

# Consumer Provisions Under FCAC Supervision

Insurance Companies (Domestic and Foreign)

June 2002

Disponible en français

# Consumer Provisions Under FCAC Supervision and Other Relevant Provisions

## Consumer Provisions Under FCAC Supervision

Note: Always check against actual legislation for certainty

CLAUSE DESCRIPTION	INSURANCE – DOMESTIC	INSURANCE – FOREIGN
<p>DUTY TO MANAGE</p> <p>ESTABLISH PROCEDURES FOR DISCLOSURE AND DEALING WITH COMPLAINTS</p> <p>DESIGNATE COMMITTEE TO MONITOR PROCEDURES</p>	<p><b>Duty to manage</b></p> <p><b>165.</b> (1) Subject to this Act, the directors of a company shall manage or supervise the management of the business and affairs of the company.</p> <p><b>Specific duties</b></p> <p>(2) Without limiting the generality of subsection (1), the directors of a company shall</p> <p>f) establish procedures to provide disclosure of information to customers of the company that is required to be disclosed by this Act and for dealing with complaints as required by section 486;</p> <p>g) designate a committee of the board of directors to monitor the procedures referred to in paragraph (f) and satisfy itself that they are being adhered to by the retail association.</p>	<p><b>SAME AS DOMESTIC COMPANY</b></p>
<p>DEFINITION OF “COST OF BORROWING”</p>	<p><b>Definition of “cost of borrowing”</b></p> <p><b>479.</b> For the purposes of this section and sections 479.1 to 487, “cost of borrowing” means, in respect of a loan or an advance on the security or against the cash surrender value of a policy made by a company,</p> <p>a) the interest or discount applicable to the loan or advance;</p> <p>b) any amount charged in connection with the loan or advance that is payable by the borrower to the company; and</p> <p>c) any charge prescribed to be included in the cost of borrowing.</p> <p>For those purposes, however, “cost of borrowing” does not include any charge prescribed to be excluded from the cost of borrowing.</p>	<p><b>Definition of “cost of borrowing”</b></p> <p><b>598.</b> For the purposes of this section and sections 598.1 to 605, “cost of borrowing” means, in respect of a loan or an advance on the security or against the cash surrender value of a policy made by a foreign company,</p> <p>a) the interest or discount applicable to the loan or advance;</p> <p>b) any amount charged in connection with the loan or advance that is payable by the borrower to the foreign company; and</p> <p>c) any charge prescribed to be included in the cost of borrowing.</p> <p>For those purposes, however, “cost of borrowing” does not include any charge prescribed to be excluded from the cost of borrowing.</p>
<p>REBATE OF BORROWING COSTS</p> <p>EXCEPTION</p> <p>REGULATION</p>	<p><b>479.1</b> (1) Where a company makes a loan in respect of which the disclosure requirements of section 480 apply and the loan is not secured by a mortgage on real property and is required to be repaid either on a fixed future date or by installments, the company shall, if there is a prepayment of the loan, rebate to the borrower a portion of the charges included in the cost of borrowing in respect of the loan.</p> <p>(2) The charges to be rebated do not include the interest or discount applicable to the loan.</p> <p>(3) The Governor in Council may make regulations governing the rebate of charges under subsection (1). The rebate shall be made in accordance with those regulations.</p>	<p><b>598.1</b> (1) Where a foreign company makes a loan in respect of which the disclosure requirements of section 599 apply, and the loan is not secured by a mortgage on real property and is required to be repaid either on a fixed future date or by installments, the foreign company shall, if there is a prepayment of the loan, rebate to the borrower a portion of the charges included in the cost of borrowing in respect of the loan.</p> <p>(2) The charges to be rebated do not include the interest or discount applicable to the loan.</p> <p>(3) The Governor in Council may make regulations governing the rebate of charges under subsection (1). The rebate shall be made in accordance with those regulations.</p>
<p>DISCLOSING BORROWING COSTS</p>	<p><b>480.</b> (1) A company shall not make a loan to a natural person that is repayable in Canada unless the cost of borrowing, as calculated and expressed in accordance with section 481, and other prescribed information have, in the prescribed manner and at the prescribed time, been disclosed</p>	<p><b>599.</b> (1) A foreign company shall not include in its assets in Canada any loan to a natural person that is repayable in Canada unless the cost of borrowing, as calculated and expressed in accordance with section 600, and other prescribed information have, in the prescribed manner and at</p>

