In-Person CAFII 25th Anniversary Celebration on October 19/22

Purpose of this Agenda Item – Update

To update the EOC on the plans for the CAFII 25th Anniversary celebration.

Background Information

CAFII is going to hold an in-person 25th Anniversary celebration at the executive offices of BMO (68th Floor, First Canadian Place). This event is being held during “Regulators Week” to allow for as many insurance regulators and policy-makers from across Canada as possible to attend.

Recommendation / Direction Sought – Update

This is an update only.

Attachments Included with this Agenda Item

1 attachment.

***Read Only Agenda Item 6(d)
September 20/22 EOC Meeting***

From: Donna Soloway <Donna.Soloway@fsrao.ca>
Sent: September-07-22 2:18 PM
To: Brendan Wycks <brendan.wycks@cafii.com>
Subject: RE: CAFII 25th Anniversary Celebration

Good Afternoon Brandan,

Hope you are well! 😊

We are still finalizing the agendas for our meetings for the week of October 17th. I just wanted to reach out to see if you have finalized the plans for the 25th Anniversary Celebration? If yes, are you able share any details with me – in confidence of course (e.g. date/location)?

Looking forward to hearing back from you!

Donna Soloway
Executive Assistant/Project Manager
National Regulatory Coordination
Financial Services Regulatory Authority of Ontario
T: 416.590.7123
C: 416.418.1725

From: Brendan Wycks <brendan.wycks@cafii.com>
Sent: Wednesday, September 7, 2022 3:59 PM
To: Donna Soloway <Donna.Soloway@fsrao.ca>
Cc: Keith Martin <Keith.Martin@cafii.com>
Subject: RE: CAFII 25th Anniversary Celebration

Hi, Donna.

Yes, certainly.

Based on the information about the timetable for Regulators Week which you were able to share with us earlier in the summer, we've decided that it's optimal to hold our CAFII 25th Anniversary Celebration as follows:

- Date: Wednesday, October 19/22
- Time: 4:30 p.m. to 7:30 p.m. EDT (with brief formal remarks of 15 to 20 minutes duration taking place in the 5:20 to 5:45 p.m. window)

- Location: Hosted by BMO Insurance in BMO's corporate event space at 68th Floor, First Canadian Place, 100 King St. West, Toronto
- Special Features:
 - Musical entertainment provided by a violin and cello duo from the Royal Conservatory of Music between 5:00 and 7:00 p.m.
 - Small group tours (about 8 people at a time) of BMO's art collection housed on the 68th Floor of FCP, led by the collection's curator, at various times between 4:30 and 5:20; and 5:45 to 7:30 p.m.

We expect to be in a position to start sending out Constant Contact eblast invitations to this event starting next week, both directly using our own contact/distribution lists and by asking for/tapping into assistance from you and your National Regulatory Coordination colleagues at FSRA with respect to CISRO, CCIR, and FSRA representatives.

(As an aside, April Stadnek, Executive Director of the Insurance Councils of Saskatchewan, some time ago scheduled an in-person/hybrid meeting of the Saskatchewan Restricted Insurance Agents Advisory Committee (RIAAC: comprised of CAFII and CLHIA member/industry appointees; plus staff executives from both Associations as guest observers) to take place on Wednesday, October 19/22 from 2:00 to 4:00 p.m., following the conclusion of the CISRO meeting at 1:00 p.m. that afternoon. We, CAFII, have secured a room on the 68th Floor at FCP where that RIAAC meeting can take place from 2:00 to 4:00 p.m.; following which, April, Keith and Brendan from CAFII, and several other CAFII 25th Anniversary invitees will already be where they need to be to attend the Celebration which starts at 4:30 p.m.)

Please let us know asap, Donna, if any of the plans for Regulators Week have changed such that Wednesday, October 19/22 from 4:30 to 7:30 p.m. is no longer optimal.

Based on our current information, that date/time is optimal, in our view, because CISRO invitees will be able to attend our Anniversary Celebration by staying on for a bit in Toronto after their Regulators Week meeting has ended at 1:00 p.m. that afternoon; and CCIR folks who are coming into Toronto for the October 20-21 CCIR meeting will be able to attend our Anniversary Celebration by booking a flight that gets them into Toronto by mid-afternoon on Wednesday, October 19.

