

January 4, 2019

Mr. Mark White, CEO; and
Mr. Bryan Davies, Board Chair
Financial Services Regulatory Authority of Ontario
130 Adelaide St. West, Suite 800
Toronto, ON M5H 3P5

RE: *Proposed FSRA Rule 2019 – 001B Fees And Assessments (Interim)*

Dear Sirs:

The Canadian Association of Financial Institutions in Insurance (CAFII) thanks the Financial Services Regulatory Authority (FSRA) of Ontario for the opportunity to provide comments on *Proposed FSRA Rule 2019 – 001B Fees And Assessments (Interim)*.

In this response submission, we have restricted our comments and observations to those sections of *Proposed FSRA Rule 2019 -- 001B Fees And Assessments (Interim)* which are germane to CAFII members, i.e. to *Appendix X, Part 2.2: Insurance Sector*; and those sections that are of general application to all regulated sectors.

CAFII acknowledges that the principal benefit of the Interim Fee Rule is that it ensures that -- in the event that FSRA proposes material changes to proposed *FSRA Rule 2019 – 001 Assessments And Fees*, such that it cannot be implemented by the date on which FSRA will assume its regulatory mandate contemplated by the FSRA Act -- FSRA will still be financially able to commence its mandate without reliance upon additional government funding.

CAFII is also comfortable with the table of Insurance Sector fees set out in *Appendix X, Part 2.2*, particularly since the amounts specified are “status quo” fees which have not been changed from the current fees charged by FSCO.

Our Association therefore supports the Interim Fee Rule and its intended purpose.

CAFII commends FSRA for having developed *Proposed Fee Rule 2019 – 001B: Fees and Assessments (Interim)* as a failsafe and contingency mechanism; and for holding a public consultation on it, in parallel with the consultation on *Proposed Rule 2019 – 001: Assessments and Fees*.

Conclusion

Thank you again for the opportunity to provide input and feedback on *Proposed FSRA Rule 2019 – 001B Fees And Assessments (Interim)*. Should you require further information from CAFII or wish to meet with representatives from our Association at any time, please contact Brendan Wycks, CAFII Co-Executive Director, at brendan.wycks@cafii.com or 647-218-8243.

Sincerely,



Martin Boyle
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 travel, life, health, property and casualty, and creditor's group insurance across Canada. In particular, creditor's group 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 that helps ensure Canadian consumers get the insurance products that suit their needs. Our aim is to ensure appropriate standards are in place for the distribution and marketing of all insurance products and services.

CAFII is currently the only Canadian Association with members involved in all major lines of personal insurance. Our members are the insurance arms of Canada's major financial institutions – BMO Insurance; CIBC Insurance; Desjardins Financial Security; RBC Insurance; ScotiaLife Financial; and TD Insurance – along with major industry players American Express, Assurant, Canadian Premier Life Insurance Company, CUMIS Services Incorporated, Manulife (The Manufacturers Life Insurance Company), and The Canada Life Assurance Company.