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NON-APPLICATION	<p>by the company to the borrower.</p> <p>(2) Subsection (1) does not apply in respect of a loan that is of a prescribed class of loans.</p>	<p>the prescribed time, been disclosed by the foreign company to the borrower.</p> <p>(2) Subsection (1) does not apply in respect of a loan that is of a prescribed class of loans.</p>
REGULATION MAKING AUTHORITY FOR PRESCRIBING THE CALCULATION OF BORROWING COSTS	<p><b>Calculating borrowing costs</b></p> <p><b>481.</b> The cost of borrowing shall be calculated, in the prescribed manner, on the basis that all obligations of the borrower are duly fulfilled and shall be expressed as a rate per annum and, in prescribed circumstances, as an amount in dollars and cents.</p>	<p><b>Calculating borrowing costs</b></p> <p><b>600.</b> The cost of borrowing shall be calculated, in the prescribed manner, on the basis that all obligations of the borrower are duly fulfilled and shall be expressed as a rate per annum and, in prescribed circumstances, as an amount in dollars and cents.</p>
<p>ADDITIONAL DISCLOSURE REQUIREMENTS FOR LOANS</p> <p>WHETHER THERE IS A RIGHT TO REPAY LOAN BEFORE MATURITY</p> <p>CIRCUMSTANCES FOR REPAYMENT</p> <p>WHETHER THERE WILL BE REBATES, CHARGES OR PENALTIES FOR PREPAYMENTS AND WHAT THEY MAY BE</p> <p>CHARGES OR PENALTIES FOR LATE PAYMENTS OR FAILURE TO PAY AT LOAN MATURITY</p> <p>CHANGES TO COST OF BORROWING OR TO AGREEMENT</p> <p>ANY OTHER RIGHTS OR OBLIGATIONS</p> <p>ANY OTHER INFORMATION AS PRESCRIBED</p> <p>DISCLOSURE IN CREDIT CARD APPLICATION APPLICATIONS</p>	<p><b>Additional disclosure</b></p> <p><b>482.</b> (1) Where a company makes a loan in respect of which the disclosure requirements of section 480 are applicable and the loan is required to be repaid either on a fixed future date or by installments, the company shall disclose to the borrower, in accordance with the regulations,</p> <p>a) whether the borrower has the right to repay the amount borrowed before the maturity of the loan and, if applicable,</p> <p>(i) any terms and conditions relating to that right, including the particulars of the circumstances in which the borrower may exercise that right, and</p> <p>(ii) whether, in the event that the borrower exercises the right, any portion of the cost of borrowing is to be rebated, the manner in which any such rebate is to be calculated or, if a charge or penalty will be imposed on the borrower, the manner in which the charge or penalty is to be calculated;</p> <p>b) in the event that an amount borrowed is not repaid at maturity or, if applicable, an installment is not paid on the day the installment is due to be paid, particulars of the charges or penalties to be paid by the borrower because of the failure to repay or pay in accordance with the contract governing the loan;</p> <p>c) at such time and in such manner as may be prescribed, any changes respecting the cost of borrowing or the loan agreement as may be prescribed;</p> <p>d) particulars of any other rights and obligations of the borrower; and</p> <p>e) any other prescribed information, at such time and in such form and manner as may be prescribed.</p> <p>(1.1) A company shall, in accordance with the regulations, at such time and in such manner as may be prescribed, provide prescribed information in any application forms or related documents that it prepares for the issuance of credit, payment or charge cards and provide prescribed information to any person applying to it for a credit, payment or charge card.</p>	<p><b>Additional disclosure</b></p> <p><b>601.</b> (1) Where a foreign company makes a loan in respect of which the disclosure requirements of section 599 are applicable and the loan is required to be repaid either on a fixed future date or by installments, the foreign company shall disclose to the borrower, in accordance with the regulations,</p> <p>a) whether the borrower has the right to repay the amount borrowed before the maturity of the loan and, if applicable,</p> <p>(i) any terms and conditions relating to that right, including the particulars of the circumstances in which the borrower may exercise that right, and</p> <p>ii) whether, in the event that the borrower exercises the right, any portion of the cost of borrowing is to be rebated, the manner in which any such rebate is to be calculated or, if a charge or penalty will be imposed on the borrower, the manner in which the charge or penalty is to be calculated;</p> <p>b) in the event that an amount borrowed is not repaid at maturity or, if applicable, an installment is not paid on the day the installment is due to be paid, particulars of the charges or penalties to be paid by the borrower because of the failure to repay or pay in accordance with the contract governing the loan;</p> <p>c) at such time and in such manner as may be prescribed, any changes respecting the cost of borrowing or the loan agreement as may be prescribed;</p> <p>d) particulars of any other rights and obligations of the borrower; and</p> <p>e) any other prescribed information, at such time and in such form and manner as may be prescribed.</p> <p>(2) A foreign company shall, in accordance with the regulations, at such time and in such manner as may be prescribed, provide prescribed information in any application forms or relates documents that it prepared for the issuance of credit, payment or charge cards in Canada and provide prescribed information to any person applying to it in Canada for a credit, payment or charge card.</p>