Regards,

Brendan Wycks, BA, MBA, CAE

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

Brendan.wycks@cafii.com

T: 647.218.8243

Alternate T: 647.361.9465

www.cafii.com

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 6(e) Governance Matters: Draft Minutes of July 26/22 EOC Meeting

Purpose of this Agenda Item – Approval

To request approval of the 26 July, 2022 EOC meeting minutes.

Background Information

The EOC will be asked to approve the 26 July, 2022 EOC meeting minutes.

Recommendation / Direction Sought – Approval

This is a request for approval.

Attachments Included with this Agenda Item

1 attachment.

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

Tuesday, July 26, 2022, 2:00-3:30pm

MINUTES

EOC Present:

Karyn Kasperski	RBC Insurance and Vice Chair
Donald Hinnecke	RBC Insurance and Treasurer
Martin Boyle	BMO Insurance
Asma Desai	Canadian Premier Life Insurance Company
John Burns	Canadian Premier Life Insurance Company
David Self	CIBC Insurance
Cassandra Litniansky	CUMIS/The Co-operators
Michelle Costello	CUMIS/The Co-operators
Robert Huang	CUMIS/The Co-operators
Isabelle Choquette	Desjardins Insurance
Carmelina Manno	Manulife Financial
Janet Pacini-Thibodeau	Manulife Financial
Katia Umutoniwase	Manulife Financial
Charles MacLean	RBC Insurance
Fernando Heleno	RBC Insurance
Brad Kuiper	ScotiaLife Financial
Tal Zisu	ScotiaLife Financial
Emily Brown	Sun Life
Andrea Stuska	TD Insurance
Fay Coleman	TD Insurance
Fergal Murphy	TD Insurance
Moir Gill	TD Insurance
Peter Thorn	TD Insurance
Dallas Ewen	The Canada Life Assurance Company
Iman Muntazir	The Canada Life Assurance Company

Regrets:

Rob Dobbins	Assurant and EOC Chair
Corrine Gagné	Canadian Tire Bank
Farhad Eslah	Canadian Tire Bank
Jonine McGregor	Canadian Tire Bank
Ben Gray	CIBC Insurance
Esther Lee	CIBC Insurance
Almas Satwat	CUMIS/The Co-operators
Diane Quigley	CUMIS/The Co-operators
Nathalie Baron	Desjardins Insurance
Caroline Cardinal	National Bank Insurance
Ivan Murray	National Bank Insurance
Marie Nadeau	National Bank Insurance
Stacey Hughes-Brooks	RBC Insurance
Aanchal Gulia	Sun Life
Anaar Jessa	Sun Life

Edward Kuo	Sun Life
Susanne Oleksandriw	Sun Life
Jacqlyn Marcus	Valeyo
Marco DeiCont	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

As EOC Chair Rob Dobbins was unable to attend this meeting, EOC Vice Chair Karyn Kasperski chaired the meeting and called the meeting to order.

Item 1 (b): Welcome to New EOC Member: Tal Zisu, ScotiaLife Financial

EOC Vice Chair Karyn Kasperski welcomed new EOC member Tal Zisu, ScotiaLife Financial, who then took a few moments to introduce himself to the EOC.

Item 2: Consent Items

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

- Consultations/Submissions Timetable
- Regulator and Policy-Maker Visit Plan Recap
- Summary of Board and EOC Action Items
- Board-Approved Schedule of CAFII 2022 Meetings and Events

Item 3: Financial Management Matters

Item 3 (a): CAFII Financial Statements as at June 30/22

Treasurer Donald Hinnecke outlined the highlights of the CAFII financial statements as at June 30, 2022, noting that revenues were a bit lower than expected as two Associates had not yet paid their 2022 dues, with one (Dog & Pony Studios) not expected to renew.

