



October 28, 2021

Financial Services Regulatory Authority of Ontario
25 Sheppard Avenue West, Suite 100
Toronto, Ontario
M2N 6S6

Via: FSRAO Web Site – Comment Section

Re: Consultation on Proposed 2022-2023 Statement of Priorities

HUB Financial Inc. (“HUB”) is pleased to provide comments to the Financial Services Regulatory Authority of Ontario (“FSRA”) pertaining to its Consultation on Proposed 2022-2023 Statement of Priorities.

HUB Financial Inc. is one of the largest MGAs in Canada and is licensed in all provinces. HUB is a full-service MGA, representing all major Canadian brokerage companies and holds contracts with a significant number of independent licensed life agents and agencies across Canada. In addition, HUB leadership consists of those with senior positions previously held within some of the Insurers it currently represents as an MGA, and many are individually licensed with their provincial regulator.

HUB is supportive of FSRA’s focus on regulatory efficiency, burden reduction and effectiveness and encourage efforts taken by FSRA to create guidelines for development of compliance and regulatory procedures that support protection of and fair treatment of consumers and increase their confidence of the insurance sales process.

Environmental Impact and Emerging Risks

As more and more financial products are offered to consumers through internet and virtual solutions, this may have an impact on the consumer appetite for the professional services which are normally offered through in person meetings. Through platforms developed to make it easier to facilitate sales, the ability to provide quality advice about products offered to consumers, the ability to gather data to evidence needs-based decisions and the ability to monitor to ensure the quality of advice given to consumers, may have been compromised.

In addition, the increasing use of technology within the sales process and on-going services to clients has increased the risks of cyber and privacy incidents which all industry participants need to be more aware of and take steps to avoid. HUB agrees it is prudent that FSRA monitors existing and emerging cyber and technology risks.

For clarity, HUB fully supports development of enhanced innovations to meet consumer needs but also to balance digital enhancements with fair treatment of customers’ expectations.



Work has been conducted through other regulatory bodies with respect to vulnerable clients where we have seen some guidance in managing this growing clientele for advisors. FSRA priority to identify opportunities to respond to the needs of and risks to consumers in positions of vulnerability will be a welcome addition, especially where it will include guidance specific to the insurance sector.

Modernize Systems and Processes

HUB supports FSRA priority to implement technology solutions to streamline and reduce processing times relating to on-line filings and licence changes. Self-service capabilities should go a long way in improving service levels and user experience with the FSRA online portal.

In addition, HUB supports FSRA's need for additional resources to complete this work along with the continued examinations of its licensees.

HUB is also appreciative of FSRA commitment to involve industry stakeholders in modernization work through Advisory Panels and other methods of feedback in more of FSRA rule development, guidance and other policy work.

HUB Financial Inc. appreciates the opportunity to comment on the proposed Statement of Priorities and looks forward to continued involvement in the modernization process.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Botosan", written over a light blue horizontal line.

Terri Botosan
Chief Executive Officer
HUB Financial Inc.