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	cards or charge cards, offered to natural persons by a company, and purporting to disclose prescribed information about the cost of borrowing or about any other matter unless the advertisement contains such information as may be required by the regulations, in such form and manner as may be prescribed.	cards or charge cards, offered to natural persons by a foreign company, and purporting to disclose prescribed information about the cost of borrowing or about any other matter unless the advertisement contains such information as may be required by the regulations, in such form and manner as may be prescribed.
REQUIREMENT OF DISCLOSURE OF COST OF BORROWING FOR ADVANCES MADE ON POLICIES	<p style="text-align: center;"><b>Disclosing borrowing costs – advances</b></p> <p><b>484.</b> Where regulations have been made respecting the manner in which the cost of borrowing is to be disclosed in respect of an advance on the security or against the cash surrender value of a policy in Canada, a company shall not make such an advance unless the cost of borrowing, as calculated and expressed in accordance with the regulations, has, in the prescribed manner, been disclosed by the company or otherwise as prescribed to the policyholder at or before the time when the advance is made.</p>	<p style="text-align: center;"><b>Disclosing borrowing costs – advances</b></p> <p><b>602.</b> Where regulations have been made respecting the manner in which the cost of borrowing is to be disclosed in respect of an advance on the security or against the cash surrender value of a policy in Canada, a foreign company shall not make such an advance unless the cost of borrowing, as calculated and expressed in accordance with the regulations, has, in the prescribed manner, been disclosed by the foreign company or otherwise as prescribed to the policyholder at or before the time when the advance is made.</p>
<p>REGULATION RE BORROWING COSTS</p> <p>RESPECTING THE MANNER AND TIMING OF DISCLOSURE</p> <p>RESPECTING THE CONTENT OF STATEMENTS DISCLOSING THE COST OF BORROWING</p> <p>RESPECTING CALCULATION OF COST OF BORROWING</p> <p>RESPECTING THE EXPRESSION OF BORROWING COSTS IN DOLLARS AND CENTS</p> <p>SPECIFYING EXCEPTIONS FOR CERTAIN TYPES OF LOANS</p> <p>SPECIFYING ANY CLASS OF ADVANCES</p> <p>RESPECTING THE RIGHTS, OBLIGATIONS, CHARGES, &amp; PENALTIES</p>	<p style="text-align: center;"><b>Regulations re borrowing costs</b></p> <p><b>485.</b> The Governor in Council may make regulations</p> <p>a) respecting the manner in which, and the time at which, a company is to disclose to a borrower</p> <p>(i) the cost of borrowing,</p> <p>(ii) any rebate of the cost of borrowing, and</p> <p>(iii) any other information relating to a loan, arrangement, credit card, payment card or charge card referred to in section 482;</p> <p>b) respecting the content of any statement disclosing the cost of borrowing and other information required to be disclosed by a company to a borrower;</p> <p>c) respecting the manner of calculating the cost of borrowing;</p> <p>d) respecting the circumstances under which the cost of borrowing is to be expressed as an amount in dollars and cents;</p> <p>e) specifying any class of loans that are not to be subject to section 479.1 or subsection 480(1) or 482(1) or (3) or section 482.1 or 483 or the regulations or any specified provisions of the regulations;</p> <p>f) specifying any class of advances that are not to be subject to section 484 or the regulations or any specified provisions of the regulations;</p> <p>g) respecting the manner in which and the time at which any rights, obligations, charges or penalties referred to in sections 479.1 to 484 are to be disclosed;</p>	<p style="text-align: center;"><b>Regulations re borrowing costs</b></p> <p><b>603.</b> The Governor in Council may make regulations</p> <p>a) respecting the manner in which, and the time at which a foreign company is to disclose to a borrower</p> <p>(i) the cost of borrowing,</p> <p>(ii) any rebate of the cost of borrowing, and</p> <p>(iii) any other information relating to a loan, arrangement, credit card, payment card or charge card referred to in section 601;</p> <p>b) respecting the content of any statement disclosing the cost of borrowing and other information required to be disclosed by a foreign company to a borrower;</p> <p>c) respecting the manner of calculating the cost of borrowing;</p> <p>d) respecting the circumstances under which the cost of borrowing is to be expressed as an amount in dollars and cents;</p> <p>e) specifying any class of loans that are not to be subject to subsection 598.1 or subsection 599(1) or 601(1) or (4) or section 601.1 or 601.2 or the regulations or any specified provisions of the regulations;</p> <p>f) specifying any class of advances that are not to be subject to section 602 or the regulations or any specified provisions of the regulations;</p> <p>g) respecting the manner in which and the time at which any rights, obligations, charges or penalties referred to in sections 598.1 to 602 are to be disclosed;</p>