Item 3 (b): Forecast For CAFII 2022 Fiscal Year as at June 30/22

Treasurer Donald Hinnecke reported that the forecast for the end of the 2022 fiscal year had recently been modified, as there were some budgeted expenses which no longer expects to incur, including for travel, some events, and for legal fees. The anticipated level of financial reserves as a percentage of annual operating expenses, as at the end of 2022, was expected to be 65%, which is very healthy and above the guideline of 25 to 50% followed by the Association.

Item 3 (c): Issuance of CAFII Member 2022 Second Instalment Dues Invoices; and CAFII Associate 2022 Dues Payments as at July 22/22

Brendan Wycks reported that CAFII had now issued the 2022 second instalment dues invoices to Member companies.

Item 3 (d): Recommendation from CAFII Management, Supported by Treasurer, That CAFII Member Dues Be Consolidated Into One Invoice/Payment Starting in 2023

K. Martin tabled a recommendation from CAFII management, and supported by Treasurer D. Hinnecke, for the consideration of EOC members, that CAFII members not be invoiced twice per year, but rather just once. The EOC will be asked at its September 20, 2022 meeting to endorse this recommendation, which would then be brought to the October 11/22 Board meeting for approval. The reason for this recommendation is to avoid the administrative burden, both for CAFII members and for staff/management, of following up twice to get the invoices settled.

[Action Item: Bring recommendation re consolidating into one annual invoice/payment back to EOC at September 20/22 meeting, for final consideration and proposed endorsement; K. Martin, B. Wycks, September 16/22.]

Item 4: Committee Updates

Item 4 (a): Marketing Conduct & Licensing

i. OSFI Consultation On Updated Guideline B-10: Third Party Risk Management (Submission Deadline: July 27/22)

It was noted that Market Conduct & Licensing Committee had carefully reviewed OSFI's proposed updated Guideline B-10, which significantly increased the amount of reporting required for regulated entities in relation to third party risk. CAFII's Co-Executive Directors met with three OSFI staff executives on 13 July, 2022 to get clarification on certain issues related to the updated Guideline, and compared notes with the CLHIA on 30 June, 2022. While the Committee had many concerns with the proposed Guideline, it was also felt that the document was directed more at the corporate level as opposed to having specific credit protection insurance relevance; and, as such, it was viewed as out-of-scope for CAFII. However, CAFII will keep a monitoring brief on this file and will continue to consult on it with the CBA and the CLHIA. CAFII has also subsequently learned that the deadline for a submission on this Guideline has been extended to 30 September, 2022.

ii. FCNB's July 4/22 Communication of June 23/22 Adoption (Final Versions) of Rule INS-001: Insurance Intermediaries Licensing and Obligations (Pending Ministerial Approval); and Rule INS-002: Insurance Fees (Pending Ministerial Approval)

B. Wycks reported that while there were some elements of these two FCNB rules that were modified due to CAFII's (and other Associations') submissions, the final versions of these rules were largely unchanged from the version that was distributed to industry in late 2021 for consultation input.

iii. BC Ministry of Finance Consultation on "Proposed Introduction of A Restricted Licensing Regime for The Sale of Some Insurance in BC" (Submission Deadline: October 3/22)

B. Wycks reported that on June 28/22, CAFII received the BC Ministry of Finance's proposal around developing a new Restricted Insurance Agent (RIA) licensing regime in British Columbia, and will be making a response submission by the deadline of October 3/22.

Item 4 (b): Media Advocacy

i. Results of CAFII Media Release on Appointment of Peter D. Thompson as Board Chair

K. Martin reported that several industry trade press stories had been published on the appointment of Peter D. Thompson as CAFII's new Board Chair, as a results of the Association's related media release.

ii. Results of CAFII Media Release on Highlights of CAFII-Commissioned Research with Deloitte Canada on "Best Practices in the Digitization of CPI"

K. Martin reported that while there were not a lot of industry trade press stories had resulted from CAFII's media release on the Deloitte research results, our media tracking service found that there were extensive media reviews of the story, which is positive and indicates significant media interest in the research results.

iii. Operatic Agency Completion of CAFII Website Video on Consumer Protections Embedded In CPI In Canada

K. Martin reported that the CAFII website video on the consumer protections embedded in credit protection insurance products was now complete and would be posted on the CAFII website shortly.

