



cfla | acfl

# ANNUAL REPORT

# 2020

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# Dear Members

Since its inception, one of the central pillars of the CFLA has been to convey to policymakers, the media and the business community, the importance to the Canadian economy of asset-based financing and leasing.

Today, our industry is more important than ever.

Canada's ability to shape its economic future will depend on developing innovative ways of financing capital investment in all sectors of the economy. The asset-based financing and leasing industry is a proven leader in financial innovation and a leading lender to the many businesses across the country, ranging from small to large enterprise in size and scope. Our industry is closely knit, but our impact is large. Enhancing productivity is essential to the national prosperity sustaining our quality of life. In the long run, our standard of living is based on the productivity of our country. It is that simple.

This fiscal year has seen many advocacy successes for our industry. Some important CFLA advocacy outcomes include the capping of unlimited vicarious liability for auto lessors in both Ontario and British Columbia and the introduction of electronic chattel paper in Ontario and Saskatchewan.

The CFLA is on the front lines advocating on behalf of our industry.

This year has also seen the emergence of one of the greatest challenges to face the CFLA, our industry and our country in a century. The COVID-19 pandemic is a human health and economic crisis, impacting every corner of the world. It will have profound effects on economies, on social norms and societal attitudes.

The CFLA has not flinched. Acting quickly, decisively and with resolve, the CFLA and its highly engaged member companies have worked with governments across Canada safeguarding the viability of the Canadian asset-based financing and leasing industry in all its many forms. From ensuring that our members' businesses, and in particular fleet companies, were deemed essential services, to pressing the Department of Finance to (re-)establish an emergency funding facility that is practical and accessible to companies of every size and sector within our industry, the CFLA has never been busier.

It is unlikely that any firm will emerge unchanged from the COVID-19 shutdown and ensuing economic turmoil. The CFLA is no exception. As Peter Scobolic recently wrote in his Harvard Business Review article, Learning from the Future;

“even before the COVID-19 crisis, rapid technological change, growing economic interdependence, and mounting political instability had conspired to make the future increasingly murky ... and then the pandemic hit.”

Instead of giving into “the tyranny of the present” focusing only on immediate threats, the CFLA has chosen to remain strategic and forward thinking, investing in ways to better serve our members. This year's association innovations included the first ever CFLA strategic plan. Its overarching focus: to enhance the CFLA's already robust member value through a digital-first strategy. We also launched a Future Leaders Initiative and are very eager to explore newly developed tools for delivering digital solutions and products to members. Another strategic focus is to engage everyone at our member companies in a new and more robust way.

The defining message we are left with: We will come through this.

Let us not look backwards to return to normal, instead let us focus our efforts on creating a better normal. The CFLA is in a unique position to peer over the horizon through the combined lenses of its members in all their diversity. In this way, we also serve the Canadian economy by helping to bridge gaps and promote effective growth. We are all challenged to think outside of the box as we respond to change, pivot into opportunity, and build on continual improvements that drive our industry forward.

As we transcend the crucible of this tectonic shift and meet the profound changes and opportunities awaiting us, let us find the strength to not just prepare for the future, let us shape it. Let us use our collective wisdom to benefit from our learning and find the opportunity in crisis.

Yours sincerely,



**MICHAEL ROTHE**  
President & Chief  
Executive Officer

A handwritten signature in blue ink, appearing to read "M. Rothe".



**ANGELA ARMSTRONG**  
Chair of the  
Board of Directors

A handwritten signature in blue ink, appearing to read "Angela Armstrong".

# Cher membres

## Paver la route vers une nouvelle normalité

Depuis sa création, un des piliers centraux de l'ACFL a été de communiquer aux décideurs, aux médias et au milieu des affaires, l'importance pour l'économie canadienne, des sociétés du financement et de la location de véhicules et d'équipements basées sur l'actif.

Aujourd'hui, notre industrie est plus importante que jamais.

La capacité du Canada de façonner son avenir économique dépendra du développement de moyens novateurs de financer des investissements en capital dans tous les secteurs de notre économie. L'industrie du financement et de la location est un chef de file reconnu en matière d'innovation financière et un prêteur de premier plan pour les nombreuses entreprises à travers le pays, allant de la petite à la grande entreprise en taille et en envergure. Notre industrie est tissée serrée, mais notre impact est vaste.

L'amélioration de la productivité est essentielle à la prospérité nationale et au maintien de notre qualité de vie. À long terme, notre niveau de vie est basé sur la productivité de notre pays. C'est aussi simple que cela.

Cette année fiscale a été riche en succès en matière de défense des intérêts de notre industrie. Parmi les grands succès de la défense des intérêts de l'ACFL, mentionnons la limitation de la responsabilité des locataires automobiles en Ontario et en Colombie-Britannique et l'introduction du papier eChattel en Ontario et en Saskatchewan.

L'ACFL est en première ligne pour assurer la défense et la promotion des intérêts de notre industrie.

Cette année a également vu l'émergence de l'un des plus grands défis auxquels l'ACFL, notre industrie et notre pays ont dû faire face depuis le siècle dernier. La pandémie de la COVID-19 est une crise sanitaire et économique humaine qui affecte la planète entière. Elle aura des effets profonds sur les

économies, sur les normes sociales et les habitudes sociétales. L'ACFL n'a pas bronché. Agissant rapidement, de manière décisive et avec détermination, l'ACFL et ses sociétés membres, qui sont très engagées, ont travaillé avec les gouvernements à travers le Canada pour préserver la viabilité de l'industrie canadienne du financement et de la location de véhicules et d'équipements, sous toutes ses formes. En travaillant d'arrache-pied pour faire en sorte que les entreprises de nos membres, et en particulier les sociétés de gestion de parcs automobiles, soient considérées comme des services essentiels, à faire pression sur le ministère des Finances pour qu'il (ré) établisse un fonds de financement d'urgence qui soit pratique et accessible aux entreprises de toutes tailles et secteurs de notre industrie, l'ACFL n'a jamais été aussi occupée.

Il est peu probable qu'une entreprise ressorte inchangée de la mise sur pause forcée imposée par la pandémie de la COVID-19 et du bouleversement économique qui s'en est suivi.



# Cher membres

L'ALFC ne fait pas exception. Comme Peter Scobolic l'a récemment écrit dans son article paru dans le Harvard Business Review et intitulé Learning from the Future : «Même avant la crise de la COVID-19, les changements technologiques rapides, l'interdépendance économique grandissante et l'instabilité politique croissante avaient conspiré pour rendre l'avenir de plus en plus trouble... puis, la pandémie a frappé<sup>1</sup> ». (traduction libre)

Au lieu de céder à «la tyrannie du présent » en se concentrant uniquement sur les menaces immédiates, l'ACFL a choisi de demeurer stratégique et tournée vers l'avenir, en investissant dans des moyens pour mieux servir ses membres. Les innovations de cette année comprenaient le tout premier plan stratégique de l'ACFL. Son objectif primordial: renforcer la plus-value, déjà solide des membres de l'ACFL, grâce à une stratégie axée sur le numérique. Nous avons également lancé l'Initiative des Futurs Leaders de l'ACFL et sommes très impatients d'explorer les nouveaux outils développés pour fournir des solutions et des produits numériques à nos membres. Un autre objectif stratégique consiste à impliquer nos entreprises membres et leurs employés d'une manière encore plus active.

Le message déterminant à retenir: nous passerons à travers.

Ne regardons pas en arrière pour revenir à la normale, mais concentrons nos efforts sur la création d'une meilleure normalité. L'ACFL est dans une position unique pour voir l'horizon en se servant de la diversité de ses membres. De cette façon, nous servons également l'économie canadienne en aidant à combler les écarts et à promouvoir une croissance efficace. Nous sommes tous mis au défi de devoir penser hors des sentiers battus alors que nous nous adaptons au changement tout en pivotants vers de nouvelles opportunités pour améliorer notre industrie.

Alors que nous transcendons l'épreuve que soulève ce « changement tectonique » et découvrons les changements profonds et les opportunités qui nous attendent, trouvons la force de ne pas seulement préparer l'avenir, mais le courage de le façonner. Utilisons notre sagesse collective pour tirer profit de notre apprentissage et apprécier toutes les opportunités que nous apporte cette crise.

Cordialement,



**MICHAEL ROTHE**  
Président et  
directeur général



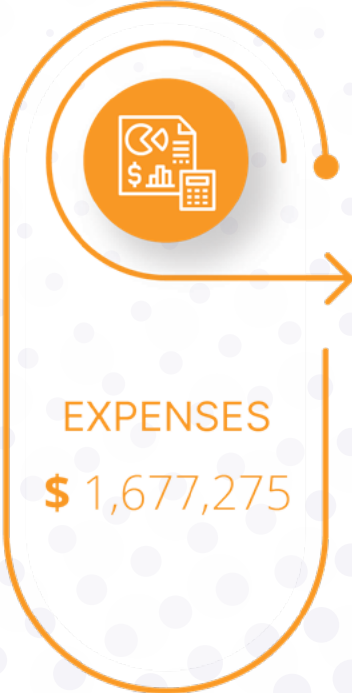
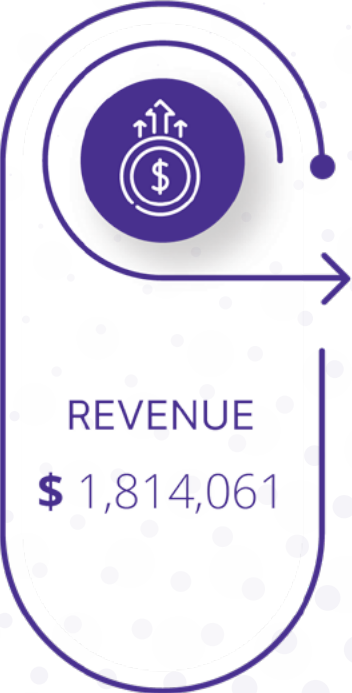
**ANGELA ARMSTRONG**  
Présidente du conseil  
d'administration