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<p>PROHIBITION OF CHARGES &amp; PENALTIES</p> <p>RESPECTING THE NATURE OR AMOUNT OF CHARGES OR PENALTIES</p> <p>METHOD OF CALCULATION OF REBATE OF THE COST OF BORROWING</p> <p>RESPECTING ADVERTISEMENTS</p> <p>RESPECTING THE RENEWAL</p> <p>OTHER MATTERS</p>	<p>h) prohibiting the imposition of any charge or penalty referred to in section 482 or providing that the charge or penalty, if imposed, will not exceed a prescribed amount;</p> <p>i) respecting the nature or amount of any charge or penalty referred to in paragraph 482(1)(b), (2)(a) or (3)(a) and the costs of the company that may be included or excluded in the determination of the charge or penalty;</p> <p>j) respecting the method of calculating the amount of rebate of the cost of borrowing, or the portion of the cost of borrowing referred to in subparagraph 482(1)(a)(ii);</p> <p>k) respecting advertisements made by a company regarding arrangements referred to in subsection 482(3), loans, credit cards, payment cards or charge cards;</p> <p>l) respecting the renewal of loans; and</p> <p>m) respecting such other matters or things as are necessary to carry out the purposes of sections 479.1 to 484.</p>	<p>h) prohibiting the imposition of any charge or penalty referred to in section 601 or providing that the charge or penalty, if imposed, will not exceed a prescribed amount;</p> <p>i) respecting the nature or amount of any charge or penalty referred to in paragraph 601(1)(b), (3)(a) or (4)(a) and the costs of the foreign company that may be included or excluded in the determination of the charge or penalty;</p> <p>j) respecting the method of calculating the amount of rebate of the cost of borrowing, or the portion of the cost of borrowing referred to in subparagraph 601(1)(a)(ii);</p> <p>k) respecting advertisements made by a foreign company regarding arrangements referred to in subsection 601(4), loans, credit cards, payment cards or charge cards;</p> <p>l) respecting the renewal of loans; and</p> <p>m) respecting such other matters or things as are necessary to carry out the purposes of sections 598.1 to 602.</p>
<p>PROCEDURES FOR DEALING WITH COMPLAINTS</p> <p>ESTABLISHING PROCEDURES</p> <p>DESIGNATING OFFICER OR EMPLOYEE RESPONSIBLE FOR IMPLEMENTING PROCEDURES</p> <p>DESIGNATING OFFICER OR EMPLOYEE RESPONSIBLE FOR RECEIVING COMPLAINTS</p> <p>FILING COPY OF COMPLAINT PROCEDURES WITH FCAC</p>	<p><b>Procedures for dealing with complaints</b></p> <p><b>486.</b> (1) A company shall</p> <p>a) establish procedures for dealing with complaints made by persons having requested or received products or services in Canada from the company ;</p> <p>b) designate an officer or employee of the company to be responsible for implementing those procedures; and</p> <p>c) designate one or more officers or employees of the company to receive and deal with those complaints.</p> <p><b>Procedures to be filed with Commissioner</b></p> <p>(2) A company shall file with the Commissioner a copy of its procedures established under paragraph (1)(a).</p>	<p><b>Procedures for dealing with complaints</b></p> <p><b>604.</b> (1) A foreign company shall</p> <p>a) establish procedures for dealing with complaints made by persons in Canada having requested or received products or services in Canada from the foreign company ;</p> <p>b) designate an officer or employee of the foreign company to be responsible for implementing those procedures; and</p> <p>c) designate one or more officers or employees of the foreign company to receive and deal with those complaints</p> <p><b>Procedures to be filed with Commissioner</b></p> <p>(2) A foreign company shall file with the Commissioner a copy of its procedures established under paragraph (1)(a).</p>
<p>JOINING THIRD PARTY DISPUTE RESOLUTION</p>	<p><b>Obligation to be member</b></p> <p><b>486.1</b> In any province, if there is no law of the province that makes a company subject to the jurisdiction of an organization that deals with complaints made by persons having requested or received products or services in the province from a company, the company shall be a member of an organization that is not controlled by it and that deals with those complaints that have not been resolved to the satisfaction of the persons under procedures established by companies under paragraph 486(1)(a).</p>	<p><b>Obligation to be member</b></p> <p><b>604.1</b> In any province, if there is no law of the province that makes a foreign company subject to the jurisdiction of an organization that deals with complaints made by persons having requested or received products or services in the province from a foreign company, the foreign company shall be a member of an organization that is not controlled by it and that deals with those complaints that have not been resolved to the satisfaction of the persons under procedures established by foreign companies under paragraph 604(1)(a).</p>