Item 4 (c): Research & Education

i. Execution of EOC-Approved CAFII 2022 Tracking Study Research on Consumers' Satisfaction with CPI, with Pollara Strategic Insights

A. Stuska reported that CAFII's Research & Education Committee had held several meetings with Pollara Strategic Insights on the development of a questionnaire for a repeat of CAFII's research tracking study on consumers' satisfaction with credit protection insurance.

Item 4 (d): Networking & Events

i. Plans for September 13/22 In-Person CAFII Annual Members and Associates Luncheon with Mark White, CEO, FSRA, as Guest Speaker

B. Wycks provided an update on plans for an in-person 2022 Annual Members and Associates Luncheon at St. James Cathedral Centre Event Venue in Toronto, with Mark White, CEO of FSRA, being the guest presenter in a fireside chat discussion with K. Martin.

Item 4 (e): Travel Insurance Experts

i. Issues Discussed in and Insights Gained from Recent Meetings of Travel Insurance Experts Committee

K. Umutoniwase reported that the number of travel insurance issues was decreasing in relation to COVID-19; and, as a result, the Committee has been less active over the past few months.

ii. Insights Gained From CAFII/CLHIA/THIA Bi-Weekly Meetings Re Impact Of COVID-19 On Travel and the Travel Insurance Industry; and Related Regulatory Issues

B. Wycks reported that a new issue being tracked in the biweekly meetings of CAFII, CLHIA, and THIA was around the federal government indicating that it may allow visitors to Canada on super-visas to purchase insurance from non-Canadian carriers.

Item 5: Recent and Upcoming Strategic and Regulatory Initiatives

Item 5 (a): CLHIA/ACCAP Confirmation of Plans to Continue to Refrain from Involvement in Issue Around AMF's Expectations Re RADM's Applicability To Credit Card-Embedded Insurance Benefits

K. Martin reported that CAFII had been able to confirm with the CLHIA that they have decided not to engage directly with the AMF on the RADM and credit card-embedded insurance benefits file, and to let CAFII continue to take the lead on this issue.

Item 5 (b): Proposal Re CAFII's Return To Insurance Regulator and Policy-Maker Visit Tours in 2023

On behalf of CAFII management, K. Martin recommended to the EOC that while the next in-person regulator and policy-maker visit tour would normally be to the Atlantic provinces, given that it will have been more than three years since the last such CAFII tour and since the Western Canada province insurance regulator and policy-makers are larger and more significant/influential than their Atlantic Canada counterparts, that the next CAFI tour in the spring of 2023 should be to Western Canada. This will be raised at the next EOC meeting, and if the EOC endorses this recommendation it will be proposed to the CAFII Board at its October 11/22 meeting.

[Action Item: Bring recommendation re the sequencing of a CAFII return to regional Regulator and Policy-Maker Visits Tours in 2023 back to EOC at September 20/22 meeting, for final consideration and proposed endorsement; K. Martin, B. Wycks, September 16/22.]

Item 6: Governance Matters

Item 6 (a): Update Re EOC Member Survey on CAFII Alerts Weekly Digest And Use/Implementation of Results

K. Kasperski reported that EOC member survey results on the CAFII Alerts Weekly Digest had been received and that these would be shared with the EOC in the near future, along with a proposed plan of action.

[Action Item: Bring forward Recommendations for Revisions to CAFII Alerts Weekly Digest based on June/July EOC Member Input Survey to September 20/22 EOC Meeting, for consideration and proposed endorsement; K. Kasperski, R. Dobbins, September 16/22.]

Item 6 (b): Plans for Tuesday, September 20/22 In-Person/Hybrid EOC Meeting; and Immediately Ensuing EOC Annual Appreciation Dinner

B. Wycks reported on plans for a 20 September, 2022 in-person EOC meeting (with a virtual component for those who choose to attend that way), followed by a 2022 EOC Annual Appreciation Dinner to be held at HotHouse At The St. Lawrence Restaurant in Toronto.

