

---

December 19, 2018

**Re: Consultation on draft fee and interim fee rules**

The Canadian Association of Independent Life Brokerage Agencies (“CAILBA”) wishes to thank FSRA for the opportunity to comment on the draft fee rules and interim rules. CAILBA is a voluntary trade association that acts as the single voice for Managing General Agents (MGAs) across Canada. Working closely with our insurance carrier counterparts, we help our members to stay abreast of change and to effectively implement compliance and regulatory updates that support fair treatment of consumers. We foster best practices across Canada in order to better the insurance industry and build unity in the MGA community nationally.

We wish to reiterate our comments, which we provided at a meeting on the topic on September 7, 2018. This meeting was attended by FSRA representatives as well as representatives of IFB, Advocis and CAILBA.

1. We support the proposed fee rule within the \$90m to \$115m range, including a fixed fee for Life Agents and a variable fee for the Life Conduct Fee Assessment.
2. We agree with the breakdown of the sectors with Insurance – Life Conduct including Life Agents, representing 8% of the budget cost estimate.
3. We agree with the allocation method in the Life Conduct subsector.
4. We believe that AMPs should be re-directed from the Consolidate Reserve Fund through FSRA to advisor and intermediary associations to support education programs for Life Agents in Ontario.
5. On the fixed rate model for advisors, we believe a regular review cycle would allow for a comparison of projected vs. actual funding/expenditures.

Regards,



Earleen Moulton  
CAILBA Board  
Regulatory Compliance