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<p>INFORMATION ON CONTACTING AGENCY</p> <p>REPORT BY COMMISSIONER CONCERNING RESPECTING COMPLAINT PROCEDURES</p> <p>RESPECTING NUMBER AND NATURE OF COMPLAINTS</p>	<p><b>Information on contacting Agency</b></p> <p><b>487.</b> (1) A company shall, in the prescribed manner, provide a person requesting or receiving a product or service from it with prescribed information on how to</p> <p>contact the Agency if the person has a complaint about an arrangement referred to in subsection 482(3), a payment, credit or charge card, the disclosure of or manner of calculating the cost of borrowing in respect of a loan or an advance on the security or against the cash surrender value of a policy, or about any other obligation of the company under a consumer provision.</p> <p><b>Report</b></p> <p>(2) The Commissioner shall prepare a report, to be included in the report referred to in section 34 of the <i>Financial Consumer Agency of Canada Act</i>, respecting</p> <p>a) procedures for dealing with complaints established by companies pursuant to paragraph 486(1)(a); and</p> <p>b) the number and nature of complaints that have been brought to the attention of the Agency by persons who have requested or received a product or service from a company.</p>	<p><b>Information on contacting Agency</b></p> <p><b>605.</b> (1) A foreign company shall, in the prescribed manner, provide a person in Canada requesting or receiving a product or service in Canada from it with prescribed</p> <p>information on how to contact the Agency if the person has a complaint about an arrangement referred to in subsection 601(3), a payment, credit or charge card referred to in subsection 601(2), the disclosure of or manner of calculating the cost of borrowing in respect of a loan repayable in Canada or an advance on the security or against the cash surrender value of a policy in Canada, or about any other obligation of the foreign company under a consumer provision.</p> <p><b>Report</b></p> <p>(2) The Commissioner shall prepare a report, to be included in the report referred to in section 34 of the <i>Financial Consumer Agency of Canada Act</i>, respecting</p> <p>a) procedures for dealing with complaints established by foreign companies pursuant to paragraph 604(1)(a); and</p> <p>b) the number and nature of complaints that have been brought to the attention of the Agency by persons who have requested or received a product or service from a foreign company.</p>
<p>RIGHT TO PREPAY LOAN</p> <p>EXCEPTION TO RIGHT OF REPAYMENT OF LOAN</p>	<p><b>Prepayment protected</b></p> <p><b>488.</b> (1) A company shall not make a loan to a natural person that is repayable in Canada, the terms of which prohibit prepayment of the money advanced or any installment thereon before its due date.</p> <p><b>Non-application of subsection (1)</b></p> <p>(2) Subsection (1) does not apply in respect of a loan</p> <p>a) that is secured by a mortgage on real property; or</p> <p>b) the principal amount of which is in excess of one hundred thousand dollars or such other amount as may be prescribed.</p>	<p><b>Prepayment protected</b></p> <p><b>606.</b> (1) A foreign company shall not include in its assets in Canada any loan to a natural person that is repayable in Canada, the terms of which prohibit prepayment of the money advanced or any installment thereon before its due date.</p> <p><b>Non-application of subsection (1)</b></p> <p>(2) Subsection (1) does not apply in respect of a loan</p> <p>a) that is secured by a mortgage on real property; or</p> <p>b) the principal amount of which is in excess of one hundred thousand dollars or such other amount as may be prescribed.</p>
<p>REGULATIONS REGARDING CUSTOMER INFORMATION</p> <p>PROCEDURES FOR COLLECTION, RETENTION USE AND DISCLOSURE</p>	<p><b>Regulations re customer information</b></p> <p><b>489.</b> The Governor in Council may make regulations</p> <p>a) requiring a company or society to establish procedures regarding the collection, retention, use and disclosure of any information about its customers or members or any class of customers or members;</p>	<p><b>Regulations re customer information</b></p> <p><b>607.</b> The Governor in Council may make regulations</p> <p>a) requiring a foreign company to establish procedures regarding the collection, retention, use and disclosure of any information about its customers in Canada or any class of customers in Canada;</p>