Item 6 (c): Plans for Tuesday, October 11/22 CAFII Board Meeting in Montreal; and Related Liaison Lunch and Industry Issues Dialogue with AMF Staff Executives

B. Wycks reported that plans were now firmed up for a 11 October, 2022 liaison lunch and industry issues dialogue with AMF staff executives in Montreal, at the offices of Desjardins. A productive meeting had been held with Eric Jacob, Superintendent of Client Services and Distribution Oversight at the AMF, and his colleague Louise Gauthier, and both were very supportive of the plans for the meeting.

Item 6 (d): Plans for In-Person CAFII 25th Anniversary Celebration in Toronto in October 2022

B. Wycks provided an overview of plans for a CAFII 25th Anniversary Celebration, which was now expected to be held on Wednesday, 19 October, 2022 because CCIR and CISRO have “Regulators Week” meetings in Toronto that coincide with that date, providing an opportunity for good insurance regulator and policy-maker participation in CAFII’s anniversary event. The Anniversary Celebration will be held at the 68th Floor, First Canadian Place, Toronto corporate event space of Bank of Montreal.

Item 6 (e): Draft Minutes of June 28/22 EOC Meeting

The draft minutes of the 28 June, 2022 EOC meeting were approved as circulated.

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 7(a)

Read Only Items: CAFII Decision Not To Make A Response Submission on OSFI Consultation's On Updated Guideline B-10: Third Party Risk Management

Purpose of this Agenda Item – Read Only

To provide information to the EOC on a regulatory consultation.

Background Information

CAFII management has recommended that CAFII not make a submission on OSFI's consultation on an updated Guideline B-10. While there certainly are concerns around some of the elements of the updated B-10, none of these are limited to or specifically about credit protection insurance. CAFII has met with representatives from CBA and CLHIA on this draft guideline, and all the points that CAFII would make will be made by these two Associations. As the guideline is at a corporate level, it was felt more appropriate for CAFII to have a watching brief on this file but not make a formal response submission.

CAFII made a formal recommendation through email to all Market Conduct & Licensing Committee and EOC members in mid-August, 2022 along the lines explained above, and only supportive responses were received.

Recommendation / Direction Sought – Read Only

This is a read only item.

Attachments Included with this Agenda Item

1 attachment.

***Read Only Agenda Item 7(a)
September 20/22 EOC Meeting***

From: Brendan Wycks

Sent: August-22-22 11:55 AM

To: CAFII Executive Operations Committee and Market Conduct & Licensing Committee Members:

Cc: Keith Martin <Keith.Martin@cafii.com>; Jake Becker <jake.becker@cafii.com>; 'sharon.apt@td.com' <sharon.apt@td.com>; 'Suzie Blanchard' <Suzanne_blanchard@manulife.ca>

Subject: Recommendation From CAFII Management That CAFII Not Make A Written Submission To OSFI On Revised Guideline B-10: Third-Party Risk Management; Feedback Requested By Wednesday, September 7/22 At 12 Noon

CAFII Executive Operations Committee and Market Conduct & Licensing Committee Members:

With respect to OSFI's current consultation on its *Revised Guideline B-10: Third Party Risk Management*, based on insights (summarized in attached PDF) gained from

- two meetings of the Market Conduct & Licensing Committee on this consultation opportunity over the summer (June 27/22 and July 18/22);
- a June 30/22 meeting with the Canadian Life and Health Insurance Association's Devika Prashad, Vice-President and Chief Actuary, and Sarah Hobbs, Director, Policy, the two CLHIA staff executives responsible for its submission on this OSFI consultation;
- a July 13/22 meeting with three OSFI staff executives responsible for this consultation; and
- an August 8/22 meeting (see email exchange below) with Marina Mandal, the Canadian Bankers Association's Vice-President, Engagement and Integration, who is responsible for CBA's submission on this OSFI consultation,

Keith Martin and I recommend that CAFII should not make a written submission to OSFI on its current B-10 consultation; and instead our Association should defer to CBA and CLHIA and support those Associations' written submissions.