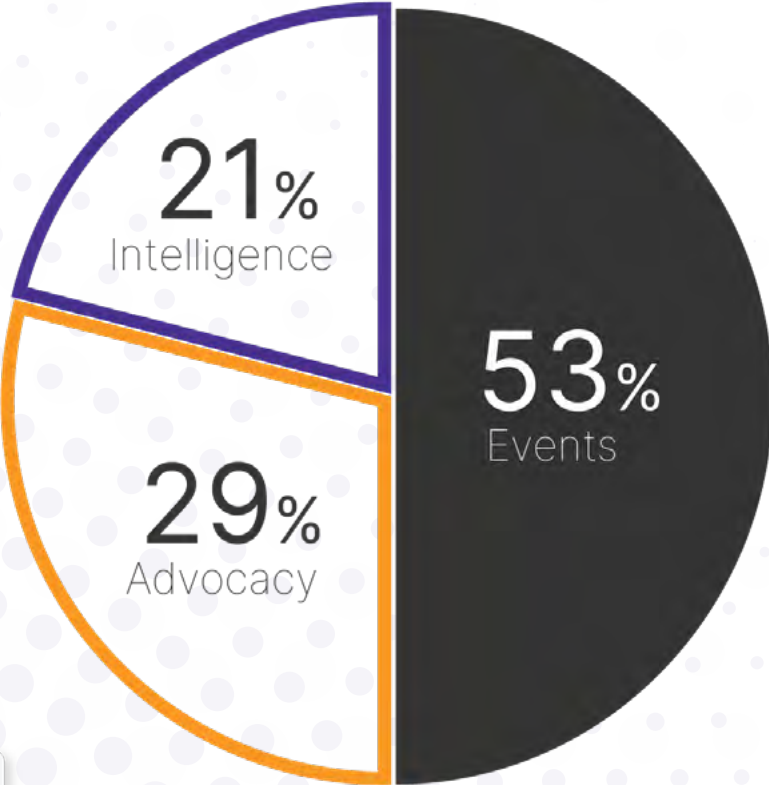
<sup>1</sup> "even before the COVID-19 crisis, rapid technological change, growing economic interdependence, and mounting political instability had conspired to make the future increasingly murky ... and then the pandemic hit."

“Since its inception, one of the central pillars of the **CFLA** has been to convey to policymakers, the media and the business community, the importance to the Canadian economy, of asset-based financing, and leasing.”

# CFLA by the Numbers



## HOW WE SPEND IT



TOTAL MEMBERS  
(Members by sector)

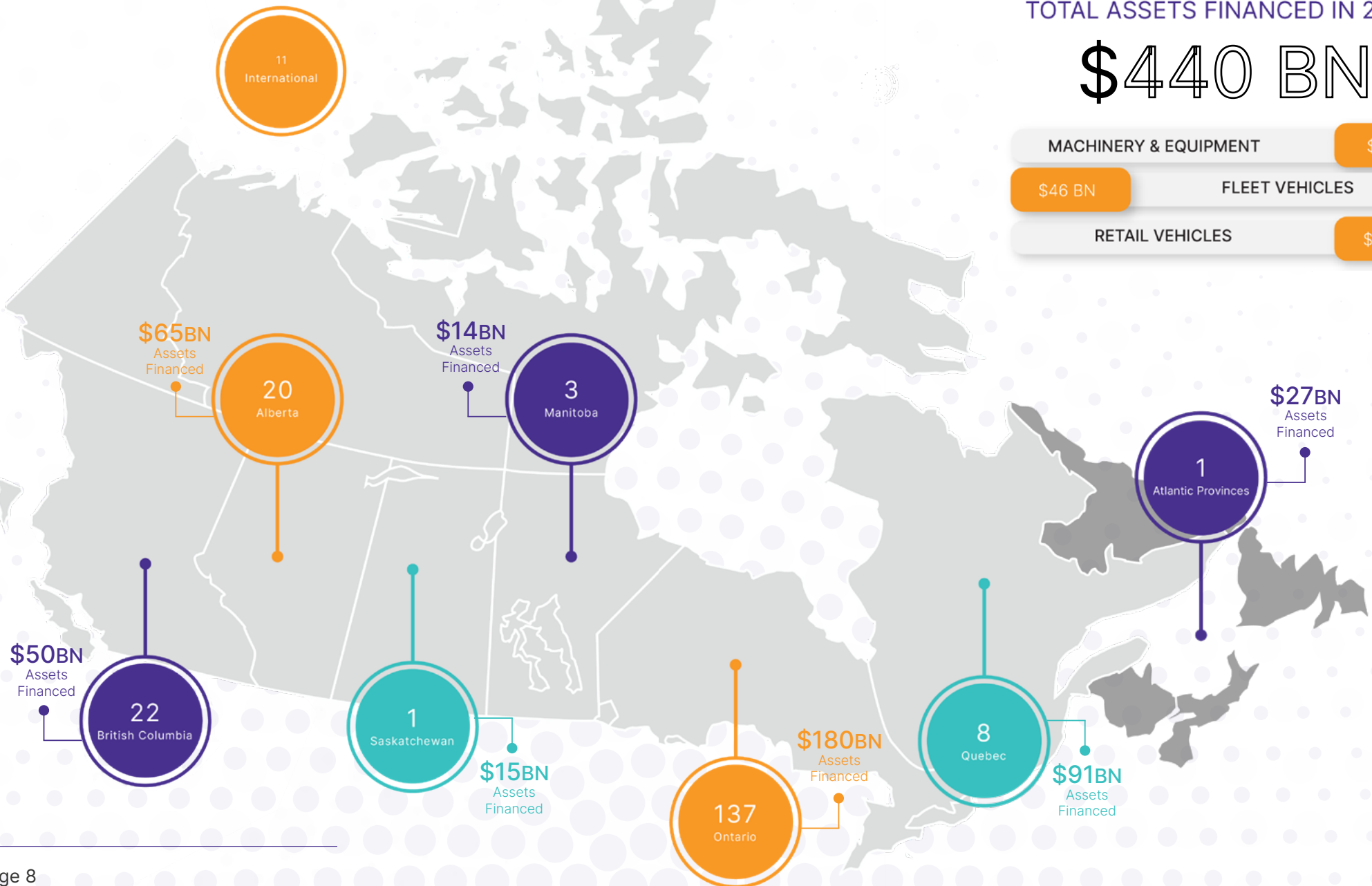
203

Equipment 61

Auto Finance & Fleet 25

Funders/brokers/technology, law accounting 117

# CFLA by the Numbers



## TOTAL ASSETS FINANCED IN 2019

**\$440 BN**

MACHINERY & EQUIPMENT	\$73 BN
FLEET VEHICLES	\$46 BN
RETAIL VEHICLES	\$320 BN



# Canadian Market Overview 2019-2020

## SEARCHING FOR A NEW NORMAL

For most of us, 2019 will mark the end of the business environment we have always known with 2020 ushering in a new era. With the loss of our former, normal world there is a vast array of sources of uncertainty that confront the economy as we work towards a new and, as yet, undefined normal.

The COVID-19 pandemic is restructuring our economy. It has helped redefine the notion of “essential business” and has encouraged the repatriation of some manufacturing capacity while the hospitality, cultural-event, tourism and travel sectors face a protracted struggle for survival. The asset-based finance and leasing (“ABF”), industry, while having to deal with rising default rates for customers struggling from the impact of the pandemic, will be needed to play a vital role in facilitating and financing the restructuring of our economy.

## ECONOMIC OUTLOOK

It is of limited comfort to report that Canada’s economy grew 1.6% in 2019 when the damage to the economy from the COVID-19 pandemic is so readily apparent. Estimates vary, but it is likely that the economy will contract by at least 6% in 2020 and make, at best, a partial recovery in 2021.

The pandemic’s impact on the economy leaves little doubt that spending on new machinery and equipment in Canada will be very weak in 2020. Statistics Canada’s survey of public and private investment intentions for 2020 was released in February 2020 and therefore dramatically understates the devastating impacts of the pandemic on the economy. The pre-pandemic outlook still anticipated a decline in machinery and equipment spending for 2020, but of just 0.2% (or \$160 million) following a 1.0% increase in 2019. QEDinc expects that business spending on new machinery and equipment will fall by 15% in 2020 but rebound 10% in 2021.

DesRosiers Automotive Consultants (DesRosiers) outlook for retail sales of new light vehicles is even more stark with a 21% decline in 2020 following small declines in both 2018 and 2019. The outlook for 2021 is, however, encouraging with new unit sales expected to rebound by 23%.