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PROCEDURES FOR COMPLAINTS	b) requiring a company or society to establish procedures for dealing with complaints made by a customer or member about the collection, retention, use or disclosure of information about the customer or member;	b) requiring a foreign company to establish procedures for dealing with complaints made by a customer in Canada about the collection, retention, use or disclosure of information about the customer;
DISCLOSURE OF COMPLAINTS	c) respecting the disclosure by a company or society of information relating to the procedures referred to in paragraphs (a) and (b);	c) respecting the disclosure by a foreign company of information relating to the procedures referred to in paragraphs (a) and (b);
DESIGNATION OF PERSON RESPONSIBLE FOR PROCEDURES & COMPLAINTS	d) requiring a company or society to designate its officers and employees who are responsible for	d) requiring a foreign company to designate the officers and employees of the company who are responsible for
	(i) implementing the procedures referred to in paragraph (b), and	(i) implementing the procedures referred to in paragraph (b), and
	(ii) receiving and dealing with complaints made by a customer or member of the company or society about the collection, retention, use or disclosure of information about the customer or member;	(ii) receiving and dealing with complaints made by a customer, in Canada, of the foreign company about the collection, retention, use or disclosure of information about the customer;
REPORTING ON COMPLAINTS & AND ACTIONS TAKEN	e) requiring a company or society to report information relating to	e) requiring a foreign company to report information relating to
	(i) complaints made by customers or members of the company or society about the collection, retention, use or disclosure of information, and	(i) complaints made by its customers in Canada about the collection, retention, use or disclosure of information, and
	(ii) the actions taken by the company or society to deal with the complaints; and	(ii) its actions taken to deal with the complaints; and
DEFINITIONS	f) defining "information", "collection" and "retention" for the purposes of paragraphs (a) to (e) and the regulations made under those paragraphs.	f) defining "information", "collection" and "retention" for the purposes of paragraphs (a) to (e) and the regulations made under those paragraphs.
FILING OF A PUBLIC ACCOUNTABILITY STATEMENTS	<b>Public accountability statements</b> <b>489.1</b> (1) A company with equity of \$1 billion or more shall, in accordance with regulations made under subsection (4), annually publish a statement describing the contribution of the company and its prescribed affiliates to the Canadian economy and society.	
FILING OF STATEMENT	<b>Filing</b> (2) A company shall, in the manner and at the time prescribed, file a copy of the statement with the Commissioner.	
DISCLOSURE TO THE PUBLIC	<b>Provision of statement to public</b> (3) A company shall, in the manner and at the time prescribed, disclose the statement to its customers and to the public.	
REGULATION MAKING AUTHORITY	<b>Regulations</b> (4) The Governor in Council may make regulations prescribing a) the name, contents and form of a statement referred to in subsection (1) and the time in which it must be prepared; b) affiliates of a company referred to in subsection (1);	

