



October 23, 2020

Mr. Mark White
Chief Executive Officer
Financial Services Regulatory Authority of Ontario (FSRA)
5160 Yonge St, 16th floor
Toronto, ON M2N 6L9

Dear Mr. White,

Re: FSRA Service Standards

On behalf of the life and health insurance industry, I would like to thank you for the opportunity to comment on FSRA's Service Standards. We support them and believe that they demonstrate FSRA's commitment to accountability and transparency. Please find below our feedback pertaining to the development of additional standards for your consideration.

The CLHIA is a voluntary association whose member companies account for 99 per cent the life and health insurance business in Canada. These insurers are significant contributors to Ontario and its economy. They provide financial security to about 11 million Ontarians and make over \$45 billion in benefit payments (of which 90 per cent goes to living policyholders as annuity, disability, supplementary health or other benefits with the remaining 10 per cent going to life insurance beneficiaries). In addition, life and health insurers have nearly \$340 billion invested in Ontario's economy. A large majority of life and health insurance providers are licensed to operate in Ontario, with sixty-six headquartered in the province.

Of note are the service standards that pertain to new licensing applications. We agree that their timely processing is of the utmost importance to both the industry and from a customer service perspective. Facilitating the entry of new advisors into the industry is important both due to the number approaching retirement, and the challenges that new entrants face in establishing their practices. Overall, retention of new advisors is challenging.

Canadian Life and Health Insurance Association
79 Wellington St. West, Suite 2300
P.O. Box 99, TD South Tower
Toronto, Ontario M5K 1G8
416-777-2221 www.clhia.ca

Association canadienne des compagnies d'assurances de personnes
79, rue Wellington Ouest, bureau 2300
CP 99, TD South Tower
Toronto (Ontario) M5K 1G8
416-777-2221 www.accap.ca

Moreover, there are three areas where FSRA may also consider additional performance standards:

- It may be useful to establish a performance standard that would set a number of LLQP exam seats that is proportional and accessible to the number of certified candidates. For example, during the current pandemic, we have witnessed a significant backlog of candidates waiting to write the exam.
- Setting standards for how long it takes to renew a life licence.
- On complaints, the standards are largely intended for consumers and the general public. We would encourage FSRA to consider standards relating to agent suitability issues, particularly in cases where a Life Agent Reporting Form (LARF) has been submitted.

The life and health insurance industry is available to further collaborate with FSRA on any such standards. Thank you for the opportunity to provide the industry's comments on FSRA's Service Standards, an important initiative, which we support. We would be pleased to discuss our comments with you or your staff if it would be helpful.

Sincerely,



Lyne Duhaime
Senior Vice-President, Market Conduct Policy and Regulation