## CANADIAN ASSET-BASED FINANCE MARKET DETERMINANTS

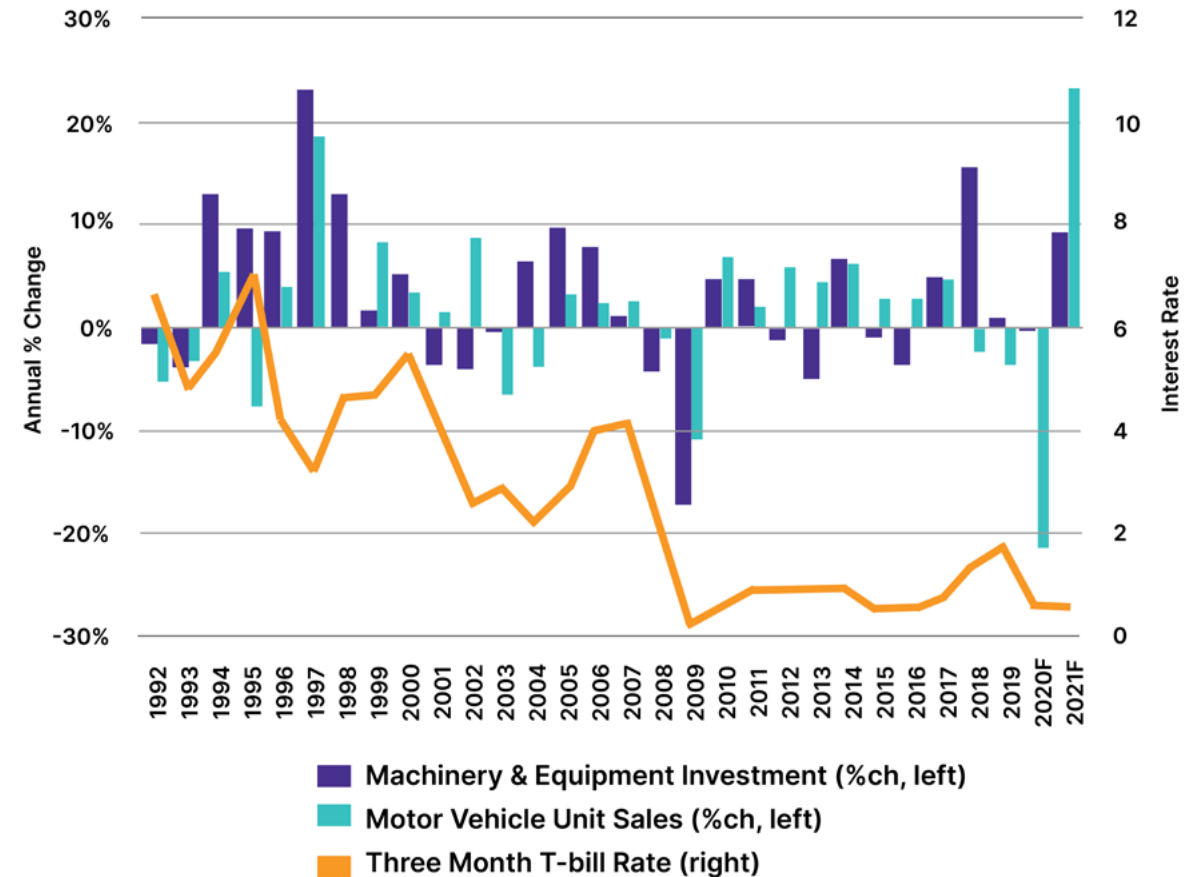


FIGURE 1

Source: Public and Private Investment Survey, Statistics Canada; Bank of Canada; 2020 Summer Forecast, Quantitative Economic Decisions, Inc.; DesRosiers Automotive Consultants

## ASSET-BASED FINANCE & LEASING MARKET IN CANADA

Canada’s ABF market continued to grow in 2019 with new business volumes up 1.3% to \$132.8 billion and total assets financed up 4.2% to \$440.5 billion. This was down from the 2.2% growth in new business and 5.4% growth in total assets financed

# Canadian Market Overview 2019-2020

in 2018. New business activity in 2019 was led by the retail vehicle market at 1.3% while the fleet (commercial) vehicle market followed with growth of 1.1%.

## ASSET-BASED FINANCE MARKET IN CANADA

	MILLIONS OF DOLLARS		%GROWTH	
	2019	2018	2019	2018
<b>TOTAL FINANCE ASSETS</b>	<b>440,498</b>	<b>422,702</b>	<b>4.2%</b>	<b>5.4%</b>
Machinery & Equipment Market	73,461	74,045	-0.8%	-1.4%
Fleet Vehicle Market	46,801	43,899	6.6%	9.1%
Retail Vehicle Market	320,236	304,758	5.1%	6.7%
Equipment & Commercial Vehicles	120,262	117,944	2.0%	2.2%
<b>TOTAL VEHICLE MARKET</b>	<b>336,037</b>	<b>348,657</b>	<b>5.3%</b>	<b>7.0%</b>
<b>TOTAL NEW BUSINESS</b>	<b>132,822</b>	<b>131,179</b>	<b>1.3%</b>	<b>2.2%</b>
Machinery & Equipment Market	20,572	20,389	0.9%	1.7%
Fleet Vehicle Market	14,150	13,990	1.1%	5.7%
Retail Vehicle Market	98,100	96,800	1.3%	1.8%
Equipment & Commercial Vehicles	34,722	34,379	1.0%	3.3%
<b>TOTAL VEHICLE MARKET</b>	<b>112,250</b>	<b>110,790</b>	<b>1.3%</b>	<b>2.3%</b>

**TABLE 1**

Source: Canadian Finance and Leasing Association, DesRosiers Automotive Consultants Inc.

## HISTORICAL TRENDS: NEW BUSINESS VOLUMES

New business volumes in Canada have risen 5% a year on average since 1990, with the consumer vehicle market outpacing the equipment and commercial vehicle market at 5.9% and 3.3% a year, respectively. To put this performance into perspective, national income (GDP) has risen 4.2% a year over the same period, with business spending on machinery and equipment just 2.6% a year.

## EQUIPMENT & COMMERCIAL VEHICLE FINANCE PENETRATION RATE

In 2019, the ABF sector was estimated to finance 36% of all spending on equipment and commercial vehicles, unchanged from 2018. Statistics Canada's pre-pandemic survey of machinery and equipment spending intentions for 2020 and still suggested that spending would be flat this year. The drop in the penetration rate for this year is, however, likely to be less severe than shown in the table because the decline in investment spending will be considerably worse than 0.2%.

## CANADIAN ASSET-BASED FINANCE MARKET PENETRATION RATES FOR MACHINERY, EQUIPMENT AND COMMERCIAL VEHICLES

	2020F	2019	2018
Equipment & Commercial Vehicles New Business	29,531	34,722	34,379
Spending on New Machinery & Equipment	96,876	97,040	96,101

**TABLE 2**

Source: CFLA, Statistics Canada, DesRosiers Automotive Consultants inc.

## CONSUMER NEW VEHICLE FINANCE PENETRATION RATE

Of the 1.6 million new vehicles sold in the consumer market in 2019, 92% were financed through either a lease or a loan. In 2020, sales of new vehicles in the consumer market are expected to slip below 1.4 million units but the finance and lease penetration rates are expected to remain relatively constant.

# Canadian Market Overview 2019-2020

CANADIAN ASSET-BASED FINANCE MARKET PENETRATION RATES FOR CONSUMER NEW VEHICLES

	2020F	2019	2018
Consumer Market New MV Sales (units)	1,347,471	1,576,976	1,632,598
Lease	508,000	582,000	609,000
Loan	730,000	864,000	887,000
Lease Penetration Rate	38%	37%	37%
Finance Penetration Rate	92%	92%	92%

TABLE 3

Source: CFLA, Statistics Canada, DesRosiers Automotive Consultants inc.

## NEW BUSINESS FINANCE BY REGION

Ontario and Quebec accounted for 42% and 21% respectively of the \$133 billion financed in 2019. On average, new business finance volumes have grown 6% a year nationally over the last decade. Growth across most regions is close to this average over the last decade with Ontario and British Columbia slightly outpacing the rest of the country.

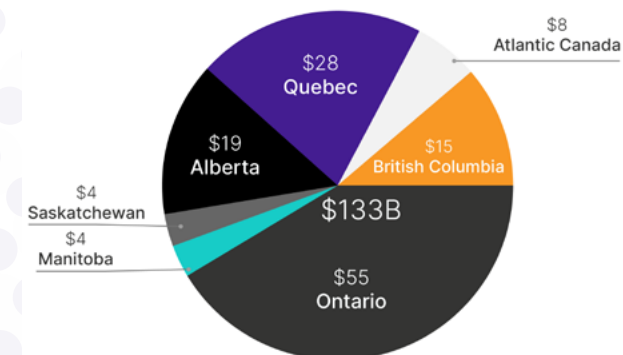
2019 REGIONAL TOTAL NEW BUSINESS FINANCE VOLUMES

	SHARE	Avg %ch 2019-19
Atlantic Canada	6%	5%
Quebec	21%	5%
Ontario	42%	8%
Manitoba	3%	6%
Saskatchewan	3%	5%
Alberta	14%	5%
British Columbia	11%	7%
<b>Canada</b>	<b>100%</b>	<b>6%</b>

TABLE 4

Source: Canadian Finance and Leasing Association

2019 REGIONAL TOTAL NEW BUSINESS VOLUMES (\$BILLIONS)



# Canadian Market Overview 2019-2020

## NEW BUSINESS FINANCE BY CREDIT INSTRUMENT AND SOURCE

Leases are the top credit instrument for financing equipment and commercial vehicles with 45% of the market followed by lines of credit at 24%, with banks supplying 39% of this credit in 2019. Secured loans account for 73% of new and used retail vehicle finance, with 49% of this credit supplied by manufacturers' captive finance companies in 2019. Banks supplied 40% of this credit and independent finance companies supplied the remaining 11%.

NEW BUSINESS FINANCE BY CREDIT INSTRUMENT  
AND SOURCE IN 2019

	EQUIPMENT & COMMERCIAL VEHICLES		RETAIL VEHICLES	
	\$MILLIONS	%SHARE	\$MILLIONS	%SHARE
<b>FINANCE BY CREDIT INSTRUMENT</b>				
Lease	15,742	45%	26,100	27%
Secured Loan	6,659	19%	72,000	73%
Line of Credit	8,268	24%		
Credit Card	4,053	12%		
<b>FINANCE BY SOURCE</b>				
Banks	13,634	39%	38,802	40%
Independent Finance Companies	7,837	23%	10,968	11%
Manufacturers' Captive Finance co.	10,464	30%	48,331	49%

TABLE 4

Source: Canadian Finance and Leasing Association, DesRosiers Automotive Consultants Inc.

## CREDIT QUALITY

Despite increases in delinquency rates, credit quality remained good throughout 2019. However, with the onset of the pandemic, delinquencies now rival those experienced during the 2009-10 recession.

## CONTRIBUTION TO CANADA'S ECONOMY

New research commissioned by the CFLA reveals that Canada's \$132.8 billion in new assets financed by the ABF sector in 2019 accounts for \$85 billion or 3.7% of Canada's GDP.

By **Robin Somerville**, Quantitative Economic Decisions, Inc. (QEDinc),  
<http://qedinc.ca/>

# CFLA at Work

The CFLA constantly strives to better serve its members by delivering excellence in advocacy, industry-relevant intelligence, networking opportunities, and educational resources to help members in all aspects of their business. Below is a summary of some of the highlights of the CFLA's work over the past year.

## ADVOCACY

Below is a selection from over 15 active federal and provincial policy files that the CFLA has helped to resolve over the past year, and some that the Association continues to work on for its members.

**Quebec Consumer Protection Act – Successful CFLA Intervention.** Bill 134 proposed changes to Quebec's Consumer Protection Act, which would have unbalanced the finance and leasing playing field by layering on overly prescriptive obligations, for only one segment, of the industry to collect credit information that had little, if any, impact on the credit decision making of lenders. As a direct result of CFLA's advocacy effort, these contentious issues were not ultimately put forward in the legislation.