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	<p>c) the manner and time in which a statement must be filed under subsection (2); and</p> <p>d) the manner and time in which a statement mentioned in subsection (3) is to be disclosed, respectively, to a company's customers and to the public.</p>	
REGULATION MAKING AUTHORITY FOR DISCLOSURE	<p><b>Regulations re disclosure</b></p> <p><b>489.2</b> The Governor in Council may, subject to any other provisions of this Act relating to the disclosure of information, make regulations respecting the disclosure of information by companies or any prescribed class of companies, including regulations respecting</p> <p>a) the information that must be disclosed, including information relating to</p> <p>(i) any product or service or prescribed class of products or services offered by them,</p> <p>(ii) any of their policies, procedures or practices relating to the offer by them of any product or service or prescribed class of products or services,</p> <p>(iii) anything they are required to do or to refrain from doing under a consumer provision, and</p> <p>(iv) any other matter that may affect their dealings with customers or the public;</p> <p>b) the manner, place and time in which, and the persons to whom information is to be disclosed; and</p> <p>c) the content and form of any advertisement by companies or any prescribed class of companies relating to any matter referred to in paragraph (a).</p>	<p><b>Regulations re disclosure</b></p> <p><b>607.1</b> The Governor in Council may, subject to any other provisions of this Act relating to the disclosure of information, make regulations respecting the disclosure of information by foreign companies or any prescribed class of foreign companies, including regulations respecting</p> <p>a) the information that must be disclosed, including information relating to</p> <p>(i) any product or service or prescribed class of products or services offered by them,</p> <p>(ii) any of their policies, procedures or practices relating to the offer by them of any product or service or prescribed class of products or services,</p> <p>(iii) anything they are required to do or to refrain from doing under a consumer provision, and</p> <p>(iv) any other matter that may affect their dealings with customers or the public;</p> <p>b) the manner, place and time in which, and the persons to whom, information is to be disclosed; and</p> <p>c) the content and form of any advertisement by foreign companies or any prescribed class of foreign companies relating to any matter referred to in paragraph (a).</p>

(1) Authorized Foreign Bank Branches are *wholesale banks* that cannot accept retail deposit accounts, i.e. personal deposit accounts under \$150,000.

# Other Provisions

Insurance Companies (Domestic and Foreign)