The rationale for this recommendation is this:

- typically, CAFII -- which is focused exclusively on credit protection insurance, travel insurance, and direct-to-consumer distribution channels -- emphasizes issues specific to those areas alone in its response submissions to regulatory consultations; and there does not appear to be anything unique about those areas with respect to OSFI's *Revised Guideline B-10: Third-Party Risk Management*, such that a CAFII written submission would provide feedback that would not be addressed by the Canadian Bankers Association (CBA) and/or the Canadian Life and Health Insurance Association (CLHIA) in their respective submissions to OSFI; and

- there is also a risk of expanding the scope of CAFII's submission to address issues that might be considered 'bank-wide' issues, including the potential for taking a different approach than the CBA might take.

Therefore, we ask that you consider this recommendation from the two Co-Executive Directors, as CAFII management; socialize it, as necessary, within your member company; and respond to us by Wednesday, September 7/22 at 12 Noon EDT with an indication as to whether your Member company supports this recommendation or, alternatively, would prefer to see CAFII make its own submission in response to this OSFI consultation. (We would appreciate one consolidated response per Member company.)

(In mid-July, OSFI extended the deadline for submissions in response to its Revised Guideline B-10 consultation document, from July 27/22 to September 30/22.)

Thanks and best regards,

Brendan Wycks, BA, MBA, CAE

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

Brendan.wycks@cafii.com

T: 647.218.8243

Alternate T: 647.361.9465

www.cafii.com

Approval/Affirmative Responses Received From:

Assurant Canada

CIBC Insurance

ScotiaLife Financial

Valeyo

From: "Mandal, Marina" <MMandal@cba.ca>

Date: August 8, 2022 at 3:06:12 PM EDT

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

Cc: "Barnes, Alana" <ABarnes@cba.ca>, Keith Martin <keith.martin@cafii.com>

Subject: RE: CAFII Summary Document On OSFI's Consultation On Its Third-Party Risk Management Expectations As Set Out In Its Revised Guideline B-10

Hi Brendan,

Thanks to both you and Keith for your time this morning and for sending the CAFII summary document.

Please feel free to reach out as well with any questions.

Hope you both enjoy the rest of the summer,
Marina



Marina Mandal
VP, Engagement & Integration
416.888.8654
(She/Her)

From: Brendan Wycks
Sent: August-08-22 1:51 PM
To: Mandal, Marina <MMandal@cba.ca>
Cc: Barnes, Alana <ABarnes@cba.ca>; Keith Martin <Keith.Martin@cafii.com>
Subject: CAFII Summary Document On OSFI's Consultation On Its Third-Party Risk Management Expectations As Set Out In Its Revised Guideline B-10

Hi, Marina.

Thank you for meeting with Keith Martin and me this morning and sharing with us the high points of CBA's well-advanced/near final draft submission to OSFI on its Revised Draft Guideline B-10: Third Party Risk Management.

It was a pleasure to meet you virtually and to exchange information on our respective Associations' views on this matter.

As promised, attached is a CAFII summary document which captures the highlights of our members' concerns about Revised Draft Guideline B-10, including the essence of a virtual meeting which Keith and I had on July 13 with three OSFI staff executives to raise those concerns, ask some questions, and get some clarifications.

Based on our discussion with you this morning, Keith and I feel very assured that CBA's well-advanced/near final draft submission largely reflects the content and tenor of what would be included in a CAFII written feedback submission.

Therefore, we will now reiterate our previously communicated recommendation to our CAFII Executive Operations Committee (EOC) that our Association should **not** make a written submission to OSFI on its current B-10 consultation; and instead CAFII should defer to CBA and CLHIA and support those Associations' written submissions.

That said, you might find some content in the attached CAFII document which may help to strengthen/augment/buttreass your CBA written submission.

Don't hesitate to reach out to us if there is anything therein that you need clarification on or would like to engage further with us about.

Best regards,

Brendan Wycks, BA, MBA, CAE

Co-Executive Director

Canadian Association of Financial Institutions in Insurance

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Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 7(b)

Read Only Items: Recent Change at RSM Canada Re Staff Executive Leadership Involvement in CAFII's Quarterly Benchmarking Study

Purpose of this Agenda Item – Read Only

To provide information to the EOC on a change at RSM Canada.