**Unlimited Vicarious Liability for Auto Lessors – BC Follows Ontario.** After many years of lobbying, British Columbia has caught up with Ontario and capped auto lessor liability for vehicles used for ride-hailing at \$1m. This makes BC the latest province to remove the threat of potentially devastating multi-million-dollar lawsuits arising out of motor vehicle accidents that financing companies have absolutely no connection to, other than merely providing the financing to the individuals to purchase their vehicle.

**Electronic Chattel Paper – Digitalizing Commerce.** While both Ontario and Saskatchewan had passed legislation to amend their Personal Property Security Acts (PPSA) to enable perfection of a security interest by control for

electronic chattel paper, these amendments had not yet entered into force. Through a concerted lobbying effort by the CFLA and member firms, both provinces finally enacted their amendments, making it easier for lessors to originate, finance and securitize electronic chattel paper in a cost effective, efficient, and safe manner. The CFLA is now advocating for similar provisions in Alberta.

**PPSR Modernization in Ontario – It's High Time.** The Ontario Personal Property Security Act (PPSA) registration system, which deals with security interests in personal property, is poorly adapted for today's modern economy, open to abuse and fraud and consequently is costly and time-consuming for businesses in the province. The CFLA has started to actively lobby the provincial government for modernization.

**Advocating for Our Industry in the COVID-19 Emergency.** At the outset of this rapidly evolving public health and economic crisis, the CFLA defined its overarching policy goal: act quickly and decisively to safeguard the viability of the Canadian asset-based financing, vehicle, and equipment leasing industry in all its diversity. Concretely, the CFLA actively lobbied the federal and provincial governments on several fronts to make sure the asset-based finance industry got the supports it needed in this initial stage of the crisis:

- Ensured that businesses in the asset-based financing, and in particular fleet companies, were deemed essential services in the provinces and continued to operate to serve Canadians
- Removed the last hurdles for independent finance companies to utilize the Business Credit Availability Program (BCAP)
- Ongoing discussions with the Department of Finance to (re-)establish an emergency funding facility for lenders financing commercial and consumer customers in a way that is practical and accessible to members of every size and sector of our industry

# CFLA at Work

- Continuing to press the Federal Government to expand the revenue definition to enable asset-based lenders to access the Canada Emergency Wage Subsidy (CEWS)
- In Ontario, the CFLA helped clear the way for online motor vehicle sales and continues to press the Quebec government for similar accommodations
- Work in conjunction with other Industry Associations and Chambers of Commerce to raise awareness about the crucial role our sector plays in the Canadian economy, and position our industry as a reliable and effective partner to get credit back to Main Street Canada to be used responsibly and productively in the wake of this crisis

**CFLA Digital Letter Campaign – Raising Awareness with MPs Across the Country.** To assist with the Association’s advocacy efforts on behalf of our industry, the CFLA rolled out a new way for members to support our sector: By adding their contact details to an online letter tool, an advocacy letter is automatically generated and sent to the Member of Parliament in their respective riding. Over 70 letters were sent, successfully attracting the House Standing Committee on Finance’s attention to our industry.

## RESEARCH INITIATIVES & INDUSTRY INTELLIGENCE

The CFLA is determined to provide members the tools and data required to gain a comprehensive understanding of the Canadian asset-based vehicle and equipment finance industry from as many perspectives as possible. To that extent, the Association offers several useful initiatives that benefit both members and the industry.

**Canadian Equipment Finance Activity Survey (EFAS).** The Canadian Equipment Finance Activity Survey, conducted in partnership with PayNet Inc., is a new initiative that serves as the most important source of statistical information on Canada’s equipment leasing and financing industry in Canada. The survey is a critical piece of market intelligence allowing companies in the asset finance space to benchmark themselves against the broader industry.

**Canadian Market Overview (CMO).** Prepared for CFLA by Quantitative Economic Decisions, Inc. (QEDinc) and published yearly in the CFLA Annual Report (highlights) and as a stand-alone publication, the Canadian Market Overview was completely revamped and improved this year. The CMO provides a review of recent trends along with the outlook for and highlights of major directions in the asset-based finance sector.

**COVID-19 and the State of the Asset Finance Industry.** This new monthly survey, introduced in the wake of the COVID crisis, looks at member companies’ on-the-ground response by tracking deferral requests, delinquencies, and staffing levels, among other data points. This intelligence is crucial for our members to benchmark their business and to inform CFLA’s strategy when working with the government to respond to the pandemic and provide relief measures for our industry.

**Other surveys.** The CFLA continues to run a number of surveys on a regular basis to help member companies benchmark themselves in different aspects of their business, including **the Industry Compensation Survey** (conducted by Accompass), **End-User Survey – Equipment Financing Market Research** (conducted by PMG Intelligence), and **Annual CFLA Fleet Lessor Member Survey.**

**Industry data.** The CFLA continues to provide exclusive member-only industry data by **PayNet** (Canadian Commercial Credit Trends), **DesRosiers Automotive Consultants** (Canadian Light Vehicle Market Review), **EQUIFAX** (Auto Credit Trends Report), and **Scotiabank** (Auto Flash/Global Auto Report), among others. This year, two new reports were added:

# CFLA at Work

**TD Securities** (The Canadian ABS/ABCP Monthly Report) and **Ritchie Bros. Financial Services** (Equipment Market Trends).

## EVENTS & NETWORKING OPPORTUNITIES

Over the past year, the CFLA continued to offer networking opportunities to build and cultivate business contacts in a variety of contexts.

Our Association's **Annual National Conference** in Vancouver featured high-profile speakers and in-depth workshops and brought together over 500 industry leaders from companies across our entire sector, setting another new record for attendance.

The **CFLA Women in Asset Finance Committee** organized a series of talks and networking opportunities, among others a well-attended breakfast meeting in Toronto hosted by member firm Blaney McMurtry and a networking luncheon hosted by member firm Ritchie Bros. Financial Services.

## COMMUNICATION

The CFLA's **website** has become the industry's resource center with a growing archive of information providing a range of member-only value-added services: Changes in government policy, new legislation and regulation, the latest court decisions, legal, accounting, and tax commentaries by professional members are regularly posted. With its planned complete overhaul, the website will also expand its role as the **hub for industry intelligence**.

The delivery of timely information to members is further enhanced by the CFLA's **Weekly Round Up**, an email newsletter that provides industry information, member news, and a summary of the our activities.

The CFLA created a stand-alone **advocacy microsite** ([growwithcapital.ca](http://growwithcapital.ca)) to better reach policymakers and showcase some of our industry's main concerns and solutions.

A **LinkedIn page** is the latest addition in the CFLA's growing social media presence. Featuring posts on industry-relevant and Association-related topics, the platform allows members and other interested parties to read, discuss, and share these posts.

Determined to keep members well informed throughout the rapidly evolving COVID-19 crisis, the CFLA created the **Asset-Based Finance COVID-19 Resource Centre** on its website, aggregating a wealth of crucial information and industry intelligence to help our sector navigate these unprecedented times. Given the severity of this crisis, the CFLA has made this information available for free to everyone.

## PROFESSIONAL EDUCATION

**Canadian Lease Education On-demand (CLEO) – Comprehensive Online Education for our Sector.** CLEO is series of pre-taped educational webcasts designed to enhance your general understanding of the asset-based financing, equipment, and vehicle leasing business in Canada. The CFLA is well underway towards updating the lessons and has also initiated a partnership with the CLFP for a future Canadian Leasing Professional certification.

## GOVERNANCE

Together with the Executive Committee and the Board of Directors, the CFLA created its first ever **strategic plan** with clear and actionable objectives and overhauled its **mission statement**.

The CFLA also initiated a comprehensive **technology review**, which will include a new customer relationship management system, an improved website, and better ways to reach and interact with members.

“ The **CFLA** constantly strives to better serve its members by delivering excellence in advocacy, industry-relevant intelligence, networking opportunities, and educational resources to help members in all aspects of their business.”



# CFLA at Work

## OTHER INITIATIVES

**The CFLA Future Leaders Initiative – A Platform for Our Industry’s Next Generation.** The Future Leaders Initiative (FLI) was launched to connect and celebrate younger member employees with leadership potential. It gives the next generation of leaders a voice in shaping our industry and will organize professional networking and educational activities.

**Research Collaboration with the C.D. Howe Institute – Canada Needs More Robust Capital Investment.** A follow up report on last year’s high-profile research collaboration, this new report entitled *Thin Capitalization: Weak Business Investment Undermines Canadian Workers* by William Robson shows that after years of relatively robust performance, business investment in Canada has slipped ominously. The CFLA supported this report by providing research data and sponsoring a roundtable luncheon which brought together key industry and government stakeholders to highlight this important issue and formally launch the report.

**Research Report – Emergency Funding Programs and the Asset-Based Finance.** In a C.D. Howe Institute research paper entitled *Filling the Gap: Emergency Funding Programs and Asset-Based Finance in Times of Economic Crisis*, former CFLA CEO & President David Powell argues that in times of economic crisis, the federal government should have in place a large-scale program for funding asset-based finance intermediaries. This study was commissioned before the current COVID-19 crisis and offers important lessons as to why the federal government should fund asset-based finance intermediaries who finance customers based on real assets.

**CFLA Co-op Programme with Dalhousie University.** Through its strategic partnership with Dalhousie University, the CFLA placed a first co-op student with member firm RCAP Leasing/RBC Financial Group, with positive results for both the company and the student.



# L'ACFL au travail 2019 – 2020

L'ACFL s'efforce toujours de mieux servir ses membres dans la défense de leurs intérêts, la transmission d'informations pertinentes à l'industrie tout en créant des possibilités de réseautage et de formation pour aider les membres dans tous les aspects de leurs affaires. Vous trouverez ci-dessous un bref résumé de l'essentiel des travaux de l'ACFL au cours de la dernière année.

## DÉFENSE DES INTÉRÊTS

Vous trouverez ci-dessous une sélection de plus de 15 dossiers politiques stratégiques tant au niveau fédéral que provincial que l'ACFL a aidé à résoudre au cours de la dernière année, et d'autres sur lesquels l'Association continue de travailler dans l'intérêt de ses membres.