June 2002

Disponible en français

**Consumer Provisions Under FCAC Supervision and Other Relevant Provisions**  
**Other Relevant Provisions**

**Note: Always check against actual legislation for certainty**

CLAUSE DESCRIPTION	INSURANCE – DOMESTIC	INSURANCE – FOREIGN
<p>PROVIDING INFORMATION TO COMMISSIONER</p>	<p><b>REGULATION OF COMPANIES AND FOREIGN COMPANIES – COMMISSIONER</b></p> <p><b>Required information</b></p> <p><b>694.</b> A company or foreign company shall provide the Commissioner with the information at the times and in the form that the Commissioner may require for the purposes of the administration of the consumer provisions.</p>	<p>SAME AS DOMESTIC COMPANY</p> <p>SAME AS DOMESTIC COMPANY</p>
<p>CONFIDENTIAL TREATMENT OF INFORMATION</p> <p>DISCLOSURE OF CONFIDENTIAL INFORMATION</p>	<p><b>Confidential information</b></p> <p><b>695.</b> (1) Subject to subsection (2), information regarding the business or affairs of a company or foreign company or regarding persons dealing with any of them that is obtained by the Commissioner or by any person acting under the direction of the Commissioner, in the course of the exercise or performance of powers, duties and functions referred to in subsection 5(1) of the <i>Financial Consumer Agency of Canada Act</i>, and any information prepared from that information, is confidential and shall be treated accordingly.</p> <p><b>Disclosure permitted</b></p> <p>(2) If the Commissioner is satisfied that the information will be treated as confidential by the agency, body or person to whom it is disclosed, subsection (1) does not prevent the Commissioner from disclosing it</p> <p>a) to any government agency or body that regulates or supervises financial institutions, for purposes related to that regulation or supervision;</p> <p>b) to any other agency or body that regulates or supervises financial institutions, for purposes related to that regulation or supervision;</p> <p>c) to any compensation association designated by order of the Minister under subsection 449(1) or 591(1), for purposes related to its operation; and</p> <p>d) to the Deputy Minister of Finance or any officer of the Department of Finance authorized in writing by the Deputy Minister of Finance or to the Governor of the Bank of Canada or any officer of the Bank of Canada authorized in writing by the Governor of the Bank of Canada, for the purposes of policy analysis related to the regulation of financial institutions.</p>	<p>SAME AS DOMESTIC COMPANY</p> <p>SAME AS DOMESTIC COMPANY</p> <p>SAME AS DOMESTIC COMPANY</p> <p>SAME AS DOMESTIC COMPANY</p> <p>SAME AS DOMESTIC COMPANY</p> <p>SAME AS DOMESTIC COMPANY</p>
<p>YEARLY EXAMINATIONS</p>	<p><b>Examination</b></p> <p><b>696.</b> (1) The Commissioner, from time to time, but at least once in each calendar year, shall make or cause to be made any examination and inquiry that the Commissioner considers necessary for the purposes of satisfying the Commissioner that the applicable consumer provisions are being complied with and, after the conclusion of each examination and inquiry, shall report on it to the Minister</p>	<p>SAME AS DOMESTIC COMPANY</p>

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## Consumer Provisions Under FCAC Supervision and Other Relevant Provisions

### Other Relevant Provisions

Note: Always check against actual legislation for certainty

CLAUSE DESCRIPTION	INSURANCE – DOMESTIC	INSURANCE – FOREIGN
ACCESS TO RECORDS BY FCAC	<p><b>Access to records of bank</b></p> <p>(2) The Commissioner or a person acting under the Commissioner's direction in carrying out his or her duties under subsection (1)</p> <p>(a) has a right of access to any records, including electronic records, of a company or foreign company; and</p> <p>(b) may require the directors or officers of a company or foreign company to provide information and explanations, to the extent that they are reasonably able to do so, in respect of any matter subject to examination or inquiry under subsection (1).</p>	<p style="text-align: center;">SAME AS DOMESTIC COMPANY</p> <p style="text-align: center;">SAME AS DOMESTIC COMPANY</p> <p style="text-align: center;">SAME AS DOMESTIC COMPANY</p>
POWER OF THE COMMISSIONER UNDER PART II OF THE INQUIRIES ACT	<p><b>Power of Commissioner on inquiry</b></p> <p><b>697.</b> The Commissioner, in carrying out his or her duties in relation to consumer provisions, has all the powers of a person appointed as a commissioner under Part II of the <i>Inquiries Act</i> for the purpose of obtaining evidence under oath, and may delegate those powers to any person acting under the Commissioner's direction.</p>	SAME AS DOMESTIC COMPANY
RIGHT TO ENTER INTO COMPLIANCE AGREEMENTS	<p><b>Compliance agreement</b></p> <p><b>698.</b> The Commissioner may enter into an agreement, called a "compliance agreement", with a company or foreign company for the purposes of implementing any measure designed to further compliance by it with the consumer provisions.</p>	SAME AS DOMESTIC COMPANY

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