Background Information

CAFII management met with RSM Canada executive Fabricio Naranjo (Partner); Matthew Haymes; and Jamie Wong on 6 September, 2022. Mr. Naranjo informed us that our lead on the RSM Canada account, including in relation to the quarterly benchmarking study that RSM Canada produces for CAFII, Matthew Haymes, had been reassigned and was now living in the Cayman Islands. He was still on the same team, but due to data integrity issues and the importance of not allowing quarterly benchmarking data to be on servers outside of Canada, Mr. Haymes would no longer be actively involved in the CAFII account. Jamie Wong would now serve as the CAFII lead on this file.

Recommendation / Direction Sought – Read Only

This is a read only item.

Attachments Included with this Agenda Item

No attachments—briefing note only.

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 7(c)

**Read Only Items: CAFII Participation in September 19/22 Alberta Insurance Council Stakeholder
Feedback Interview With Independent Agency Berlin Communications**

Purpose of this Agenda Item – Read Only

To provide information on a recent discussion regarding the Alberta Insurance Council.

Background Information

CAFII management has been invited to speak to an independent research firm, Berlin Communications, which is collecting confidential and anonymous information from key stakeholders on perceptions of the Alberta Insurance Council. CAFII will be meeting with Berlin Communications on 19 September, 2022 to provide our Association's feedback, some of which was gathered through an email request to EOC and Market Conduct & Licensing members to provide input on their experiences with the Alberta Insurance Council.

Recommendation / Direction Sought – Read Only

This is a read only item.

Attachments Included with this Agenda Item

1 attachment.

***Read Only Agenda Item 7(c)
September 20/22 EOC Meeting***

From: Brendan Wycks

Sent: September-15-22 10:35 AM

To: CAFII EOC and Market Conduct & Licensing Committee Members and Member Company Licensing Experts

Cc: Keith Martin <Keith.Martin@cafii.com>; Jake Becker <jake.becker@cafii.com>

Subject: Request For CAFII Member Representative Informal Feedback/Perceptions Re Alberta Insurance Council (AIC): Input Requested By Monday, September 19/22 At 12 Noon EDT

CAFII EOC and Market Conduct & Licensing Committee Members and Member Company Licensing Experts:

See below, beneath my signature block, for the context for this outreach request from Keith Martin and me for informal feedback/input/perceptions re the Alberta Insurance Council (AIC).

We appreciate that the AIC's senior management (Joanne Abram, CEO; and Brent Rathgeber, Chief Operating Officer & General Counsel) have designated CAFII as a key industry stakeholder, so we have accepted the invitation to have a confidential half-hour feedback discussion with Alberta-based Berlin Communications, an independent "integrated communications agency firmly embedded in Alberta's government, media and public policy landscapes."

That discussion will take place on Monday, September 19/22 from 1:00 to 1:30 p.m. EDT.

Therefore, we ask that if your Member company has any perceptions, perspectives, etc. about the AIC which you would like to share with us for inclusion in CAFII's confidential/anonymous input to Berlin Communications, **please send us that input via email by Monday, September 19/22 at 12 Noon EDT.**

Thanks, in advance, for any AIC-related feedback/input/perceptions you may wish to share,

Brendan Wycks, BA, MBA, CAE

Co-Executive Director

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From: Kelly Wegert <kwegert@abcouncil.ab.ca>
Sent: September-06-22 4:48 PM
To: Brendan Wycks <brendan.wycks@cafii.com>
Cc: Heather Roy <hroy@brln.ca>
Subject: Berlin Communications Introduction to Stakeholders

On Behalf of Brent Rathgeber

Dear Brendan Wycks

I am reaching out to see if you could help out our organization. We are in the process of gathering consumer research to understand how the general public perceives the AIC and insurance regulation as a whole. We have identified **Canadian Association of Financial Institutions in Insurance (CAFII)** as an important stakeholder in this matter and we would love to set up a 30-minute interview with you to ask your opinion and point of view on the matter. Your response will be kept strictly confidential. It is purely for our own research and insight.

I have cc'ed Heather Roy from Berlin Communications, who will be helping AIC coordinate this interview. Please let us know if this is something that you, or a team member, would be interested in participating in.