**Loi sur la protection du consommateur du Québec** - Intervention réussie de l'ACFL. Le Projet de loi 134 proposait des modifications à la Loi sur la protection du consommateur du Québec, ce qui aurait déséquilibré les règles du jeu en matière de financement et de location en imposant des obligations trop restrictives, pour un seul segment de l'industrie en obligeant les sociétés de financement à recueillir des renseignements sur le crédit qui avaient peu ou pas d'impact sur la prise de décision finale des prêteurs. Conséquence directe des efforts de plaidoyer de l'ACFL, ces modifications radicales n'ont finalement pas été adoptées.

**Responsabilité civile illimitée pour les locataires automobiles – La Colombie-Britannique emboîte le pas à l'Ontario.** Après des années de lobbying, la Colombie-Britannique a emboîté le pas à l'Ontario et a limité à 1 Million\$ la responsabilité des locataires pour les véhicules utilisés pour le transport via les plateformes de covoiturage. Ce changement de politique fait de la Colombie-Britannique la dernière province à retirer ce risque de poursuites potentiellement dévastatrices de plusieurs millions de dollars résultant d'accidents de la route

sur lesquels les sociétés de financement n'ont absolument aucun contrôle, si ce n'est de simplement fournir le financement sur un véhicule.

**Papier eChattel - Digitalisation du commerce.** Bien que l'Ontario et la Saskatchewan aient adopté une loi modifiant leurs Personal Property Security Act (PPSA) afin de permettre l'opposabilité d'une sûreté uniquement par la possession du document électronique, ces modifications n'étaient pas encore entrées en vigueur. Grâce à un effort de lobbying concerté de l'ACFL et de ses membres, les deux provinces ont finalement mis ces modifications en vigueur, ce qui a permis aux locataires de créer, de financer et de titriser plus facilement les papiers eChattel d'une manière rentable, efficace et sûre. L'ACFL milite maintenant pour l'adoption de dispositions similaires en Alberta.

**Modernisation du Système d'enregistrement des sûretés mobilières (PPSR) en Ontario - Il était grand temps.** Le système d'enregistrement de la Loi sur les sûretés mobilières de l'Ontario (PPSA), qui traite des sûretés consenties sur les biens mobiliers, est mal adapté à notre économie actuelle, et est ouvert aux abus et à la fraude et, par conséquent, est coûteux et prend du temps pour les entreprises de la province. L'ACFL



# L'ACFL au travail 2019 – 2020

a commencé à militer activement auprès du gouvernement provincial pour obtenir une modernisation du système.

**Plaider pour notre industrie dans l'urgence de la COVID-19.** Au début de cette crise économique et de santé publique en évolution rapide, l'ACFL a défini son objectif politique primordial: agir rapidement et sans hésitation pour préserver la viabilité de l'industrie canadienne du financement basée sur l'actif, et la location de véhicules et d'équipements dans toute sa diversité. Concrètement, l'ACFL a milité activement auprès des gouvernements fédéral et provinciaux sur plusieurs fronts pour s'assurer que le secteur du financement basé sur l'actif obtienne le soutien dont il avait besoin à ce stade initial de la crise, notamment en :

- S'assurant que les entreprises œuvrant dans le financement basé sur l'actif, et en particulier, les sociétés de gestion de parcs automobiles, soient considérées comme des services essentiels dans les provinces et continuent d'opérer pendant la crise pour servir les Canadiens;
- Supprimant les derniers obstacles pour les sociétés de financement indépendantes pour leur permettre d'utiliser le Programme de crédit aux entreprises (PCE);
- Discutant de manière continue avec le ministère des Finances fédéral pour (ré)établir un fonds de financement d'urgence pour les prêteurs qui financent les clients commerciaux et consommateurs d'une manière pratique et accessible aux membres de toutes les tailles et provenant de tous les secteurs de notre industrie;
- Continuer à faire pression sur le gouvernement fédéral pour qu'il élargisse la définition de revenu afin de permettre aux sociétés de financement basé sur l'actifs d'avoir accès à la Subvention salariale d'urgence du Canada (SSUC);
- En Ontario, l'ACFL a contribué à ouvrir la voie à la vente de véhicules

automobiles en ligne et continue de faire pression sur le gouvernement du Québec pour des modifications similaires;

- Travailler en collaboration avec d'autres associations sectorielles et Chambres de commerce pour sensibiliser le public au rôle crucial que joue notre secteur dans l'économie canadienne et positionner notre industrie comme un partenaire fiable et efficace pour que le crédit soit redirigé vers les petites et moyennes entreprises et soit utilisé de manière responsable et de manière productive à la suite de cette crise.

**Campagne de lettres numériques de l'ACFL - Sensibilisation des députés à travers le pays.** Pour aider aux efforts de défense des droits de l'Association, au nom de notre industrie, l'ACFL a déployé une nouvelle façon de soutenir notre secteur: en ajoutant les coordonnées de nos membres à un outil de courrier en ligne, une lettre de plaidoyer est automatiquement générée et transmise aux membres du Parlement dans leurs circonscriptions respectives. À ce jour, plus de 70 lettres ont été envoyées, attirant avec succès l'attention du Comité permanent des finances de la Chambre des communes sur notre industrie.

## INITIATIVES DE RECHERCHE ET INTELLIGENCE DE L'INDUSTRIE

L'ACFL est déterminée à fournir aux membres les outils et les données nécessaires pour acquérir une compréhension complète de l'industrie canadienne du financement de véhicules et d'équipements basé sur l'actif, avec autant de perspectives et sources que possible. À cet égard, l'Association propose plusieurs initiatives qui profitent à la fois aux membres et à l'industrie.

**Enquête canadienne sur les activités de financement d'équipement (EFAS).** L'Enquête canadienne sur les activités de financement d'équipement, menée en partenariat avec PayNet Inc., est une nouvelle initiative qui constitue la plus importante source d'informations statistiques sur l'industrie

# L'ACFL au travail 2019 – 2020

canadienne de la location et du financement d'équipements au Canada. L'enquête est un élément essentiel de renseignements sur le marché qui permet aux entreprises du secteur du financement basé sur l'actif de se comparer à l'ensemble de l'industrie.

**Aperçu du marché canadien.** Préparé pour l'ACFL par Quantitative Economic Decisions, Inc. (QEDinc) et publié chaque année dans le rapport annuel de l'ACFL (faits saillants) et en tant que publication autonome, l'Aperçu du marché canadien ( Canadian Market Overview ) a été complètement repensé et amélioré cette année. L'Aperçu du marché canadien fournit un aperçu des tendances et perspectives récentes et les faits saillants de grandes orientations du secteur du financement basé sur l'actif.

**COVID-19 et l'état de l'industrie du financement basé sur l'actif.** Cette nouvelle enquête mensuelle, introduite à la suite de la crise de la COVID, fait un survol de la réaction des entreprises membres terrain en effectuant notamment un suivi des demandes de report de paiement, les défauts de paiement et les niveaux de dotation. Ces renseignements sont essentiels pour que nos membres puissent évaluer la performance de leurs activités et améliorer la stratégie de l'ACFL dans ses démarches auprès du gouvernement pour trouver une réponse à cette pandémie et fournir des mesures de secours à notre industrie.

**Autres enquêtes.** L'ACFL continue de mener régulièrement un certain nombre d'enquêtes pour aider les entreprises membres à évaluer différents aspects de leurs activités, y compris l'**Enquête sur la rémunération** de l'industrie (menée par Accompass), l'enquête auprès des utilisateurs finaux - Étude de marché sur le financement de l'équipement (menée par PMG Intelligence) et le **Sondage annuel auprès des bailleurs de flotte de l'ACFL.**

**Données de l'industrie.** L'ACFL continue de fournir des données exclusives réservées aux membres, telles que **PayNet** (Tendances du crédit commercial au Canada, mensuelle), **DesRosier Automotive Consultants** (Revue du marché des véhicules légers au Canada, mensuelle / annuelle), **EQUIFAX** (Tendances nationales de consommation) et **Scotiabank** (Auto Flash / Global Auto Report (Nouvelles du secteur automobile)). Cette année, deux nouvelles revues ont été ajoutées, **Valeurs mobilières TD** (Rapport mensuel sur le marché canadien des titres adossés à des créances et des titres hypothécaires) et le **Ritchie Bros. Financial Services** (Tendances dans le marché de l'équipement).

## ÉVÉNEMENTS ET OPPORTUNITÉS DE RÉSEAUTAGE

Au cours de la dernière année, l'ACFL a continué à offrir des possibilités de réseautage pour nouer et entretenir des relations d'affaires dans divers contextes.

La **conférence annuelle** de notre Association à Vancouver, a présenté des conférenciers de haut niveau et des ateliers en profondeur et a permis de rassembler plus 500 leaders de l'industrie appartenant à des entreprises de l'ensemble du secteur, établissant un nouveau record de participation.

Le Comité « **Women in Asset Finance** » (Comité des Femmes dans le financement reposant sur l'actif) a également organisé une série de conférences et d'activités de réseautage, notamment un très couru petit-déjeuner de travail à Toronto, tenu aux bureaux de Blaney McMurtry et un dîner-causerie de réseautage organisé par Ritchie Bros. Financial Services.

“**L’ACFL** s’efforce toujours de mieux servir ses membres dans la défense de leurs intérêts, la transmission d’informations pertinentes à l’industrie tout en créant des possibilités de réseautage et de formation pour aider les membres dans tous les aspects de leurs affaires.”

# L'ACFL au travail 2019 – 2020

## COMMUNICATION

Le **site internet** de l'ACFL est devenu le centre de ressources des membres de notre industrie avec une banque de données croissante réservée aux membres traitants de sujets variés tels que, les modifications de la politique gouvernementale, les nouvelles lois et règlements, les jugements récents touchant notre industrie et divers commentaires légaux, comptables et fiscaux rédigés par nos membres. Lors de sa mise à jour, qui est prévue prochainement, le site internet de l'ACFL élargira également son rôle pour devenir une véritable plaque tournante des données de l'industrie.

La distribution en temps opportun d'informations aux membres de l'ACFL, par l'envoi du **Weekly Round Up**, un bulletin électronique contenant des informations sur l'industrie, des nouvelles sur les membres et un résumé des activités de l'Association permet également de fournir des informations ponctuelles aux membres.