Sincerely,



Brent Rathgeber QC
Chief Operating Officer &
General Counsel
Alberta Insurance Council
2700 Manulife Place
10180 101st Street
Edmonton AB T5J 3S4
Direct: 780 784 2455
www.abcouncil.ab.ca

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 7(d)

Read Only Items: Confirmation of Date Change of November 2022 EOC Meeting to Thursday, November 24/22 to Avoid Conflict with AMF 2022 Rendez-Vous Mini-Conference on Tuesday, November 22/22

Purpose of this Agenda Item – Read Only

To provide information on a recent date change for the November 2022 EOC meeting.

Background Information

CAFII management will be attending a Tuesday, 22 November, 2022 AMF Rendez-Vous session in Montreal, and as such there will be a conflict with the EOC meeting originally scheduled for that day. To resolve this conflict, the EOC meeting has been changed to Thursday, 24 November, 2022.

Recommendation / Direction Sought – Read Only

This is a read only item.

Attachments Included with this Agenda Item

No attachments—briefing note only.

Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 7(e)

Read Only Items: AMF 2022 Rendez-Vous Mini-Conference in Montreal on Tuesday, November 22/22

Purpose of this Agenda Item – Read Only

To provide information about the 2022 AMF annual Rendez-Vous mini-conference in Montreal.

Background Information

CAFII management will be attending a Tuesday, 22 November, 2022 AMF Rendez-Vous mini-conference in Montreal.

Recommendation / Direction Sought – Read Only

This is a read only item.

Attachments Included with this Agenda Item

1 attachment.

*Read Only Agenda Item 7(e)
September 20/22 EOC Meeting*



La prochaine édition du Rendez-vous avec l'Autorité, la rencontre annuelle des professionnels de l'industrie des produits et services financiers, aura lieu le mardi 22 novembre 2022.

Réservez dès maintenant cette date à votre agenda!

Des détails suivront à propos de la programmation et de l'inscription.

Nous vous souhaitons un bel été!

[View in your browser](#)



The next edition of the Rendez-vous avec l'AMF, the annual meeting of professionals in the financial products and services industry, will take place on Tuesday, November 22, 2022.

Save this date now in your diary!

Details will follow about programming and registration.

We wish you a great summer!



Briefing Note

CAFII EOC Meeting 20 September, 2022—Agenda Item 7(f)
Read Only Items: THIA Innovation Summit on October 19/22

Purpose of this Agenda Item – Read Only

To provide information about THIA's 2022 Innovation Summit session.

Background Information

CAFII management will be attending the 2022 THIA Innovation Summit on 19 October, 2022, which is in being held at Cookhouse Labs in west-central Toronto and is a sold out event. Because this is on the same day as a Saskatchewan Restricted Insurance Agent Advisory Committee (RIACC) in-person meeting in Toronto, as well as the same day as CAFII's 25th Anniversary Celebration, CAFII participants may need to leave a bit before the THIA Innovation Summit formally concludes.

Recommendation / Direction Sought – Read Only

This is a read only item.

Attachments Included with this Agenda Item

1 attachment.

**Read Only Agenda Item 7(f)
September 20/22 EOC Meeting**

From: Travel Health Insurance Association <info@thiaonline.com>

Sent: September-09-22 2:10 PM

Subject: THIA Innovation Summit - SOLD OUT



THIA's Innovation Summit taking place this October 19th at Cookhouse Labs in Toronto is sold out! We look forward to seeing all of our attendees next month and to an exciting day of insights, futurecasting and innovation. If you were looking forward to attending but had not yet purchased your ticket, we will maintain a short waitlist in the event of last-minute cancellations. To join the waitlist, please email Jo-Anne at info@thiaonline.com.

To inquire about sponsoring the sold-out THIA Innovation Summit, please contact Ryan Lee at ryan.lee@globalexcel.com or 647-317-5730 ext. 3268. Summit sponsorship is an opportunity to get your brand and message in front of some of the travel health insurance industry's most engaged members. THIA sponsors are recognized for their commitment across the travel insurance industry and, at THIA's Innovation Summit, you can align your brand with the next wave of industry developments and leadership.