L'ALFC a créé un **microsite autonome de défense des droits** de notre industrie ([growwithcapital.ca](http://growwithcapital.ca)) pour mieux rejoindre les décideurs et présenter certaines des principales préoccupations et solutions de notre industrie.

Une page **LinkedIn** est le dernier ajout à la présence croissante de l'ALFC sur les réseaux sociaux. Présentant des articles sur des sujets pertinents pour l'industrie et relativement à l'Association, la plateforme permet aux membres et aux autres parties intéressées de lire, commenter et partager ces articles.

Déterminée à tenir ses membres bien informés tout au long de la crise en évolution rapide de la COVID-19, l'ACFL a créé le **Centre de ressources COVID-19 de l'industrie du financement basé sur l'actif** sur son site internet, regroupant une mine d'informations cruciales et de renseignements sur

l'industrie pour aider notre secteur à naviguer dans ces temps turbulents. Compte tenu de la gravité de cette crise, l'ACFL a mis ces informations à la disposition de tous gratuitement.

## FORMATION CONTINUE

**Canadian Lease Education On Demand (CLEO) – Formation en ligne pour notre industrie.** CLEO est une série de webémissions éducatives préenregistrées qui sont conçues pour améliorer la compréhension générale des activités de financement et de location de d'équipement et de véhicules reposant sur l'actif. L'ACFL est bien engagée dans la mise à jour des formations et a également initié un partenariat avec la CLFP pour une future certification de professionnel canadien de la location.

## GOVERNANCE

En collaboration avec le comité exécutif et le conseil d'administration, l'ACFL a créé son tout premier plan stratégique avec des objectifs clairs et réalisables et a révisé son énoncé de mission.

L'ACLA a également lancé un examen technologique complet, qui comprendra un nouveau système de gestion de base de données, un site Web amélioré et de meilleures façons d'atteindre et d'interagir avec les membres.

## AUTRES INITIATIVES

**L'initiative Futurs Leaders de l'ACFL - Une plate-forme pour la prochaine génération de notre industrie.** L'Initiative Futurs Leaders a été lancée pour joindre et célébrer les jeunes employés ayant un potentiel de leadership. Il donne à la prochaine génération de dirigeants une voix dans le façonnement de notre industrie et organisera du réseautage professionnel et des activités éducatives.

# L'ACFL au travail 2019 – 2020

**Collaboration de recherche avec le C.D. Howe Institute - Le Canada a besoin d'un investissement en capital plus robuste.** Rapport de suivi sur la collaboration de recherche de haut niveau de l'année dernière, ce nouveau rapport intitulé *Thin Capitalization: Weak Business Investment Undermine Canadian Workers* par William Robson démontre qu'après des années de rendement relativement robuste, l'investissement des entreprises au Canada a glissé de façon inquiétante. L'ACFL a appuyé ce rapport en fournissant des données de recherche et en parrainant un déjeuner-causerie qui a réuni des intervenants clés de l'industrie et du gouvernement pour mettre en évidence cette question importante et faire un lancement officiel du rapport.

**Rapport de recherche - Programmes de financement d'urgence et financement fondé sur l'actif.** Dans un document de recherche du C.D. Howe Institute intitulé *Filling the Gap: Emergency Funding Programs and Asset-Based Finance in Times of Economic Crisis*, l'ancien PDG et président de l'ACFL, David Powell, soutient qu'en temps de crise économique, le gouvernement fédéral devrait mettre en place un programme à grande échelle pour le financement des intermédiaires du financement basé sur l'actif. Cette étude a été commandée avant la crise actuelle du COVID-19 et offre des leçons importantes sur les raisons pour lesquelles le gouvernement fédéral devrait financer des intermédiaires du financement basé sur l'actif qui financent des clients sur la base d'actifs réels.

**Programme coopératif de l'ACFL avec l'Université Dalhousie.** Grâce à son partenariat stratégique avec l'Université Dalhousie, l'ACFL a placé un premier étudiant en programme coop avec la société membre RCAP Leasing / RBC Financial Group, avec des résultats positifs tant pour l'entreprise que pour l'étudiant.



# Annual Conference 2019



Over 500 delegates – a new CFLA record – met in Vancouver at CFLA's 46th Annual Conference, the asset-finance industry's leading annual learning and networking event. With over 20 speakers, 4 plenary sessions and 9 workshops, the conference is the place for our industry to meet, network and learn.

In welcoming delegates, **CFLA Chair Richard McAuliffe**, Senior Vice President and COO of Key Equipment Finance Canada Ltd., observed that to achieve success in current markets, leaders must be thinking about new business models for changing times. Traditional competitive approaches are being superseded. Too often, existing strategies focus attention in the wrong places. To thrive, survive and prosper today, business leaders must **Re-Think** and constantly adapt.

The conference kicked off with RBC's Chief Economist and Senior Vice President, **Craig Wright**, providing delegates with a comprehensive analysis of the issues impacting the Canadian economy from the capital investment gap between Canada and the rest of the OECD, to trade with China and the state of

the broader global economy.

Futurist **Lital Marom** spoke to the delegates about how to “self-disrupt in the digital age”. A new breed of companies is growing and scaling at a pace never seen before. Many are reaching \$1B market capitalizations in a matter of years, some in a matter of months. Their secret? A platform business model. For classic companies born before the digital era, it's a whole new world where age, size, sales, and market cap won't guarantee market presence tomorrow.

Sponsored by the Women in Asset Finance Committee, delegates later heard from **Manjit Minhas**, of Dragon's Den Fame and a successful entrepreneur, on achieving success in a male dominated industry. Manjit shared her stories of challenges in her personal and professional life and how she overcame them to re-define success and thrive.

First thing Thursday morning, **Richard McAuliffe**, CFLA Chairperson, Senior Vice President & COO Key Equipment Finance Canada Ltd. presented his State-of-the-Association Report.

Later that afternoon, it was time for the always popular political update by **Christy Clark**, former Premier of British Columbia, who discussed the looming federal election, provincial politics, pipelines, Western alienation, but ended her session on a positive note, with the possible pathways forward.



# Annual Conference 2019

The conference also featured **nine business-relevant in-depth workshops**, including two of them back by popular request:

## WHAT'S NEW IN LAW?

Jennifer Babe, Miller Thomson LLP  
Michael Burke, Blake Cassels and Graydon LLP  
François Joubert, Savoie Joubert, s.e.n.c.  
Brian MacKay, DLA Piper (Canada) LLP

and

## MEASURING THE INDUSTRY

Roger Mitchell, Equifax Canada  
William Phelan, PayNet, Inc.  
Robin Somerville, Centre for Spatial Economics  
Hugh Swandel, The Alta Group

as well as:

**Blockchain and the Equipment Finance Industry**  
Jonathan Fleisher, Cassels Brock & Blackwell LLP

**Emerging Talent in the Equipment Finance Industry**  
Blake Macaskill, Richie Bros. Auctioneers

**Better Understanding the Appraisal Process**  
Ron A. Victor, Mirterra

**Residual Value Forecasting for the Canadian Marketplace**  
Brian Murphy, Canadian Blackbook

**CFLA End User Survey**  
Rob Grein, PMG

**AI & ML - Current Use Cases and 24-month Outlook**  
Vladimir Kovacavic, Inovatec Systems

**Campus Recruitment: Your Gateway to the New Workforce**

Lucy Forte-Morelli, RCAP Leasing  
Ayşe Dai-Gammon, Dalhousie University  
Griffin LeBlanc, Dalhousie University



# CFLA Women in Asset Finance Committee David Powell Member of the Year Award 2019

CFLA's success in servicing its members and advocating for the industry is only possible through the valuable voluntary contributions made by its many members. However, some members go above and beyond in helping our industry. This year, the asset-based finance and leasing industry recognizes the work of the CFLA Women in Asset Finance (WiAF) Committee for their hard work. Members of the WiAF Committee include:

## **CHAIRPERSON:**

**Diane P.L. Brooks** (Blaney McMurtry LLP)

## **PAST-CHAIRPERSON:**

**Angela Armstrong**  
(Prime Capital Group Inc. & immediate past-chair)

**Suhuyini Abudulai**  
(Cassels Brock & Blackwell LLP)

**Gary Batchelor**  
(CLE Capital Inc)

**Janice Boulet**  
(CWB National Leasing Inc)

**Jeff Brubacher**  
(Equifax Canada)

**Elaine Curwin**  
(PNC Equipment Finance)

**Kirstin Elmer**  
(Ritchie Bros. Financial Services Ltd.)

**Lucy Forte-Morelli**  
(RBC Equipment Finance Group)

**Jeff Haig**  
(TAO Asset Management Inc.)

**Carolyn Hansen**  
(General Motors Financial of Canada Ltd.)

**Alane MacDonald**  
(TD Equipment Finance Canada)

**Doug McKenzie**  
(BAL Global Finance Canada Corporation)

**Lori Murtagh**  
(SCI Lease Corp.)

**Marcelle Newstadt**  
(Equilease Corporation)

**Elizabeth Sale**  
(Blake, Cassels & Graydon LLP)

**Nicole Taylor-Smith**  
(Miller Thomson LLP)

**Badria Wolcott**  
(Great American Insurance Company)

Launched in 2016, the WiAF Committee has from the very start built upon the example of the many strong female leaders within CFLA's membership. The goal of the WiAF is "to build stronger business organizations through the active support of women in the industry, maximizing an underused resource and talent pool." This initiative is not simply a question of corporate social responsibility, but rather a critical and necessary key to success in today's world.

The David Powell Member of the Award is named for David Powell, CFLA's former President and CEO, in recognition of his 22 years of service to CFLA and the asset-based finance and leasing industry. The Award recognizes individuals from member companies who volunteer their time and expertise to support the Association and its goals. Through their quiet work and generous efforts CFLA can face the challenges confronting the entire asset-based financing and leasing industry. These members are wonderful examples of those who are pleased to give back to the industry. Their generous efforts are a significant contribution to the Association, to its members and to the industry.

# Past Honorees

- 2018** **Hugh Swandel** (the Alta Group)\*\*
- 2016-17** Industry Compensation Survey Steering Committee  
**Lucy Elcome** (RCAP Leasing)  
**Clara McLaughlin** (De Lage Landen Financial Services Canada Inc.),  
and **Rick Yacknovets** (Royal Bank Financial Group)
- 2015-16** **Jennifer Babe** (Miller Thomson LLP)
- 2014-15** **PayNet, Inc. & William Phelan** (PayNet, Inc.)
- 2013-14** **Moe Danis** (Pacific & Western Bank)
- 2012-13** **Paul Zalesky** (AllWest Insurance Services)
- 2011-12** **Angela Armstrong** (Prime Capital Consulting and Forest Leasing)\*\*\*  
**David Dalziel** (Deloitte & Touche)  
**Rishi Malkani** (Deloitte & Touche)
- 2010-11** **Loraine McIntosh** (Deloitte & Touche)
- 2009-10** The volunteer instructors of Canadian Lease Education On-Demand (CLEO)  
**Angela Armstrong** (Prime Capital Consulting and Forest Leasing)\*\*\*  
**Kevin Bowman** (Equirex Leasing Corporation)  
**Michael Burke** (Blake, Cassels & Graydon LLP)  
**Jason Cooper** (PricewaterhouseCoopers LLP)  
**Murray Derraugh** (The Alta Group)  
**Michel Lévesque** (Group Credit Lease)  
**Stuart Sherman** (Morrison Acceptance Corporation)  
**Judy Smiley** (Maxium Financial Services)

- Hugh Swandel** (The Alta Group)\*\*  
**Michael Stewart** (KPMG LLP)  
**Steve Weisz** (Blake, Cassels & Graydon LLP)  
**Robin Wilks** (HUB International HKMB)

- 2008-09** **Michael Collins** (DealerTrack Technologies, Inc.)
- 2007-08** The CFLA Education & Program Committee  
Chairman: **Richard McAuliffe** (Key Equipment Finance Canada Ltd.)  
**John Barraclough** (Maxium Financial Services Inc.)  
**Gary Batchelor** (Travelers Financial Corporation)  
**John Estey** (Stonebridge Financial Corporation)  
**Douglas McKenzie** (BAL Global Finance Canada Corporation)  
**Alan Morgan** (RBC Equipment Finance Group)
- 2006-07** Ford Motor Company of Canada Ltd. and Ford Credit Canada Ltd.
- 2005-06** **Hugh Swandel** (Swandel & Associates)\*\*
- 2004-05** **Peter Freill** (Securcor Group of Companies)
- 2003-04** **Mark Robinson** (DaimlerChrysler Financial Services Canada Inc.)
- 2002-03** **Diane Sekula** (CIT Financial) **Bob Westlake** (GE Capital Canada)
- 2001-02** **David Chaiton** (Chaitons LLP)  
**Tom Hopkirk** (HKMB Capital Solutions)\*  
**Raja Singh** (Pitney Bowes Global Credit Services)
- 2000-01** **Brian Stevens** (MFP Financial Services)
- 1996-97** **Serge Mâsse** (Crédit-Bail Findeq)
- 1995-96** **Tom Simmons** (Commcorp Financial Services)
- 1994-95** **Greg Korsos** (Sako Leasing Inc.)
- 1993-94** **Tom Hopkirk** (Barclays Bank of Canada, Leasing Division)\*

# Association Profile



From left to right: Michael Rothe (President & CEO), Charlene Forde (Director of Events & Member Services), Lalita Sirnaik (Director of Finance & Administration), Stephanie Godinho (Administrative Assistant), Marcel Buerkler (Manager, Policy)

The Canadian Finance & Leasing Association (CFLA) is the only organization advocating the interests of the asset-based financing, vehicle and equipment leasing industry in Canada. Through the CFLA, members help shape the industry's future within the competitive financial services sector.

Established in 1993 through the merger of the Canadian Automotive Leasing Association and the Equipment Lessors Association of Canada, the CFLA has grown from an initial membership of 61 to over 200 companies today.

CFLA members are key partners with Canadian businesses and consumers and are a crucial source of funding particularly for small, medium, and large enterprises in this country. As such, asset-based financing touches virtually every business and consumer in our country.

## MISSION

The CFLA supports, informs, and advocates for members to advance our industry.

## GOALS

The Association has three key responsibilities:

- Industry Advocacy. The CFLA proactively advocates to key publics (government, media, associations, finance industry) to promote the relevance and impact of the sector and to influence legislation and regulation.

- Industry Intelligence. The CFLA provides research and information to help members make better informed business decisions.
- Professional Development. The CFLA provides relevant education and development opportunities to advance industry awareness and member success.

## MEMBERSHIP PROFILE

CFLA members range from large multinationals to national and smaller regional domestic companies, crossing the financial services spectrum from manufacturers' finance companies and independent leasing companies, to banks, insurance companies, and suppliers to the industry such as law and accounting firms.

As of June 30, 2020, CFLA had 203 corporate members:

- 61 equipment finance and leasing
- 25 auto and fleet
- 117 brokers, funders, and professional service firms

## GOVERNANCE

The CFLA is a federal not-for-profit corporation with its office located in Toronto, Ontario.

A Board of Directors, nominated from the Association membership and elected to serve two-year terms, determines CFLA's policies. It is composed of business leaders representing a cross-section of the industry in terms of market size, area of business and geographical location.

The Annual General Meeting of Members is open to all CFLA members and is usually held during the fall annual national conference.

Much of the active work of the Association is conducted within its volunteer Committees, which serve as the CFLA's radar, sounding board, and platform for exchange:

- Accounting
- Auto Finance
- Education & Program
- Fleet
- Future Leaders
- Human Resources
- Legal
- Research
- Small Ticket
- Tax
- Women in Asset Finance

“The Canadian Finance & Leasing Association is the only organization advocating the interests of the asset-based financing, vehicle and equipment leasing industry in Canada.”

# CFLA Board Members

As of April 2020



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Prime Capital Group Inc  
and Xpedite Leasing Inc



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Wilson Vukelich LLP



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**Julien Bigras**  
Core Capital Group Inc.



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of Canada Ltd.



**Darren Cooke**  
TD Equipment  
Finance Canada



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CWB National Leasing Inc



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Scotiabank Leasing  
Equipment Finance



**Jeffery Hartley**  
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Canada Corporation



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Services



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**Peter Ringler**  
Wells Fargo Equipment  
Finance Company



**Mike Rusch**  
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**Geoff Seely**  
ARI Financial Services



**Jim Spangler**  
Ford Credit  
Canada



**Hugh Swandel**  
Meridian OneCap  
Credit Corp.

# Committees

Much of the active work of the Association is conducted within its volunteer committees. In their relevant area of expertise, Committees serve as:

- CFLA's radar: bring forward intelligence, issues, challenges, and opportunities affecting the industry
- CFLA's sounding board: react to issue and advise on policy options
- Exchange experiences, expertise, and best practices
- Act as a distribution channel to circulate information relevant the industry

Below are the members of the CFLA Committees as of June 30, 2020.

## ACCOUNTING

### Chair

David Dalziel, Deloitte LLP

### Members

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Gerlinda Beintema, Key Equipment Finance Canada

Mike Rusch, Jim Pattison Lease

Tom Simmons, Jim Pattison Lease

Raja Singh, Bodkin Leasing Corporation

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Diana Galassi, Toyota Credit Canada

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Paul Baraniecki, Ford Credit Canada

Mathew Bertin, General Motors of Canada

Andrew Campbell, Global Automakers of Canada

Paula Campbell Kelly, Porsche Financial Services Canada

Howard Cobham, General Motors Financial of Canada

Darren Cooper, Toyota Credit Canada

Alan Cusworth, Ford Credit Canada

Sue Diaz, BMW Group Financial Services Canada

Jodi Foreman, General Motors Financial of Canada

Jeffrey Fung, Nissan Canada Finance

Jared Grossman, Honda Canada Finance

Carolyn Hansen, General Motors Financial of Canada

Suresh Kanthasamy, BMW Group

Financial Services Canada

Lilia Kim, Porsche Financial Services Canada

Hina Latif, Mercedes-Benz Financial Services Canada

Jonathan Lippert, Porsche Financial Services Canada

Lori Murtagh, SCI Lease

Mark Nantais, Canadian Vehicle Manufacturers' Association

John O'Toole, Mercedes-Benz Financial Services Canada

Kimberly Ray, Ford Credit Canada

Jennifer Steeves, Canadian Vehicle Manufacturers' Association

Jeffrey Truax, Hyundai Capital Canada

Laura White, BMW Group Financial Services Canada

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Murray Derraugh, CWB National Leasing

Lucy Forte-Morelli, RBC Equipment Finance

David Leatham, John Deere Financial

Richard McAuliffe, Key Equipment  
Finance Canada

Doug McKenzie, BAL Global Finance Canada

Badria Wolcott, Great American Insurance

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### Members

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Romy Bria, ARI Financial Services

Greg Grant, EMKAY Fleet Services

James MacQueen, Element Fleet Management

Basil Marcus, Foss National Leasing

Doug Moore, Somerville National Leasing

Kevin Sambleson, Jim Pattison Lease

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Matt Brenner, GM Financial

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Mike Noble, Wells Fargo Equipment Finance

Carla Potter, Cassels

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Colin Reynolds, TD Equipment Finance

Efren Schwarz, Bluechip financial solutions (Chesswood Group)

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Sheryl Watson, ADESA Canada

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John Fleet, TransUnion Canada

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Roger Mitchell, Equifax Canada

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Robin Somerville, Quantitative Economic Decisions

David Thoms, VersaBank

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Commercial Finance

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Carl Crechiolo, RCAP Leasing

Bill Dost, DND Finance

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Marko Gotovac, Blue Chip Leasing

Mark Hodson, mConcentra

Shahan Khan, Bennington Financial

Mike Mattina, LBC Capital

Larry Mlynowski, Bennington Financial

Bill Patterson, ADD Capital

Vincent Piccolo, LBC Capital

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& Management

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# Committees

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Aaron Johnson, RCAP Leasing

Jackie Kwan, Honda Canada Finance

Cindy Losier, De Lage Landen Financial Services Canada

Kathleen Penny, Blake, Cassels & Graydon LLP

Susan Stayzer, John Deere Financial

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Lucy Forte-Morelli, RBC Equipment Finance

Rita Giachini, Peel Financial

Jeff Haig, Econolease Financial Services

Carolyn Hansen, GM Financial of Canada

Alane MacDonald, TD Equipment Finance

Doug McKenzie, BAL Global Finance Canada

Lori Murtagh, SCI Lease

Marcelle Newstadt, Equilease

Elizabeth Sale, Blake, Cassels & Graydon LLP

Nicole Taylor-Smith, Miller Thomson LLP

Badria Wolcott, Great American Insurance



# CFLA Member Companies

Accord Small Business Finance  
Accurate Leasing Ltd.  
ADD Capital Corp.  
Addison Leasing of Canada Ltd  
ADESA Canada  
Admiralty Leasing Inc.  
Advant Leasing Limited  
AFG Leasing Canada Inc  
Aird & Berlis LLP, Barristers & Solicitors  
ALLWEST INSURANCE SERVICES LTD.  
Alta Canada  
Arbutus Capital Leasing  
ARI Financial Services Inc.  
Arundel Capital Corporation  
ATB Equipment Finance  
Atcus Financial Group  
AutoVin Canada Corp.  
Axiom Leasing Inc.  
BAL Global Finance Canada Corporation  
Bank of Montreal  
Banque Laurentenne - Laurentan Bank  
BAYNE AND COMPANY  
BDO Canada LLP  
Bennington Financial Corp.  
Blake, Cassels & Graydon LLP  
Blaney McMurtry LLP  
Blue Chip Leasing Corporation  
BMO Transportation Finance  
BMW Group Financial Services Canada, a Division of BMW Canada Inc.  
Bodkin - a Division of Bennington Financial Corp  
Calidon Financial Services Inc. (Calidon Equipment Leasing)  
Canadian Automotive Fleet Magazine  
Canadian Black Book

Canadian Equipment Finance & Leasing Inc.  
Canadian Western Bank  
CANADIAN WESTERN CIVIL ENFORCEMENT LTD.  
Canlease Inc  
Carbon Capital Corporation  
CARFAX Canada  
Cars4u.com  
Cassels Brock & Blackwell LLP  
Catalyst Finance Partners Inc.  
CCG Equipment Finance Ltd  
Central Technology Services Corporation  
CIK Capital Corp  
CLE Capital Inc  
Coast Capital Equipment Finance LTD  
Concentra  
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Casitron Division  
Core Capital Group Inc.  
Cox Automotive Canada  
Credicor Financial Corp.  
Crédit Bail Globale Inc./ Globale Leasing Inc.  
Current Financial Corp  
CWB Maxium Financial  
CWB National Leasing Inc  
DaimlerTruck Financial  
DND Leasing  
Davis GMC Buick Ltd  
De Lage Landen Financial Services Canada Inc.  
Dealertrack Canada  
Deloitte LLP  
Deutsche Leasing Canada Corp  
DLA Piper (Canada) LLP  
Donlen Fleet Leasing  
Drive Finance Company (Canada) Limited  
DSM Leasing Ltd.  
Dynamic Capital Equipment Finance Inc  
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# CFLA Members Companies

Element Fleet Management Inc.  
EMKAY Canada Fleet Services Corporation  
Equifax Canada  
Equilease Corporation  
Equirex - a Division of Bennington Financial Corp.  
ESC Corporate Services Ltd.  
Essex Capital Leasing Corp.  
Essex Lease Financial Corporation  
Eugene E. Macchi Personal Law Corporation  
Excel Leasing Inc.  
Execucor Financial Limited  
Fincura, Inc.  
Finloc 2000 Inc.  
First Capital Leasing Ltd.  
First Choice Financial Limited  
First West Leasing Ltd., A division of First West Credit Union  
Ford Credit Canada Company  
Foss National Leasing  
Fuyo General Lease (Canada) Inc.  
Geminus Acquisition & Management Inc.  
General Motors Financial of Canada Ltd.  
Geolin Leasing Inc.  
Global Leasing & Finance Group  
Go Lease It Inc.  
Great American Insurance Company  
HarbourEdge Commercial Finance Corporation  
Hav-A-Kar Auto Group  
Hitachi Capital Canada Corp.  
Honda Canada Finance Inc.  
HUB International HKMB Limited  
Humberview Group Leasing Inc.  
Hyundai Capital Canada  
IDS Group  
IndCom Leasing Inc.

Inovatec Systems Corporation  
Jim Pattison Lease  
Jim Peplinski Leasing Inc.  
John Deere Financial Inc.  
Johnston Equipment  
Kempenfelt Capital Inc.  
Key Equipment Finance Canada Ltd.  
Knightsbridge Capital Partners Inc  
KPMG LLP  
Kronis, Rotsztain, Margles, Cappel LLP  
Kropschot Financial Services, a member of The Alta Group.  
LBC Capital  
Lease Link Canada Corp.  
Lease Plus Financial - 7964927 Canada Inc.  
LeaseDirect Canada Corporation  
Leasepath  
Leasepath.com  
LeasePlan Canada  
Leman Group Advisory Services  
Lionhart Capital Ltd.  
LTi Technology Solutions  
M+I Equipment Finance Co.  
Macquarie Equipment Finance Ltd.  
Manheim Canada  
MapelLease Financial Services Ltd.  
Maya Leasing  
McMillan LLP  
Medi-One Financial  
Mercedes-Benz Financial Services Canada Corporation  
Merchant Advance Asset Financing Ltd.  
Meridian OneCap Credit Corp.  
Miller Thomson LLP  
Minerva Holdings Ltd.  
Newroads Automotive Group  
Nisco National Leasing  
Norand Capital Ltd. o/a UMA  
"Your Financial Partner"

# CFLA Member Companies

Northstar Acceptance Corporation  
Northstar Leasing Corporation  
O'Regan's National Leasing  
Odessa  
Origin Finances  
PassTime GPS Canada  
Patron West Equip Finance  
PayNet  
Peel Financial Inc.  
Pfaff Leasing  
Pivotal Capital Corp  
Polaris Leasing Ltd.  
Porsche Financial Services Canada  
Portolio Financial Servicing Company/PFSC Canada Inc.  
POWER LINE EQUIPMENT LOAN INC  
PPSA Canada Inc.  
Precision Paralegal Services  
Prime Capital Group Inc and Xpedite Leasing Inc  
QUESTOR FINANCIAL CORP.  
RBC Equipment Finance Group  
RCAP Leasing Inc.  
REPAY - Realtme Electronic Payments  
Rifco National Auto Finance  
Riordan Leasing Inc.  
Ritchie Bros. Financial Services Ltd.  
Ryzn Enterprise Systems Inc.  
Savoie Joubert, g.p.  
SCI Ltd  
Scotiabank Leasing  
Securcor Corporation  
Smarter Loans

Somerset Equipment Finance Ltd.  
Somerville National Leasing & Rentals Ltd.  
Spartan Services Inc./Securcor  
Stonebriar Commercial Finance Canada  
Stonebridge Lease Financing Corporation  
Stride Capital  
Summit-Northlake Canadian Leasing Corp.  
Sun Life Financial  
TAO Asset Management Inc.  
TAO Solutions Inc.  
TD Equipment Finance Canada  
Teranet Collateral Management Solutions  
TFG Financial Corporation  
Torys LLP  
Toyota Credit Canada Inc.  
Toyota Industries Commercial Finance Canada, Inc.  
TPine Leasing Capital Corporation  
Trademark Capital Finance Corporation  
Trans Lease Canada  
Transcourt Tank Leasing  
TransUnion of Canada  
Tricor Lease & Finance Corporation  
VantageOne Leasing Inc.  
VersaBank  
Volvo Financial Services  
Wells Fargo Equipment Finance Company  
Westana Equipment Leasing Inc.  
Wilson Vukelich LLP  
WS Leasing Ltd. (a division of Westminster Savings Credit Union)  
Yellowhead Equipment Finance Ltd.  
Zoom Financial Inc

# Summary of Financial Position

The Equipment Leasing Association of Canada (ELAC) was incorporated by Letters Patent under Part II of the Canada Corporations Act on April 18, 1973. On October 7, 1993, ELAC changed its name to the Canadian Finance & Leasing Association – Association canadienne de financement et de location (CFLA-ACFL).

The Canadian Automotive Leasing Association (CALA) was incorporated by Letters Patent under Part II of the Canada Corporations Act on October 10, 1979. In 1993, CALA transferred all its assets to CFLA-ACFL. On May 1, 1995, CALA was dissolved. CFLA-ACFL was continued under the Canada Not-for-profit Corporations Act on September 30, 2013 with the purposes (a) to promote, develop and encourage the business of asset financing and leasing in Canada; and (b) to encourage and advance the interests of parties engaged in the business of asset financing and leasing in Canada.

Financial statements audited by Kriens - LaRose LLP are available for members upon request.



## CANADIAN FINANCE AND LEASING ASSOCIATION STATEMENT OF FINANCIAL POSITION

June 30, 2020

ASSETS		
CURRENT	2020 \$	2019 \$
Cash and cash equivalents	1,081,498	1,317,853
Short-term Investment	668,967	653,770
Accounts Receivable	16,726	14,988
Government remittances receivable	1,599	0
Prepaid Expenses	113,580	59,435
<b>TOTAL CURRENT ASSETS</b>	<b>1,882,370</b>	<b>2,046,046</b>
Prepaid and Deposits	3,000	18,297
LIABILITIES		
Accounts payable and accrued liabilities	88,271	117,271
Government remittances payable	0	23,988
Deferred membership fees	178,100	425,255
Deferred national conference revenue	10,000	25,615
<b>TOTAL CURRENT LIABILITIES</b>	<b>276,371</b>	<b>592,129</b>
NET ASSETS		
Unrestricted net assets	1,608,999	1,472,214
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>1,885,370</b>	<b>2,064,343</b>

“Established in 1993 through the merger of the Canadian Automotive Leasing Association and the Equipment Lessors Association of Canada, the Association has grown from an initial membership of 61 companies to over 200 companies today.”



CANADIAN FINANCE & LEASING ASSOCIATION  
L'ASSOCIATION CANADIENNE DE FINANCEMENT  
ET DE LOCATION

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